Editorial

As you may well be aware, the European Economic and Social Committee blew out the sixty candles on its birthday cake in May and proudly looked back at all of its achievements up to the present. Moreover, this date encouraged us to reflect upon the role and the future of the EESC and upon the place of civil society in the Europe of today and tomorrow, the Europe whose core values should be upheld and strengthened.

But the times we live in – fraught with uncertainties and challenges brought about by enormous social, economic and environmental changes – push the Committee not to sit on its laurels but rather to seize upon the new momentum.

On the very same day as its 60th anniversary celebration, which ended with a cultural evening in Albert Hall and showed the diversity of our cultural heritage which at the same time brings us together, the EESC held the 9th Civil Society Days on the subject of Citizenship, Democracy and Culture in a digitalised Europe. It was the first time for civil society organisations to join forces in a comprehensive debate about the complex issue of digitalisation.

Shortly afterwards, the EESC Civil Society Prize 2018 was launched. The EESC chose “Identities, European Values and Cultural Heritage in Europe” to be the theme of the tenth edition of its Prize. In December, it will be awarded to five civil society organisations and/or individuals who have made an outstanding and tangible contribution to the promotion of our shared European values by raising awareness about the richness of European identities, exploiting the full potential of Europe’s cultural wealth or facilitating access to European cultural heritage.

I would also like to mention the first European Citizens’ Panel, hosted by the EESC in early May. Its aim was to prepare a public consultation on the Future of Europe, in order to give a say to European citizens and take their opinions on board about important issues that may determine Europe’s fate. The consultation was initiated by the French President Emmanuel Macron and jointly organised by the European Economic and Social Committee (EESC) and the European Commission.

It is by these and other signature projects that the EESC will continue to confirm its valuable role in the EU, as a real focal point for dialogue, as the bridge between the European institutions and the grassroots organisations and citizens to whom the Committee gives a voice. And in this role, the EESC will continue to listen and speak out.

And a warm farewell to Peter Lindvald-Nielsen, Director of our Communication Department who has completed his duties and left on July 1. Thank you Peter for your excellent work!

I wish all of you a nice, relaxing summer break! We will be waiting for you in September – full of enthusiasm!

Isabel Caño Aguilar
Vice-President of the EESC for Communication

Diary Dates

**16th meeting of EU-DAG under EU-Korea FTA**
12/07/2018 Brussels

**1st meeting of EU-DAG under EU-Canada CETA**
13/07/2018 Brussels
Europe at work

The video "Europe at work" celebrates the 60th anniversary of the European Economic and Social Committee. It shows concrete examples from the areas of work where the EESC and its members have made a difference to the lives of European citizens throughout the years.

In short

Austrian Presidency of the Council of the European Union 2018

Austria holds the Presidency of the Council of the European Union from 1 July to 31 December 2018. "A Europe that protects" is the motto chosen by the government of Chancellor Sebastian Kurz. Among the topics on the programme are security and migration, maintaining competitiveness through digitalisation, stability in the neighbourhood and bringing the Western Balkans closer to the EU. The presidency will also continue negotiations on Brexit. Before the United Kingdom's final withdrawal from the EU, scheduled for 29 March 2019, all national parliaments in the EU Member States must ratify a final deal on Brexit. The EU presidency will also continue the negotiations on the Multiannual Financial Framework 2021-2027. European affairs minister Gernot Blümel will be a guest at the EESC's July plenary session (11 and 12 July 2018) to present the work programme and answer questions from Committee members. (eh)

No one should be left behind in the digital revolution

This was the main message from a conference on digitalisation, organised by the European Economic and Social Committee in Austria on 19 June. Representatives from the Austrian Ministry of Digital and Economic Affairs, the city of Vienna and a wide range of civil society organisations from Austria took part in the conference. There was also a panel with young Austrian experts on digitalisation which came from civil society organisations that are also represented in the EESC's three groups – Employers, Workers and Diversity Europe.

"It is not an easy task to deal with digitalisation in such a way that all the layers of society reap an equal benefit," underlined in his opening speech the President of the EESC Luca Jahier. "Precisely therefore we, at the European Economic and Social Committee, promote the idea of 'digital justice' - we want that no-one is left behind from the digital revolution."

The conference on digitalisation followed the extraordinary meeting of the EESC Bureau which took place in Vienna. The topic of the
Spanish MEPs back EESC on consumer financial services

The need to build consumer confidence in cross-border financial services in Europe with a view to increasing the share of these - currently a mere 7% of the total - was stressed at a conference organised by EESC member Carlos Trias Pintó on 24 May at the European Commission representation in Madrid. MEP Othman Karas announced that the European Parliament would relay some of the EESC’s key proposals in its own response to the Commission’s proposed Consumer Financial Services Action Plan.

The conference, entitled Challenges of the new digital context: quality of the offer, accessibility, fair competition and consumer protection, was intended to promote the EESC opinion on consumer financial services, adopted in September 2017.

EESC member Bernardo Hernández Bataller moderated the event and both the opinion rapporteur Michael Ikrath and co-rapporteur, Mr Trias Pintó, took the floor. Other speakers included MEPs Othman Karas and Jonas Fernández Álvarez, members of the committee for economic and monetary affairs (ECON), Manuel Pardos, President of Asociación de Usuarios de Bancos, Cajas de Ahorro y Seguros (ADICAE); Fernando Tejada de la Fuente, from the Bank of Spain; and Jose Luis Martinez Campuzano, spokesperson of the Spanish Banking Association (AEB).

Consumers should be able to choose the best and most innovative financial products across borders, said Mr Ikrath, stressing the financial services market in the EU was still fragmented and harmonization far away. Traditional retail banks, especially regional and local banks, were a key intermediary in building consumer confidence, he said, since they had traditionally enjoyed a high level of consumer trust from EU consumers, whose tendency to switch providers was rather low.

Creditworthiness criteria needed to be harmonised to solve the problem of “loan shopping”, with borrowers taking on cross-border consumer loans not available to them at home and risking over-indebtedness. Consumer insolvency needed to be minimised through regulation, said Mr Trias Pintó, who also stressed the risks of alternative digital currencies such as bitcoin, cyber currencies and blockchain technology in terms of undermining security, data protection and consumer trust.

Mr Karas expressed support for the EESC’s opinion and announced that some of its proposals would be relayed in the European Parliament’s opinion, in particular:

- The need to ensure that tax arrangements for products and services are no longer an obstacle to fair competition;
- the Commission should define additional “flagship products” which are simple, have the same characteristics and are therefore comparable and transparent, alongside consumer products;
- independent, certified comparison tools need to be available for different financial products;
- IT giants, such as Google, Apple etc. should also apply consumer protection rules.

Regions phasing out coal in Europe: the EESC takes a close look at Germany

The first round table on coal regions in transition was held on 29 May 2018 in Grevenbroich, Germany. Together with EESC members and a Commission representative, a number of local players took part in the discussion.

The speakers outlined the situation in the Rhine mining area, which is being affected by structural changes. The participants stressed that a preventive approach and preparation for the transition was needed. Creating alternatives to coal is a major challenge and one of the main goals for the region is to remain a key player in the secure supply of energy to Germany.

Municipalities have an important role to play in informing people and helping them understand the situation. The speakers highlighted that the key to reaching the goals was the flexibility of the system, and that it was important to look into cross-regional, cross-industrial and cross-sectoral aspects.

Energy supply is the most critical part of all supply networks, but the links between different sectors - e.g. plastics, traffic, gas production - can guarantee security of supply. Projects were presented on education and training and decentralised energy management. After the discussion, the participants paid a visit to Garzweiler opencast mine.

The handbook for the digital era has not yet been written, but Europe needs a plan

The EESC discussed digitalisation and inequalities at the Deutsche Welle Global Media Forum, held in Bonn from 11 to 13 June

The thematic focus of the 11th Global Media Forum (GMF), organised by Deutsche Welle and partnered by the EESC, was Global Inequalities. The EESC organised a panel which looked at how digitalisation and the fourth industrial revolution could reduce or increase poverty and inequalities in the global world.

The panel, convened before a packed audience, brought together EESC Member and full-time trade unionist Peter Schmidt (L in photograph); associate researcher at the Humboldt Institute for Internet and Society, Professor Ayad-Al-Ani; postdoctoral research at
the Cambridge University’s Geography Department, Dr Judith Schleicher; and journalist Alexander Damiano Ricci (R in photograph), publisher of Cafebabel. Further input was provided by two front row speakers – EESC Members Brendan Burns and Baiba Miltoviča.

The panellists debated, among other things, the profound and vast changes brought about by the rise of the platform economy and its consequences for democracy and welfare around the world. Also the role of trade unions in the business world, which increasingly favours more flexible forms of employment, was challenged and the connection between poverty and natural environment was examined. More on the debate is available on the EESC website. (sma)

**EESC secretary-general Luis Planas appointed minister in Pedro Sanchez’s new Spanish government**

On 6 June, Luis Planas was invited by the Spanish president, Pedro Sanchez, to join his government as minister for agriculture, fisheries and food. With 35 years of experience in European affairs, having served as diplomat, senior Commission official and MEP, and as an advocate of a strong, united and solidarity-based European Union, he has played a prominent role in the development of the EU institutions over the years. A champion of the European cause, in his view there is no alternative to the EU.

Mr Planas had been secretary-general of the European Economic and Social Committee since 20 January 2014. He always highlighted the importance of the EESC, which for him represented "the 'human face' of Europe and a unique forum serving as a bridge between civil society and the European institutions".

Luca Jahier, president of the EESC, had this to say about him: "Luis Planas is a staunch European and will continue to help build a Europe that reflects the aspirations of its citizens. It has been an honour to work with him and I have no doubt that his knowledge of how Europe operates will be an asset to Spain in the European Union".

Isabel Caño, vice-president for communication at the EESC, was sure that having served as secretary-general of the EESC, Luis Planas would continue to bring added value to the European project, thanks to his full awareness of the importance of civil society and the culture of dialogue in today's Europe.

EESC Member Madi Sharma has been listed among the 100 Most Influential People in Gender Policy around the world in 2018. The list was published in May by Apolitical, a free global network helping public servants and their partners in more than 120 countries. Among the many other most important influencers in gender policy were activist Malala Yousafzai, Canadian prime minister Justin Trudeau, French president Emmanuel Macron, Swedish foreign affairs minister Margot Wallström, deputy UN secretary-general Amina Mohammed and London mayor Sadiq Khan.

Ms Sharma was listed among the world's 13 top influencers in the Advocacy category and was commended for her work as a vocal supporter and international public speaker on female entrepreneurship, diversity and gender. Ms Sharma has been an active member of the EESC's Employers' Group since 2002 and has participated in numerous hearings and worked on many opinions. She founded and runs the Madi group, a constellation of international private sector and non-profit companies and NGOs. She also heads the Women's Economic and Social Think Tank. Congratulations, Madi! (ll)
EESC Finnish member Pirkko Raunemaa receives Interpreters' 2018 Delegate of the Year Award

Pirkko Raunemaa, a Finnish member of the EESC's Diversity Europe Group, was presented with the 2018 Delegate of the Year Award by the European Commission's Finnish interpreters on 23 May in Brussels.

The award was created to show appreciation for Finnish delegates who speak Finnish during EU meetings, defend the status of Finnish and actively cooperate with interpreters to help ensure high quality interpreting of their speeches.

Pirkko Raunemaa has been a member of the EESC since 2006. During her career in the area of food safety, she has represented Finland in many international fora including the UN's Codex Alimentarius commission and the EFSA board. (dm)

In the photo, from left to right: EESC member Pirkko Raunemaa and Finnish interpreters Veijo Kruth and Tarja Kallio

Enlarged EESC presidency on the trail of memory in Krakow, Poland

President Luca Jahier and the enlarged presidency of the European Economic and Social Committee visited Poland on 10-12 June for a meeting to launch the new EESC presidency.

Mr Jahier and the members chose Krakow in Poland as a symbolic place of memory and to galvanise and enrich the culture of dialogue within the European Union.

During the visit, delegation members took part in a debate at the University of Krakow, attended by Polish intellectuals. The topic was the reconciliation through memory of the two lungs of Europe and brought a breath of creative understanding between western and central/eastern Europe.

Members of the enlarged EESC presidency paid homage to victims of the Auschwitz-Birkenau concentration camp.

The members of the enlarged presidency are: Luca Jahier, EESC president, Milena Angelova, vice-president for Budget, Isabel Caño, EESC vice-president for Communication, Jacek Krawczyk, president of the Employers' Group, Gabriele Bischoff, president of the Workers' Group, and Arno Metzler, president of the Diversity Europe group. Also present were the section presidents: Stefano Palmieri, Ariane Rodert, Dilyana Slavova, Maurizio Reale, Christa Schweng, Pierre Jean-Coulon and Lucie Studničná. (eh)

President Luca Jahier's speech at the conference held at Krakow's Jagiellonian University


On 1 July 2018, Peter Lindvald-Nielsen's term as Head of the Department for Communications comes to an end

For ten years, Peter Lindvald-Nielsen has worked with press officers and other experts in the fields of images, public relations, graphic design and social media. It has been a time of catchy titles, articles both short and long, press releases, political, social, cultural and gastronomic events, hard work, talking and, most importantly, a lot of shared laughter. Peter's motto is to connect people through laughter, because there is nothing more human than to laugh together. Peter has enriched our language, encouraging us to say YES
Instead of NO, INVEST instead of SPEND and SOLUTION instead of PROBLEM.

Sometimes, he discreetly jots down in his small notebook stand-out phrases such as this one from Hermann van Rompuy who, during the session marking the EESC’s 60th anniversary, said: “We cannot change the past, we can change the future”.

Dear Peter, we wish you many opportunities for laughter! And please jot down in your brown notebook that we will remember you as a working and smiling Director and as our Friend.

On 1 July 2018 Peter Lindvald-Nielsen was appointed an Honorary Director of the Communication Department in the EESC

Seven questions for Peter Lindvald-Nielsen

During your career in the EU what was the moment when you felt happiest?

When I did work that made a difference and at the same time saw my children and wife happy with life in Belgium

What was the most surprising discovery in your professional life in the EU?

The engagement and commitment among colleagues. Working in the institutions is not a 9 to 5 job and here you work hard over long hours without moaning.

Should you happen to meet a young person, say 20 years old, today, when Europe is confronted with the greatest challenges it has ever faced, what would you tell him or her in terms of the future?

Stay positive, but do not take your present life for granted. Engage in society, be responsible and treat others as you want to be treated by others

What message would you like to pass to your successor?

Work WITH people, not AGAINST people. It is much more rewarding and productive.

Which is the most important feature of character of the people responsible for communication?

Be robust, as everyone is an expert in Communication. Have an open mind without being naive and be willing to have a conversation with someone you might not know.

Your favourite heroes in life?

My wife, as she willingly accepted to give up her job in Denmark and move with me to Belgium, far away from family and friends, and to raise our children here.

Your favourite motto?

"Love does not make the world go around, but it makes it worthwhile to do the trip"

(In Danish: Kærlighed får ikke Jorden til at dreje rundt, men kærlighed gör det værd at tage turen med)

Interview by Ewa Haczyk-Plumley, 14 June 2018, in Brussels

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New publications

Digital publication – The European Economic and Social Committee (EESC) – 60 years of commitment

Civil society in action for the Europe of tomorrow!

Established by the Treaties of Rome in 1957, the Committee held its first plenary session 60 years ago, on 19 May 1958. Since then, the Committee's history has been tied in with that of the European integration process, which it has constantly worked to further.

This digital publication retraces those 60 years of the Committee's commitment to involving civil society, in all its diversity, in the building of Europe, highlighting its successes, its great achievements, its added value and its vision for the future of Europe.

This lively publication, with a wealth of multimedia content, particularly videos and infographics, is addressed to both the informed public (media, civil society organisations, national Economic and Social Councils, other institutions, universities, etc.) and the general public. It has been designed to be a living document, aimed at highlighting the EESC's unique role – as well as that of the civil society organisations it represents – in the European integration process and as a driving force behind participatory democracy.

Geared to reading on mobile devices (tablets and, subsequently, smartphones), it will initially be available in three languages (EN, FR and DE) on the Committee's internet site. (fgr)

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EESC News

EESC turning 60 vows to take decisive and visionary action for a better Europe
In his speech on the occasion of the European Economic and Social Committee's 60th anniversary on 24 May, EESC President Luca Jahier voiced the Committee's resolve not to rest on its laurels and charted a course for the EESC's future action based on seven priorities. Top EU leaders debating future of Europe agree civic space is and must remain key to European democracy.

Speaking at the special commemorative plenary, President Luca Jahier highlighted the milestones in the EESC's history and recalled its major past achievements in successfully initiating some key EU legislation. From the Community Charter of the Fundamental Social Rights of Workers to its pioneering proposal for a financial transaction tax, the "EESC has much to be proud of", he said.

President Jahier proposed some solutions to the challenges facing Europe and outlined the EESC's priority areas for actions in the years to come:

- reasserting the Union's values
- implementing the sustainable development agenda
- stepping up coordination of economic policy within the EU
- managing artificial intelligence for the good of mankind
- working towards an ambitious multiannual financial framework based on solidarity and fostering cohesion
- developing a sense of European identity though culture and education
- actively shaping relations with the EU's neighbourhood and beyond.

In the ensuing debate, EC President Jean Claude-Juncker, EP Vice-President Ramón Valcarcel Siso and CoR President Karl-Heinz Lambertz discussed with Mr Jahier how best to tackle Europe's challenges in the run-up to the 2019 European elections.

In an inspirational speech, Herman Van Rompuy, former President of the European Council, expressed hope and confidence in Europe's future and stressed the EESC's role in ensuring a resilient democracy in Europe.

Darja Isaksson, a member of the Swedish Prime Minister's National Innovation Council, put forward the views of Europe's younger generation calling on EU leaders to rise to the challenge of sustainable development and the digital revolution.

President Jahier closed the ceremony with a quotation from Pope John Paul II, calling on participants not to be afraid of the present, but to dare to live it with courage. (dm)

Read President Jahier's speech at the commemorative plenary session

Watch President Jahier's speech (below) or read the speech in French, or English, or Italian.

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2018 Civil Society Prize on identities, European values and cultural heritage in Europe

Global developments over the past few years have put the European project to the test. Internal divisions, feelings of disaffection among citizens and a dramatic increase in migration have found populations and all levels of government unprepared, giving rise to nationalist rhetoric and straining mutual solidarity. Against this backdrop, civil society organisations have played a key role in bringing the potential of Europe's cultural heritage to the fore, strengthening identities and societies, and promoting the vast potential of diversity, which is the basis of our European history.

The EESC Civil Society Prize 2018 wishes to reward innovative initiatives which have made a significant contribution to taking on the challenges of:

- raising awareness of the multiple layers and richness of European identities;
- exploiting the full potential of Europe's cultural wealth;
- facilitating access to European cultural heritage; and
- promoting European values such as respect for human dignity and human rights, freedom, democracy, equality and the rule of law.

A total of EUR 50 000 will be awarded, to be shared among a maximum of five winners. The deadline for applications is 7 September 2018 and the award ceremony will take place on 13 December 2018 in Brussels. The EESC Civil Society Prize is open to all civil society organisations officially registered within the European Union and acting at local, national, regional or European level. It
"Direct payments must only go to active farmers", says the EESC as it calls for special support for young farmers

The EESC supports a strong, well-funded CAP and an increase of the EU budget to 1.3% of GNI in line with the growth of the EU economy. Adequate CAP funding must be provided to address the low incomes of farmers and agricultural workers, inflation and any Brexit shortfall, as well as additional environmental and climate change requirements.

“European farmers - family farms, SMEs, cooperatives and other traditional farming systems – must be able to live from their farming income. This must be guaranteed by fair prices and strong direct payments. Direct payments, however, should only go to active farmers and agricultural enterprises which are involved in agricultural production according to objective criteria and regional practices and which deliver public goods. It’s not enough to just be the owner of agricultural land”, says Jarmila Dubravská, rapporteur of the EESC opinion on the future of food and farming. "For EU farmers it is critically important that the legislative proposals involve real simplification of the most bureaucratic elements of the CAP," adds John Bryan.

Subsidiarity must not undermine the CAP or the single market. It should only apply to Member States’ plans to implement the CAP objectives, thus giving them some flexibility to adopt the first and second pillar payment options that best suit the farming types, structures and conditions in the respective country, taking its natural conditions and environment into account. The EESC does not favour Member States transferring funds from Pillar II to Pillar I. Rather, it calls for a reasonable level of co-financing of the second pillar for all Member States. The EESC also proposes that CAP support for young farmers and generational renewal be improved. Finally, the EU needs to pursue a more coherent strategy between the CAP and trade policy. (sm)

27 recycled bottles to make a T-shirt

A successful plastics strategy must aim at effective educational and training measures in order to foster respect of the dynamic balance of the biosphere. In order to make plastics more recyclable and accelerate the transition to a circular economy, it is necessary to create design and behavioural incentives as well as common technical and regulatory standards.

In its opinion on the Commission’s Strategy for Plastics in a Circular Economy the Committee emphasises plastics recycling as a vital opportunity for sustainable and competitive economic development. Objects made out of plastics must be seen as a valuable raw material which needs to be recovered. "We need a European culture of plastic circularity based on an analysis of the entire product lifecycle”, said Antonello Pezzini, rapporteur of the opinion, “and this will only work with the involvement of citizens and civil society. The advantages of sorting and recycling plastics must become tangible for European citizens.”

Micro-plastic – often used in detergents, cosmetics, furniture and paints – needs special attention, since pollution from this source is one of the biggest dangers for the environment and human health.

From PET to yarn

The EESC encourages the separate collection and, in particular, recycling of PET (polyethylene terephthalate), which can create economic benefits in the EU, generating new economic activity and jobs. The transformation of PET into fabric is innovative and environmentally friendly, and ensures quality from production techniques through to design. And the numbers are impressive: it takes only around 27 1.5 litre bottles – approximately the recommended consumption of water of a four-person household per week – to make a fleece sweatshirt. (sm)

New forms of work call for more transparent and predictable working conditions

With the increase in flexible and atypical employment in the EU, it is now paramount to make working conditions more transparent and predictable for all workers, which can be best achieved through social dialogues and collective bargaining at national level, the EESC argued in its opinion on the Commission’s proposal for a directive on transparent working conditions.

The EESC described the directive as a real step towards implementing the European Pillar of Social Rights and adapting to the future world of work. However, it also warned against the possible administrative burden which could fall on employers if some of the directive’s provisions are implemented in their current form, and recommended that some of its aspects be clarified and the responsibility for certain issues left to Member States.

"The transparent working conditions directive is a great chance to start a social Europe", said Christian Bäumler, rapporteur for the EESC opinion, adding that on-demand work cannot be maintained as a form of employment without setting an appropriate reference period and appropriate advance notice for workers.

Co-rapporteur Vladimira Drbalová pointed out that the current proposal contained some unclear provisions that could cause legal
The future of the Western Balkans should be a European future.

More than 100 civil society representatives have adopted their contribution to the EU-Western Balkans Heads of State Summit in Sofia on 15 May.

Participants at the high-level conference were convinced that the enlargement of the EU, and in particular the spread of its democratic values and legal standards to the Western Balkan region, was in the interest of both the Western Balkan countries and the EU. Promoting EU values in the region guarantees security and stability and enhances social and economic development, democracy and the rule of law in these countries which in turn means stability and security for the EU.

"The future of the region is a European future," underlined the EESC president, Luca Jahier in his statement at the conference. "I am convinced that there is no other alternative for both the EU and the Western Balkan countries than to make steady, transformative and sustainable steps towards full membership."

"I truly believe that it is in the interest not just of the countries and people of the Western Balkans, but also of all of us in the EU, to integrate this region into our common Union as soon as possible," said Dilyana Slavova, president of the EESC's External Relations Section at the opening of the conference.

The Bulgarian Deputy Prime Minister for Judicial Reform and Minister of Foreign Affairs, Ekaterina Zaharieva also underlined the

EU VAT system urgently needs to keep pace with market developments

The EESC welcomes the European Commission’s proposals regarding its Action Plan on VAT, aimed to be for the benefit of the final consumer, but calls for some modifications. It urges Member States to do their utmost to implement the proposed reforms and move towards the definitive Value Added Tax (VAT) system within a reasonable timeframe.

In the EESC’s view, the current EU VAT system needs to be brought into line with new market developments, business models and technologies to ensure that the single market functions properly, to simplify VAT rules and to prevent tax fraud.

In order to close the VAT gap, Member States should set up the appropriate fora to exchange best practice on revenue collection and to explore ways to make better use of digital technology to combat VAT fraud, simplify the administrative burden on tax authorities and businesses and give them easier access to information. Particular attention should be paid to developing a system for efficient tax collection in cross-border trade situations.

The EESC calls on all institutions involved in the reform process to explore how a common VAT system for goods and services could be rolled out. It agrees with the Commission’s proposals on reduced VAT rates and recommends that they should be applied to certain classes of goods and services, especially those of general interest. A "negative list" of goods and services to which the standard VAT rate would apply should not unduly curb Member States’ freedom to establish reduced rates for certain general interest goods.

Finally, the EESC considers that the thresholds for the new VAT scheme for small businesses should be set at levels that ensure that all SMEs are covered. Their rules should also apply to social economy enterprises.

Please check our first and second opinion for more. (jk)

Investing in high-performance computing will benefit our well-being, competitiveness and jobs

The EESC supports the European Commission’s initiative to create the European High-Performance Computing Joint Undertaking and states that this key technology will help tackle the most challenging issues facing society today and will ultimately benefit our well-being, competitiveness and jobs.

In the opinion adopted at the Plenary Session on 23 May 2018 and drafted by Ulrich Samm and Antonio Longo, the Committee emphasises that the EuroHPC Joint Undertaking will definitely bring added value to the EU’s digital sovereignty and independence, making the Union a crucial player in digital development, with a direct impact on competitiveness and people’s quality of life.

"The starting investment of EUR 1 billion for the acquisition and operation of world-class supercomputing machines is significant but is not overly ambitious, especially if we compare it to the other main actors - the USA and China," noted Mr Samm. "We need further efforts by the EU to match those of our global competitors," he added. In particular, a substantial increase in investments in the EU Member States, together with a strong European research and innovation programme, will be essential to remain at world-class level in HPC applications.

The EESC also recommends strengthening the social dimension of the digitalisation process as much as possible, within the framework of the European Social Pillar, by setting a number of societal challenges to be met using the new digital infrastructure. "The implementation and use of high-level machines must have a clear and measurable positive impact on the daily lives of all European citizens," said Mr Longo. "This is why we also call for a communication strategy at European level to be put in place to inform citizens and enterprises about this important new initiative". (mp)
Trade, investment, social security and solidarity - focal points of 16th EU-China Round Table

"Civil society's contribution enriches the multi-faceted partnership between the European Union and the People's Republic of China and results in better international relations," agreed the EESC president Luca Jahier and the vice-president of the Chinese Economic and Social Council, Yang Chongui, during the 16th Round Table meeting between their institutions. A joint statement released by the two counterparts following the 16th EU-China Round table meeting, which took place on 28-29 May in Varna, Bulgaria, summarises the main conclusions and recommendations of the meeting.

"The EU-China Round Table has firmly established itself as one of the key bilateral events between the EU and China, which reflects the overall positive state and stability of those relations," said the EESC president, Luca Jahier, adding that as major economic, political and strategic partners, the EU and China had to continue to work together on an ever increasing number of issues.

The 16th Round Table meeting focused on issues related to social security and social solidarity mechanisms, and on trade and investment relations between the EU and China.

Back-to-back with the Round Table, a tripartite meeting on the EU-China Tourism Year 2018 was held jointly with the Ministry of Tourism of Bulgaria and the Bulgarian Economic and Social Council. The year aims to promote lesser-known destinations, provide opportunities to increase economic cooperation and improve EU-China visa facilitation and air connectivity. (ia)

An EU-Mercosur Association Agreement is only possible if it is beneficial for both parties

The Agreement should not sacrifice any sector, region or country, the European Economic and Social Committee stresses

The European Union is the world’s largest economy, and Mercosur the sixth largest. There are significant benefits to be gained for both parties in signing the Association Agreement (AA), says the European Economic and Social Committee in its opinion Towards an EU-Mercosur Association Agreement, adopted at its plenary session on 24 May. The EU would gain access to a market of almost 300 million inhabitants. Mercosur could diversify its economies and add value to its exports as well as gaining access to a market of 500 million people. Given the territory, population and current trade of more than EUR 84 billion per year, concluding the Association Agreement between the EU and Mercosur would strengthen the role of both blocs on the international stage and create a large economic integration area, bringing benefits for both parties and generating positive spillover effects for the rest of Latin America as well. However, under no circumstances can the Association Agreement be based on a poor deal, warns the EESC.

"The EESC calls upon the negotiating parties, and the EU in particular, to consider the high political and economic cost of not reaching an agreement or of reaching one that is not well-balanced for both parties", said Josep Puxeu Rocamora, rapporteur for the EESC’s opinion. The Association Agreement would be a comprehensive strategic agreement aiming to provide long-term benefits for all economic and social actors of both parties in terms of development, security, migration and environmental challenges.

"The Association Agreement should have a fully comprehensive social, labour and environmental dimension."

reiterated Mário Soares, co-rapporteur of the opinion. "This dimension should ensure that economic relations are in line with social and environmental objectives and the ILO conventions governing sustainable development"(sg)

EU cannot forget its values while developing artificial intelligence, say EU policymakers

The first stakeholders’ summit on artificial intelligence, organized by the European Economic and Social Committee (EESC) and the European Commission on 18 June in Brussels, stressed that the EU needs to ensure that artificial intelligence is safe, unbiased and in line with European values.

"Artificial intelligence is a technology which does not have to overcome and overwhelm us," said Catelijne Muller (L in photograph), president of the EESC Thematic Study Group on Artificial Intelligence, adding that humans should stay in command of artificial intelligence.

Mariya Gabriel (C in photograph), EU Commissioner for the Digital Economy and Society addressed the Commission's efforts to launch coordinated action on artificial intelligence, calling it "a strong political priority." The Commission is aiming to raise EUR 20 billion in intelligence by 2020 and EUR 20 billion per year over the following decade.

Mady Delvaux, EP rapporteur on artificial intelligence, drew attention to the challenge of accessibility, saying that Europe needs to successfully share out the wealth generated by artificial intelligence.
Artificial intelligence is one of the main political priorities of the EESC’s current presidency. As stressed by Ariane Rodert (R in photograph), president of the section for the Single Market, Production and Consumption, the EESC is working on two new opinions dealing with artificial intelligence. (ia)

Transcript of the video

3rd European Day of Social Economy Enterprises: time to be recognised and scale up

“This is a moment for social economy enterprises to demonstrate European values at a time when the EU is facing huge challenges,” said Ariane Rodert, a member of the European Economic and Social Committee (EESC), who opened the third European Day of Social Economy Enterprises (SEEs). The event, which took place on 4 June at the EESC building in Brussels, focused on how to scale up the social economy and showcased innovative social entrepreneurs.

Today, the social economy provides paid employment for 6.3% of the working population, which amounts to 13.6 million paid jobs in the European Union. Social entrepreneurs and policymakers emphasised that it is time for the sector to scale up.

The speakers stressed that the social economy in Europe is often underestimated in terms of its potential for economic development and social transformation and drew attention to the role that social economy enterprises could potentially play at international level, especially in regions with huge unemployment like the Balkans or in African countries. The event was enriched with four examples of innovative and successful SEEs, which have proved that scaling up is possible in the social economy, and three participatory workshops, which focused on gender equality in SEEs, the role of clusters and possibilities for scaling up.

EU policymakers agreed that today is the right moment for the social economy to scale up but encouraged people not to forget the real foundation of the social economy, which is cooperation and solidarity. (ia)

EESC 9th Civil Society Days: digital era needs human skills and proper legal environment

Citizenship, Democracy and Culture in a digitalised Europe was the motto of the 2018 Civil Society Days, held by the Liaison Group at the European Economic and Social Committee (EESC) in Brussels on 24 and 25 May.

The tremendous speed of change in the digital era will cause some destruction, but in the long run people will work less and differently, with better subjective well-being, said Andrea Renda, Chair in Digital Innovation at the College of Europe, in his keynote speech. Ray Pinto, policy director at DIGITALEUROPE, warned that there was a shortage of around half a million experts in Europe. Furthermore, while the USA and China were registering huge increases in AI patents, Europe was lagging behind. 83% of external investment in AI was being absorbed by the USA and China.

In six workshops, participants discussed living together in the digital Europe of the future and concluded with the adoption of seven key recommendations:

- Build synergies between education and culture on the topics of cultural expression and citizenship in all educational settings and in a lifelong learning perspective;
- CSOs should be supported with a view to greater outreach to promote and demonstrate equality, inclusivity and participation in civic life, including online;
- Control and oversight of surveillance should be enhanced and civil society should be involved in the oversight mechanisms of surveillance;
- At a local level, co-creation/crowdsourcing e-tools should be used more often to increase citizens’ engagement;
- Accessibility should take the same path as security and data protection. It should be a core aspect of ICT products and services;
- AI can and should augment workers and not replace them;
Regional economic benefits of energy transition are often overlooked

On 31 May, the European Economic and Social Committee (EESC) held a hearing on the Energy Transition in Europe’s Regions to shine a spotlight on the regional economic benefits of the shift to decentralised and low-carbon energy supplies, a topic which has remained largely unexplored despite the fact that the transition has a distinctly regional dimension. The shift to clean and renewable energies can prove to be particularly beneficial to less prosperous regions, thereby reducing inequalities between Europe's different areas and securing improved social and regional cohesion across the EU. Locally produced civic energy was also shown to reduce energy poverty.

This was demonstrated by two successful examples presented at the hearing. The first was the project implemented in the German town of Treuenbrietzen that has reached its goal of securing a clean and independent decentralised energy supply for the community, which had not been well-off in the past. The other successful energy transition project was carried out by the municipality of Turosń Koscielna in Eastern Poland, one of the poorest EU regions. It led to a radical annual decrease in CO\textsubscript{2} emissions and to savings amounting to EUR 95 000 per year.

The results of the hearing will feed into the EESC opinion on “The effects of a new carbon-free, decentralised and digitalised energy supply structure on jobs and regional economies”. The opinion will be presented at the EESC's July session in the presence of European Commission Vice-President Maroš Šefčovič. (II)

European Commission's budgetary proposal lacks political ambition

The proposal for the EU's Multiannual Financial Framework (MFF) 2021-2027 put forward by the Commission does not go far enough and lacks political ambition – this was one of the main conclusions of a conference on the subject hosted by the EESC. A swift agreement on an adequate and properly reformed long-term budget would be desirable.

The participants in the EESC conference acknowledged the constraints on the next MFF and welcomed numerous positive aspects of the Commission's proposal, but they also voiced their dismay at the growing gap between citizens' concerns and expectations and the limited institutional power and financial resources currently allocated to the EU. The gap could not be properly addressed by the Commission's proposal, hence the need to revise it.

Stefano Palmieri, president of the EESC's ECO Section, urged EU leaders, in line with the European Parliament, to increase the current ceiling for EU expenditure to 1.3% of GNI.

Not just the size but also the structure, distribution and toolbox of the proposed budget were up for debate. There were various different positions on this.

Although speakers generally welcomed the addition of new political priorities, they asked for an in-depth assessment of new policy instruments in terms of suitability and effectiveness.

New priorities should not harm the provision of financial resources to long-standing ones, namely cohesion policy and the common agricultural policy, irrespective of the fact that these policies should be properly reformed.

Greater conditionality for access to EU funding was endorsed and new instruments for a stable EMU were welcomed. Nevertheless, participants questioned the ambition and effectiveness of the proposed tools and asked for more details.

Finally, speakers agreed that it was of the utmost importance to reach an agreement on the MFF before the informal European Council in Sibiu and the parliamentary elections in 2019.

The conclusions of the conference will feed into an EESC opinion which is due to be discussed at the EESC plenary in September 2018. (jk)

News from the Groups

A study on Implementing the European Pillar of Social Rights

by the EESC's Workers' Group

A study carried out by the European Social Observatory for the European Economic and Social Committee at the request of the Workers' Group.

The Social Pillar has the potential to ensure new citizens' rights, something badly needed after years of crisis and austerity. But in what state is the Social Pillar? Has it had an impact already? What is the path to follow?

The European Union needs a strong social dimension to balance the dominant economic perspective, and the Pillar covers these key factors among its principles. The overall perception of the Pillar is positive, but with concerns about its non-binding nature and particularly about the funding, for which earmarked resources from the Multiannual Financial Framework (MFF) will be crucial.
The study found that the pillar has already had a significant impact on the 2018 European Semester, with the Social Scoreboard being a positive step, despite some need of refinement.

As for recommendations, the study finds it important to ensure decent minimum wages, and even more important to ensure a living wage, one that ensures that workers can actually survive on it. The authors propose the at-risk-of-poverty rate as a guide to establish living wages while adapting to specific national situations. (pr)

The study is available here.

'In Defence of Diversity'

by the EESC's Diversity Europe Group

I have visited Auschwitz-Birkenau several times, and each time have been overwhelmed by the horror and inhumanity that human beings are able to inflict on fellow humans. But there are also other feelings which change with each visit. Perhaps it was to be expected and indeed hoped for, that the visit of the EESC's enlarged presidency to the concentration camps on 12 June made us reflect not only on the past, but also very much on the present and the future.

Today, the populist and nationalist presence in Europe is looming. One has only to think of the recent elections in Hungary, Italy, Austria, Germany and Slovenia. The populist vote within EU Member States has increased from an average of 8.5% in the year 2000 to over 24% at its peak today. Without doubt, to counter this rising tide, the EU and its values must be put centre stage. However, the EU as an institution cannot provide all the answers. We also need European citizens and organised civil society to step up their action. To reach out to and engage in dialogue with those lured by extremism - to help re-balance our societies and political systems.

Within the Diversity Europe Group, we take this role very seriously. It is our responsibility and through our Group's expertise and creativity we will continue to contribute to a peaceful sustainable Europe, balancing socio-economic progress with poverty alleviation and respect for the environment. It is our farmers, environmentalists, SMEs, liberal professionals, consumers, organisations for the disabled and the elderly etc., who will 'speak' with and for European citizens. In the Committee's daily work, but also actively contributing to the draft EESC roadmap 'From Krakow to Sibiu and beyond', which aims to outline civil society's vision of the Europe of tomorrow. Not forgetting our Group's conference in October in Austria, on the topic 'Can economic progress and social stability cure EU-scepticism? For above all, Europe stands for mutual respect and the defence of diversity. A diversity which begins within our own Group, the Diversity Europe Group.

Arno Metzler
President of the Diversity Europe Group (Group III)

The Future of Europe - Employers' perspectives

by the EESC's Employers' Group

More consistent, more united and less bureaucratic - this is how employers see the future of Europe. The business community remains staunchly pro-European and wants to play an active role in shaping the future of the EU. The participants in the conference on The Future of Europe - Employers' perspectives, which took place on 21 June 2018 in Madrid, Spain, highlighted concrete examples of shortcomings in the EU and identified solutions for the future.

If we forget about European values, we will lose the EU, said Jose Vincente Gonzalez, Vice-President of the Confederation of Employers and Industries of Spain (CEOE) in his opening speech. The future of Europe must be seen in the global context. Geopolitical challenges - such as current US policy or migration flows - have to be addressed.

The European Union is lurching from crisis to crisis but especially today, when the global order we know is undergoing radical change, we must remain united and take ambitious and courageous action. Employers are a solution, not a problem – said Jacek Krawczyk, President of the Employers’ Group. We should not be afraid to further develop a united Europe, or to act in unity and solidarity. Nor should we be afraid to state loud and clear what business needs in order to operate.

The debate focused on two aspects of the future of the EU – the internal market and Economic and Monetary Union. Over-regulation remains a challenge for European companies. In many sectors, ongoing digitalisation requires major changes in the business model to remain competitive. The participants in the panel on Economic and Monetary Union agreed that the EMU reforms initiated after the crisis are a step in the right direction, but are too slow and not ambitious enough.
The Members of the Employers' Group also had the honour of meeting Ana Pastor, President of the Congreso de los Deputados - the Spanish parliament - and of presenting her with the conclusions of the conference. The event was jointly organised by the Confederation of Employers and Industries of Spain (CEOE) and the Employers' Group of the European Economic and Social Committee. (lj)

Soon in the EESC/Cultural events

**Sounds from "Songs of Longing" marked the EESC's 60th Anniversary**

The cultural event to commemorate and celebrate the 60th anniversary of the EESC was undoubtedly a unique and memorable artistic performance, combining various elements of the culture and creative industry spectrum.

Organised in cooperation with La Monnaie Opera House, as part of the European Year of Cultural Heritage, the "Songs of Longing", under the artistic direction of Airan Berg, hosted parts of the upcoming community project that will premiere at the end of June.

The performance consisted of three interwoven artistic ensembles, which included music, dance and theatre, underlining the role of culture for the present and future of Europe and highlighting the flagship message of the EU: "united in diversity".

As such, it also combined the various elements which make up the EESC's main area of focus: social policy and societal issues, economics and culture.

Professional artists, both upcoming and well-known ones, performed on the same stage, together with members of the artistic communities living and working in Brussels. They took the audience on a journey across our diverse cultural heritage, showing how it nurtures contemporary creativity; while driving hopes for a future based on joint humanity.

The "Songs of Longing" took place on Thursday 24 May at a crowded Albert Hall.

Please find more [here](ck) (ck)