Regulations

A "regulation" is a binding legislative act. It must be applied in its entirety across the EU. For example, when the EU wanted to protect the names of agricultural products coming from certain areas such as Parma ham, the Council adopted a regulation.

Directives

A "directive" is a legislative act that sets out a goal that all EU countries must achieve. However, it is up to the individual countries to decide how. This was the case with the working time directive, which stipulates that too much overtime work is illegal. The directive sets out minimum rest periods and a maximum number of working hours, but it is up to each country to devise its own laws on how to implement this.

Decisions

A "decision" is binding on those to whom it is addressed (e.g. an EU country or an individual company) and is directly applicable. For example, when the Commission issued a decision fining software giant Microsoft for abusing its dominant market position, the decision applied to Microsoft only.

Recommendations

A "recommendation" is not binding. When the Commission issued a recommendation that pay structures for financial-sector employees should not encourage excessive risk taking, this did not have any legal consequences. A recommendation allows the institutions to make their views known and to suggest a line of action without imposing any legal obligation on those to whom it is addressed.

Opinions

An "opinion" is an instrument that allows the institutions to make a statement in a non-binding fashion, in other words without imposing any legal obligation on those to whom it is addressed. An opinion is not binding. It can be issued by the main EU institutions (Commission, Council, Parliament), the Committee of the Regions and the European Economic and Social Committee. While laws are being made, the committees give opinions from their specific regional or economic and social viewpoint. For example, the Committee of the Regions issued an opinion on the clean air policy package for Europe.