Dear Readers,

The founding fathers of the European Union knew how important civil dialogue is. They were aware that the point of view of organised civil society holds real added value for European project. The creation of the European Economic and Social Committee under the Treaty of Rome in 1957 was a clear expression of this understanding. Sixty years after the first EESC plenary session in 1958, I believe that the importance of civil society’s input not only has not diminished, but is even more important, than ever before. This is especially visible in the context of multiple challenges that the EU is currently facing.

How is Europe doing? That depends on whom you ask. If you check social media or the tabloids, you will be flooded with negative messages. However, if you check data available, the reality is more and more positive and optimistic. Growth rates for the EU and the euro area reached a 10 year high - 2,4% in 2017. Unemployment continues to fall and is now around the pre-crisis level. The number of people in work in the euro area is now at its highest since the introduction of the common currency.

The risks to the forecast have recently increased again and are now tilted to the downside due to external factors such as the escalation of trade protectionism, geopolitics and the volatility of global financial markets. Nevertheless, Europe has proved that introducing reforms and stimulating tools does work. It is too early to celebrate and many reforms and adjustments still lie ahead for the EU but the course taken a few years ago has shown itself to be the right one.

The challenge is that many people do not share that view. Discrepancy between economic indicators and public perception is growing. People feel disconnected from the European project. They take its benefits for granted or often have no clue that these are provided by the EU. Moreover, we are witnessing a certain fatigue effect in European societies, especially in those severely hit by the economic crisis. This is fuelling demagogues and radicalises political debate in numerous Member States. Brussels is very often criticized for its “bubble approach” and “euro-speak” curtain. And not without a good reason…

How can we address the gap between facts and perception, between EU and citizens? How can we help Europeans reconnect
with the European project? This is where the European Economic and Social Committee has a role to play. The representatives of organised civil society do not only represent the interests of employers, workers and NGOs vis-à-vis the Commission, the Parliament and the Council. The EESC should become a champion in explaining Europe to the public and in providing concrete examples of the benefits that Europe brings to the citizens. No-one is better equipped for that than the Members of the European Economic and Social Committee – people with hands-on experience in their respective countries who are familiar with the reality "on the ground".

I believe that explaining Europe and its achievements is especially important in the run-up to next year’s elections to the European Parliament. If we fail to convince people to vote, we risk seeing more demagogy and euro-scepticism than ever before. That is why I believe that the EESC should actively join the pro-frequency campaign before next year’s elections. Every single EESC Member is like an ambassador of the EU. We are credible to European citizens, perhaps even more, than EU politicians or civil servants and we should definitely use this advantage. We must walk and talk, sharing positive experiences of Europe among our vast professional networks.

The initiative of French President Emmanuel Macron to organise civil consultations was one of such signs and things are now beginning to materialise. On 5 and 6 May, the EESC hosted the first European Citizens’ Panel. A group of 80 European citizens from 27 Member States came to Brussels to work together and draft a 12-question online consultation. I hope that policy-makers will make proper use of the results of these consultations and will use EESC experience and competence more intensively than before.

While taking an active role in shaping the future of Europe, I personally see a number of areas where the EESC has a significant role to play in the years to come. One of the most important of these is the future of work – especially the consequences of the ongoing 4th industrial revolution on the way we live and work. As digitalisation, automation and robotisation are developing at an impressive pace, people have to prepare themselves for that enormous change. I believe that the EESC – representing employers, workers and NGOs, is uniquely equipped to help society to prepare. This is a joint task for companies, trade unions and civil society organisations. Together we can ensure that Europe benefits as much as possible from the industrial transformation. This requires – among others - numerous reforms of labour markets as well as adjustments in education and training systems.

Due to the unique experience of its Members, the EESC should in the future act as a trendsetter, promoting new trends and horizontal debates that will have an impact on the EU in the long term. It was the EESC – and the Employers’ Group in particular – which began raising the issue of the 4th industrial revolution and its implications many years ago. Proper and timely identification of upcoming megatrends will help us better equip ourselves to compete with growing global players.

Certainly, in order to meet the expectations of the future, the Committee should also work hard on internal reforms to adjust its administration, structure and working methods to modern needs. This is an enormous task for both the current and the upcoming presidents of this institution. The future of the EESC depends on the success of that change!

Cohesion policy after 2020

Islands face their own inherent and permanent challenges, and permanent challenges require permanent solutions. Assistance to islands needs to be placed on an institutional footing, whereby an island should not depend on the mercy of central government to be able to get assistance, underlined Stefano Mallia, member of the Employers’ Group and EESC rapporteur on inclusive islands. Mr Mallia was taking part in a conference on islands and cohesion policy in the post-2020 period, which was held on 24 April in the European Parliament.

In his speech, Mr Mallia emphasised that cohesion policy cannot address all of the specific features of islands. A cross-cutting approach is needed; Member States need to look at a number of different policies (transport, the single market, state aid, etc.) and take the needs of islands into account in all of them.

We need to be careful not to box ourselves into a corner on islands. There are also regions that have their own particularities. By putting together the common needs that regions and islands express we could make better use of the available resources.

Cohesion policy is there to serve the aspirations of our citizens and it is up to us to make sure we address the aspirations of the people of our islands, he said.

Proposals on the post-2020 cohesion policy are expected to be published in May. The conference was the perfect opportunity for island regions to put forward their views on how cohesion policy should better address the specific needs of islands in the future.

The conference consisted of two sessions. The first session was devoted to the results to date of the implementation of cohesion policy in European islands. The second panel focused on the expectations for the post-2020 period. The event was organised by the EP’s SEARICA Intergroup (on Seas, Rivers, Islands and Coastal Areas).
The EU’s comeback to Western Balkans

After a lost decade the EU is back in the Western Balkans, recognising the importance of the region for the whole continent and the need to integrate it into European structures.

On 17th May 2018, after a long preparation the EU-Western Balkans Summit took place in Sofia, with the participation of the Head of States of EU and the Head of States of the Western Balkans countries. The main points from the Sofia’s declaration include:

1. The EU welcomes the shared commitment of the Western Balkans partners to European values and principles
2. Recalling the Thessaloniki Summit of 2003, the EU reaffirms its unequivocal support for the European perspective of the Western Balkans.
3. The EU is determined to strengthen and intensify its engagement at all levels to support the region’s political, economic and social transformation, including through increased assistance based on tangible progress in the rule of law, as well as in socio-economic reforms, by the Western Balkans partners.
4. The EU welcomes the Western Balkans partners commitment to the primacy of democracy and the rule of law, especially the fight against corruption and organised crime, good governance, as well as respect for human rights and rights of persons belonging to minorities.
5. The EU supports the Western Balkans partners pledge to continue strengthening good neighbourly relations, regional stability and mutual cooperation. This includes in particular finding and implementing definitive, inclusive and binding solutions for their bilateral disputes rooted in the legacy of the past and devoting additional efforts to reconciliation.
6. The EU agrees to promote a market- and investment-friendly environment in the Western Balkans to move faster towards a digital economy and to sustainable and climate-friendly societies in line with the Paris agreement. Energy security will be prioritised, including through improved energy efficiency, better cross-border inter-connections, diversification of sources and routes, as well as a balanced energy mix better integrating renewable energy.
7. To that end, the EU welcomes the Western Balkans partners commitment, inter alia, to accelerate the implementation of the acquis under the Energy Community and Transport Community Treaties, to remove all administrative barriers at borders, to complete the Regional Electricity Market and to urgently implement the July 2017 Multiannual Action Plan for the Development of a Regional Economic Area.
8. The EU and the Western Balkans partners share many security challenges that demand coordinated individual and collective action.
9. Countering terrorism and extremism, including financing, radicalisation and the return of foreign terrorist fighters require our increased cooperation.
10. The EU and the Western Balkans partners acknowledge that results in fighting corruption and organised crime are essential for the region’s political and socio-economic transformation and also for regional stability and security, which are in the best interest of their citizens. The EU welcomes their commitment to take resolute action, in cooperation with the EU and with each other, against human trafficking, drug cultivation, and smuggling of human beings, drugs and arms.

On 15th May, the EESC with the cooperation of TAIEX organised in Sofia a High Level Conference “Economic and Social Cohesion in western Balkans”.

The participants pointed out that it is imperative to create an environment that will enable/speed up foreign investment, and to adopt appropriate economic reforms, boost competitiveness and create high-quality jobs. In that sense, they expressed hope that the Connectivity Agenda will further strengthen the regions competitiveness and benefit all of its citizens. They also stressed the need to increase the level of investment in the active labour market policies, as well as to improve the effectiveness and inclusiveness of secondary VET and higher educational system in the Western Balkans in order to reduce skills mismatch on the labour market.

They also stressed that the respect for the rule of law and rights of minorities and vulnerable groups in the society is of paramount importance for the democratic, economic and social development of the countries of the Western Balkans.

Our Committee welcomes the initiative of the Bulgarian Presidency to make the Western Balkans a top priority of EU external relations and the efforts of the European institutions to re-establish connections with the countries of the region.

I also strongly believe that the EU’s new approach of giving candidate country status to FYROM and Albania is a positive development, but in our opinion on the Western Balkans we emphasised the need for these countries to continue the reforms according to European standards and European values, and to place the highest priority on respect of the rule of law, minority rights, a transparent judicial system and the fight against corruption.

The EESC also believes that it is necessary for the EU to give positive messages to the societies of the region regarding their future and that it is totally impossible in the foreseeable future for the region to fulfil all the economic criteria for entry to the EU. For this reason the EESC believes that every country must be assessed separately.

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Plastic: A RESOURCE, NOT WASTE IN THE CIRCULAR ECONOMY

It is highly desirable to focus on the recent European Commission strategy on reuse of plastic waste with the objective of protecting the environment from increasing pollution and boosting competitiveness and innovation, in the promising area of the circular economy.

The new EU strategic vision: plastics and the circular economy

The document entitled *A European Strategy for Plastics in a Circular Economy* was sparked by the considerable quantities of plastic waste that are released into the environment and into the sea.

Each year, worldwide, between 5 and 13 million tonnes of plastic are thrown away; while in Europe alone between 75 000 and 300 000 tonnes of plastic microparticles find their way into the environment.

These particles are transported by water and end up on beaches. In Europe plastic waste ends up, in particular, in the Mediterranean or in the northern seas, causing harm not only to the marine environment but also to tourism, fisheries and even the food chain. To avoid this, attempts are being made to step up the plastics circular economy process, seeking, through the culture of eco-design upstream and certification of secondary raw materials downstream, to help increase demand for recycled plastics.

The best strategy is to inform users and consumers of the correct collection and recycling procedures, using appropriate labelling showing how the waste is managed after use.

Only by stepping up the eco-design processes, recycling and cooperation of all stakeholders will it be possible to achieve environmental benefits, adjusting the reference EU environmental legislation.

Of the anti-pollution measures, reducing plastic packaging is particularly important as this currently accounts for 60% of total waste in Europe. According to the EU document, 95% of plastic from packaging, worth between EUR 70 and 105 billion per year, is discarded after a very brief first use cycle.

It is clear that greater familiarity with the chemical substances present in the different products would help in developing easier, safer recycling after use.

To increase plastics recycling it is necessary to enhance European citizens’ culture through greater cooperation between the differentiated collection bodies. To contain the problem of plastic waste littering beaches and the seabed, it is now important to mount information campaigns, to increase accountability and awareness of the urgency of the measures, as well as systematically implementing initiatives for waste collection on coasts.

To encourage the transition to a circular economy in the area of plastics, the EU aims to modernise the technological sector with regard both to types of plastics and to processing machines, and to boost investment with a view to obtaining highly recyclable products that are not harmful to nature or the sea.

Fishing associations and the social partners should be involved, both culturally and through national and/or EU funds, in cleaning up polymer residue from seas and rivers.
and in raising awareness about river and marine waste. When properly trained, they could also participate in the part of the industry active in ports and along the rivers during the initial stages of recycling, particularly when the fishing season is closed to allow fish to reproduce.

Finally, to promote global change, the European Union, noting that the issue of plastic is taking on an intercontinental dimension, aims to achieve cooperation between different countries to put in place appropriate pre-emptive systems to prevent plastic waste reaching the sea, in particular in Asia, where the problem is taking on disastrous proportions. Among the measures to support more efficient plastics recycling, in addition to taking part in international meetings on the need to safeguard ecosystems, attempts are being made to increasingly stimulate public bodies and the various operators involved by promoting international technical rules in order to increase industrial use of recycled plastic and ensure that plastic waste exported to other countries is managed and processed in the same way.

**From PET to yarn**

Of the plastics, PET has had considerable application in the field of recycling; in particular it has been used in the textiles industry for producing clothing. PET (Polyethylene terephthalate) is a young material; it was created in the fifties and, because of its particular characteristics such as transparency and impermeability to gas it is mainly used to manufacture water bottles. About 66% of PET is used to make plastic bottles, while 1.8% is used for food containers. World production of PET in 2014 amounted to about 41.56 million tonnes, and by 2020 PET production is expected to rise to around 73.39 million tonnes.

A significant boost to the development of recycled plastic has come from the clothing industry, bringing major benefits for the environment as it helps to reduce the use of non-renewable sources such as oil and minimises the amount of plastic that has to be disposed of in landfills. There are various examples of large companies using materials made from recycled plastic polymers. For instance, Adidas, in cooperation with the environmental association Parley, has made jumpers from recycled plastic yarn, while Bionic Yarn, in cooperation with a number of bodies which deal with waste released into the sea, has launched initiatives seeking to produce jeans from plastic.

**Plastics: facts and figures**

Plastic is a polymer obtained from distilling oil. The resulting molecules, known as monomers, have different characteristics depending on their configuration. Plastic is widely used in the consumer goods sector, in the areas of health, food, transport, construction, clothing and the automotive industry. As regards use, it is worth remembering that the commercial distribution of this material developed in the period following the Second World War and has been growing since 1950 at an average rate of 8%.

**Global production of plastic in 2012**

![Global production of plastic in 2012](source: Ambrosetti, 2013)

With regard to production and demand, Europe is the third largest producer in the world, after China and the countries of North America.

According to the most recent *Plastics Europe* report, demand and plastics consumption in Europe reached 49.8 million tonnes in 2016: Germany was in the lead with 24.5%, followed by Italy with 14.2%, France with 9.6%, Spain with 7.7%, the United Kingdom with 7.5% and Poland with 6.3%.

The plastics sector plays a key role in the European economy, employing approximately 1.5 million people working in around 60 000 small and medium-sized businesses with about EUR 350 billion of turnover in 2016. The plastics chain is made up of manufacturing, processing, use of plastics production tools, and recycling. The stages involving recycling and reuse of the polymers are still limited.

According to the EU document *A European Strategy for Plastics in a Circular Economy*, around 25.8 million tonnes of plastic are produced but only 30% are recycled.
I wrote this short note on the eve of the May plenary session to mark the occasion of becoming president of the NAT section. Before I briefly explain how I intend to work in my new capacity, I wanted to thank all of you, dear colleagues, for the trust you have shown in me, and to say “thank you” to my friend Brendan for his cooperation in the run-up to my presidency. Allow me to express my gratitude to my organisation, Coldiretti, as well, for making it possible for me to devote myself to my commitment at European level.

Turning now to how I intend to meet this new challenge, in the first place I think it is essential and fitting to take a balanced and innovative look at all the subjects that the Section will be dealing with and, in the interests of the European agri-food sector, to come up with initiatives that match the interests of farms and the food industry with those of the people of Europe.

To this end, and at a sensitive juncture in our history, namely in the light of the Commission’s proposals on financial resources post 2020, like all my colleagues in the NAT section I shall inevitably be focusing on how these proposals will affect the common agricultural policy and on the new commitments that our leaders also wish to undertake in respect of the European Union’s other policies.

It is undoubtedly important, in my view, to address with determination and vision the various questions arising from the budgetary implications for the CAP. But it is just as important to highlight the issues that can contribute most to the meaningful use of public resources in the agri-food sector.

This approach will have to address the need to create the right conditions to develop effective synergies between the agricultural sector and, at a broader level, the food industry, but also more generally between these two sectors and the EU’s other economic players.

To meet this objective, it will be important – with your assistance – to make the most of the opportunities presented by the interesting crucible of ideas represented by the EESC and our Group in particular.

This is why I think that in cooperation with our other colleagues in the Bureau and the section, and depending on the issues at stake, we need to bring on board the different representatives of the institutions, civil society and academia since, directly or indirectly, they can make a real contribution to an in-depth analysis of the issues referred to us.

More specifically when it comes to relations with the EU institutions, in my view we need to lay the foundations for systematic meetings not just with the cabinet of Commissioner Hogan and the operational structure he heads, but also with the cabinets of the other commissioners directly or indirectly involved in the policies within our remit. In this respect, we are already working with the section secretariat on preparing an initial meeting with our counterparts in the European Commission.

Likewise I believe it is fundamental to build up a network of relations with the various European Parliament committees and with the European Committee of the Regions, which are engaged in the same process.

Against this backdrop, however, we cannot overlook the fact that we need to ensure efficient governance in managing the resources allocated to the NAT section, something I would like to accomplish in cooperation with the top management of the EESC and in particular of our Group.

Following on from these more general reflections, I would like now to briefly explain what agriculture and the other sectors for which the Section is responsible represent for me.

I have to point out here, in the light of the Commission’s recent financial proposals and rumours about the forthcoming steps it intends to take in the area of agricultural policy, that our contribution to the EU decision-making process must take into account the strategic role of farmers and their productive activity. But there is more to it than this.

We must also bear in mind their social and economic role played by our farmers in terms of jobs, with more than 44 million people working in the agri-food chain.

By way of conclusion, a truly strong and common CAP can contribute not only to enhancing the commitment of the institutions in support of a sensitive sector of the economy, but...
A transparent, effective and efficient EESC budget

The Employers' Group delegation has endeavoured to achieve this and has already made progress. Still, there is more to be done in the coming years to create a real basis for effective, swift and well-grounded budget decisions, with the real involvement of EESC members. In order to achieve this, the EESC’s Rules of Procedure should be amended to enable the creation and effective functioning of a Commission for Financial and Budgetary Affairs – CAF.

The main focus of the EESC budget must be to enable and support efficient political work and increased visibility and a higher profile for the Committee. Therefore, we need a better and more precise forecasting system, together with more flexible solutions, allowing for swift reallocation in the case of uncommitted resources.

The transition to real, effective financial management by EESC members should be complemented by a precisely structured mechanism to enable well-informed decision-making when it comes to the main part of the EESC’s expenditure – human resources, logistics, security, buildings, IT, services to members, etc. There is much more to be done in order to better and more smoothly plan the rhythm of the major tenders and the financial transfers and allocations. In this regard, further deepening of the cooperation with the Committee of the Regions is indispensable. The structure of the EESC budget could be improved.

The information flow and feedback could be further improved and developed. There is a need for better structured and more comprehensive information on the main investment projects and more ownership by EESC members of the decisions concerning it.

In order to better ally the EESC budget with the political goals of the Committee and the effective support of the members, the cooperation between the Budget Group and the quaestors should be further deepened. The different investment alternatives must be evaluated and assessed both from the point of view of budget availability and the value-added for supporting the political work and the members in performing their duties.

Further ways of supporting the EESC’s political work within the means of the budget must be found, including by assessing the practical implementation of the agreement with the European Parliament and its impact. There is also more to be done in the area of making reimbursement procedures more flexible, less time- and effort-consuming and more user-friendly, ensuring that they more closely match the needs of members.
Preparations for the European conference on SDGs, Climate and the Future of Europe

In September 2017, I was approached, in my former role as SDO President, by a coalition of non-state actors called the Europe Ambition 2030 Group who wanted to build on the "Rethink Europe" letter signed by the former President of the European Council, former prime ministers, former Commission vice-presidents, the current WTO executive director and former ministers of finance and labour, experts in finance, statistics, food security, gender issues and European policies, and other distinguished persons. The letter invites Europeans – both state and non-state actors - to "rethink Europe" in connection with the Sustainable Development Goals (SDGs) of the UN Agenda 2030 "Transforming Our World".

For these signatories, “the European Union’s commitment to fighting climate change can only be achieved within the context of the SDG framework to be able to fully implement the Paris Climate Agreement”.

The Ambition 2030 Group felt that the EESC’s Sustainable Development Observatory could contribute in three areas:

• Support a proposal for a 2018 European Convention on SDGs, Climate and the Future of Europe. One output, the Conference document Europe’s New Narrative, builds on the EESC’s SC/047 opinion on The transition towards a more sustainable European future (rapporteur: Brenda King).

• Support the outcomes being presented at an informal European Council meeting with the participation of non-state actors.

• Contribute to a monitoring tool for SDGs (which was the topic of the SDO meeting on 25 September 2017, with guest speaker Guido Schmidt-Traub from the UN’s Sustainable Development Solutions network.

The EESC, through the SDO, agreed to host and chair the planning meetings. The planning meeting on 26 April 2018 was attended by members of the Ambition 2030 Group and representatives of the Commission (Secretariat-general, DG Grow and DG RTD), as well as representatives of the Covenant of Mayors and the Club of Rome.

At this final planning meeting, I announced that the EESC’s recently elected president Luca Jahier, whose top priority is sustainable development, will be attending the Convention in Milan, with six members from across the three groups. I noted that Luca Jahier will be part of the high-level round table entitled "Towards an EU2030 Strategy for Sustainable Development". I also congratulated participants on the timing of the event, as it should feed into the Commission’s reflection paper, due during the final quarter of 2018.

2019 is a critical year for sustainable development in the EU for a number of reasons:

• This is the last full year of the EU Commission and Parliament. With the transitions to the following terms of office in 2019, it is good that Romania and Finland are involved as they will hold the EU presidency during 2019, helping Ambition 2030 - with support from the EESC - to act as a bridge during the changeover to ensure that sustainable development remains high on the agenda.

• The EU will be the first to present a regional voluntary review at the 2019 UN High-level Political Forum on Sustainable Development (HLPF 2019). The HLPF 2019 is all the more important because the inaugural progress review - the Global Sustainable Development Report - will also take place.

With regard to the monitoring tool, I informed the delegates that the EESC agreed to draw up an own-initiative opinion on Indicators better suited to evaluate the SDGs - the civil society contribution (rapporteur: Brenda King). This opinion can contribute to the Ambition 2030 Group’s monitoring tool for SDGs and the Commission’s multi-stakeholder platform for SDGs monitoring subgroup for which I am rapporteur.

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