

## **Handout 1 - Definitions**

In small groups of two or three students write out the definitions to the following key terms.

**Council of the European Union -**

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**Court of Justice of the European Union -**

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**European Commission -**

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**European Council -**

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**European Parliament -**

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**Free trade agreement -**

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**Foreign Direct Investment (FDI) -**

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**Government Procurement -**

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**Mixed Agreement -**

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**North American Free Trade Agreement -**

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**Supply Management -**

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**Tariffs -**

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### **Court of Justice of the European Union**

- Located in Luxembourg
- 1 judge from each member state country (28)
- Ensures that EU laws are followed
- Ensures that the Treaties (that make up the European Union) are interpreted correctly and followed

### **Council of the European Union**

- Located in Brussels
- Made up of ministers from each of the member states
- President of the Council rotates every 6 months
- Makes policy decisions and helps make EU laws (Commission sends proposed laws to European Parliament and Council)
- Monitors the Commission

### **European Commission**

- 28 commissioners (one from each country)
- Appointed positions (not voted in)
- President (currently): Jean-Claude Juncker (from Luxembourg)
- Proposes EU laws (laws can only be proposed by the Commission)
- Sends these laws to European Parliament and the Council of the European Union
- Thinks about overall goals of the EU
- Ensures that member states implement laws and follow regulations
- Manages EU programs and finances; monitors implementation of EU law

### **European Council**

- Located in Brussels, Belgium
- Made up of the heads of member states (the Prime Minister, President, etc.)
- Sets the political direction of the EU, decides on institutional reform
- President: Donald Tusk (currently)

### **European Parliament**

- Represent the people of the EU
- Located in Strasbourg (France)
- 751 members
- Elections are every 5 years
- MEPs (Members of European Parliament) do not represent their country, they are aligned by parties that transcend national borders and represent the people that elected them (“transnational party groups”)
- Discusses and passes laws that are sent to them by the European Commission

**Free trade agreement** – an agreement established between two or more countries’ trade in goods and services through eliminating tariffs and other border barriers.

**Foreign Direct Investment (FDI)** –an investment made by an individual or business into a business in another country. This may include investing directly into a pre-existing business or through establishing new business operations in a foreign country.

**Government Procurement** - the purchasing of goods or services on behalf of a public authority, such as government agency.

**Mixed agreement** - an agreement in which the terms of the agreement fall under the competencies (jurisdiction) of both the European Union and each member state. This means that the EU cannot ratify the agreement without ratification from each of the national governments from each member state.

**North American Free Trade Agreement (NAFTA)** – a free trade agreement signed in 1994 between Canada, USA and Mexico.

**Supply Management** – is a system designed to control and regulate the production of goods from the beginning stages (when it is still a raw material) to the completed product. In Canada, the egg, dairy and poultry sectors are protected by supply management by three main pillars: quotas, guaranteed minimum prices and tariffs.

**Tariffs** - a tax that is imposed on the import of goods.