



Interview

The EU Budget

At the first extraordinary meeting of its Bureau after the 2010 renewal, the EESC had the opportunity to debate the challenges for the future EU budget with the Commissioner for budget and financial programming, Janusz Lewandowski.

During the debate, three members of Group III took the floor to react to the Commissioner's presentation, raising a number of important and interesting issues. They were, **Mario CAMPLI (IT)**, President of the NAT Section, **Michael SMYTH (UK)**, Rapporteur of the own-initiative opinion on "The implications of the sovereign debt crisis for EU governance" (see page IV) and **Etele BARÁTH**, former Hungarian Minister without portfolio responsible for European Affairs and Parliamentary Secretary to the Prime Minister's Office.

Here's what they had to say:



Mario CAMPLI (IT)

The Commission communication touches on all the problems relating to the reform of the EU budget. This reform is a necessary and urgent precursor to tackling the next challenge: shaping the financial perspectives after 2013. The communication is well designed but possibly overly cautious. The reform of the EU budget is strategically important given the present and future challenges facing European construction, in terms of the EU's internal development and external relations.

I therefore feel obliged to point out that the communication

fails to identify clearly the Commission's priorities for the inter-institutional negotiations to be conducted by the EP, the Council and the Commission in the coming months. I believe that these priorities must include the single most decisive one: to include the EU's own resources in the new budget, with clear, unequivocal figures and sources. Before discussing expenditure and/or the necessary cuts, in light of the economic crisis and the major budgetary problems facing many Member State budgets we need to focus on the forms and organisation of the EU's revenue.

The Europe 2020 strategy cannot succeed unless the EU budget includes sufficient own resources. The EU draws its revenue overwhelmingly from the budgets of the Member States, meaning that it is limited to redistributive policies, rather than the genuine competitiveness policies which are needed to make the European economic and social model globally competitive and to rebalance Member States' economies."



Michael SMYTH (UK)

I put two separate issues to the Commissioner. First of all I outlined the policy balance in the European Union between monetary and fiscal policies. I stated that the fiscal policy stance right across the union was now as tight as it had been for many years and in some Member States austerity programmes were

now in place which were leading to drastic reductions in public expenditure. **At the same time euro area monetary policy, as determined by the European Central Bank, was extremely loose and interest rates were correspondingly very low.** Then I asked the Commissioner for his views on the extent to which euro area monetary policy impacted upon the decision-making surrounding the EU budgeting process.

I also ventured the view that, given the tightness of fiscal policy in Europe, there was a need for some new thinking within the Commission about how to stimulate investment -- in infrastructure, in new businesses, in business expansion and job creation. Finally, I asked the Commissioner about the extent to which new forms of intervention, particularly those to encourage greater risk-taking, were being considered as part of the budget process.



Etele BARÁTH (HU)

I would like to thank you for your presentation, with its emphasis on decisive action and the growing importance of economic governance. As minister in charge of preparing the National Development Plan and using the European structural funds during the 2002-2006 period, at the time of Hungarian accession, I found that implementation of practically any innovative strategy was

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Welcome!

Editorial



Jillian van Turnhout

Vice-President of Group III,
Chief Executive of the Children's Right Alliance in Ireland

Welcome to the Group III Newsletter. Our President, Luca Jahier asked me to outline my role as Vice President of the Group. Firstly, I would like to thank Group III members for entrusting me with this honour. I am delighted and privileged to join with Maureen O'Neill and Arno Metzler as your Vice Presidents. I believe that together we make an excellent team.

I am excited about the period ahead and firmly believe that now is the time for Group III to make its mark. We must push our priorities and vision to the fore; to give a stronger voice to European citizens, to increase public debate, and to strengthen and reinforce citizens and civil society's involvement in shaping EU policy.

Luca has assigned me the communications responsibility in the Group and it is a role I undertake with relish. To make the most of this role, I want to hear from you, and build on your experiences of how we can best communicate internally and externally.

Of course, I am brimming with ideas! In Spring 2011 we could organise a communications training course open to all Group III members. In early 2011, as outlined at our recent Extraordinary Group meeting, we will launch a Group Vademecum to help members better communicate with one another. But we should not neglect traditional methods of communication, which have served us well up to now. Nor, however, should we shy away from

exploring new and innovative communications tools and channels. With this in mind, I intend to investigate how we can best engage with social media to serve our needs.

As Vice President I will work, with Luca, Arno and Maureen, to deepen and strengthen the profile of Group III. I will endeavour to emphasise the EESC's key role in bringing together many voices and representatives of civil society – members who are willing to question and find the best answer. Group III and its members are essential for the credibility and authenticity of the Committee.

Interview of the month continued..

dependent on inter-institutional cooperation. In my experience the Commission's proposals and very progressive approach could - despite being entirely appropriate - run into difficulties during talks in the Council, where national interests come into play. It is difficult to counter national interests with reforms in the interests of Europe as a whole, especially when there are budgetary implications.

In the current period of limited resources, the challenges of Europe2020 and the difficulties of coordinating cohesion processes could easily divert the Commission's proposals from their intended purpose. I feel that when planning the

budget it is especially important to build bridges between political will and Commission proposals to ensure that cohesion policy does not run aground over the next seven- or five-year period. We need to develop a new system of financial and legal tools, based on what already exists in the fields of cohesion and innovation policy. Unfortunately it is difficult to change mindsets in such complex cases as the Danube strategy. Development of the strategy, and most likely its implementation, has run into three "nos" - no to additional funding, no to the requisite legal instruments, and no to the idea of a new type of institution. **In my opinion, the EU's founding documents provide for various options allowing this type of**

"strengthened cooperation", developed with such tasks in mind but not yet put into practice.

The challenges of the coming decade together with a growing need for efficiency will present us with similar complex problems, making it essential to develop a task-oriented range of instruments.

To read the EESC press release on this event, please click here: <http://www.eesc.europa.eu/?i=portal.en.press-releases.11450>

Group III members in the spotlight playing a key role



Update from Maureen O'Neill, Vice-President of Group III and President of the EESC Standing Group on the EU Year against Poverty and Social Exclusion

The activities which have been held during the year by a range of organisations have demonstrated the complexity of the issues surrounding poverty and social exclusion. The fact that the EU Year has fallen in a time of cutbacks and austerity measures has increased the importance of tackling the issues in a way that does not exacerbate the difficulties already experienced by those living in poverty. EESC Members have attended a range of discussions and events which have highlighted particular issues affecting those who are working but are still below the poverty threshold; the difficulties experienced by

those who have mental health problems and the assumptions that are made about those who are poor and not in work and the critical issues of housing and homelessness.

The EESC Standing Group on the EU Year has considered a range of issues including minimum income, child poverty, homelessness, and the working poor and contributed to debates held by other organisations. The final event for the Standing Group will be a Hearing in collaboration with the NGO Coalition for the Year. It has been particularly important for the Group to enable the participation of those who experience poverty in its work and the EESC hosted a 'Universite Populaire' with ATD Quart Monde which enabled us to have the opportunity to share views, challenge assumptions and to understand the importance of involving people in the decisions that affect their wellbeing and lives.

A common feature of all the discussions has been around the myths, assumptions and stereotyping that figure largely in the lives of vulnerable people. They are so often excluded from decisions around their lives and the potential for them to propose

solutions to their problems is not realised. Assumptions are made that those who are not in paid employment make no contribution to society yet many people care for family and friends; participate in voluntary organisations of benefit to others in the community and contribute to making change. The Exhibition of photographs of the Members of ATD Quart Monde highlights the voluntary contributions made by people to their communities irrespective of their financial position.

The 2020 Strategy which has a key focus on tackling poverty is an opportunity to monitor the effectiveness with which national governments and the EU tackle the problem and the commitment they make to lifting 20 million people in Europe out of poverty in the next 10 years. The EU Year has provided an impetus but continual movement is required and it is hoped that the proposed Platform on Poverty will be part of the driving force.

Highlights of the October 2010 EESC Plenary Session

Group III members co-ordinating the work on new opinions

Mr Thomas PALMGREN (FI) is the Rapporteur working alone for the opinion on: "Marketing and use of explosives precursors" – **INT/536**.

Prof. Gerd WOLF (DE) is the Rapporteur for the opinion on: "Europe 2020 Flagship Initiative - Innovation Union" – **INT/545**.

Mr Bernardo HERNÁNDEZ BATALLER (ES) is the Rapporteur for the opinion on: "Monitoring EU market for consumer electrical and electronic goods" – **INT/546**.

Mr Krzysztof PATER (PL) will chair the study group for the opinion on: Taxation of the Financial Sector" – **ECO/284**.

Mr Viliam PÁLENÍK (SK) is the Rapporteur for the opinion on: "Enforcement measures to correct excessive macroeconomic imbalances in the euro area/Prevention and correction of macroeconomic imbalances" – **ECO/286**.

Mr Etele BARÁTH (HU) is the Rapporteur for the opinion on: "Regional Policy contributing to smart growth in Europe 2020" – **ECO/287**.

Mr Cristian PÎRVULESCU (RO) is the Rapporteur for the opinion on: "The EU Counter-Terrorism Policy: main achievements and future challenges" – **SOC/388**.

Mr Miguel Ángel CABRA DE LUNA (ES) is the Rapporteur for the opinion on: "The future of the European Social Fund after 2013" – **SOC/391**.

Mr Jorge PEGADO LIZ (PT) is the Rapporteur General for the opinion on: "Right to information in criminal proceedings" – **SOC/394**.

Mr Pavel TRANTINA (CZ) is the Rapporteur for the opinion on: "Youth on the Move" – **SOC/395**.

Mr Pedro NARRO (ES) is the Rapporteur working alone for the opinion on: "Fruit juices and certain similar products intended for human consumption - modification" – **NAT/483**.

Mr Gabriel SARRÓ IPARRAGUIRRE (ES) is the Rapporteur working alone for the opinion on: "Transitional technical measures from 1 January 2010 to 30 June 2011 - conservation of fisheries resources through technical measures" – **NAT/484**.

Mr Nikolaos LIOLIOS (EL) is the Rapporteur for the opinion on: "Laying down specific measures for agriculture in the outermost regions of the Union" – **NAT/485**.

Mr Eugen LUCAN (RO) is the Rapporteur for the opinion on: "Distribution of food products to the most deprived persons in the Union - modification" – **NAT/486**.

Mr Lutz RIBBE (DE) is the Rapporteur for the opinion on: "Mid-term review of the LIFE+ Regulation" – **NAT/488**.

Mr Gilbert BROS (FR) is the Rapporteur for the opinion on: "Support for rural development by the European Agricultural Fund for Rural Development (EAFRD) - modification/Direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers" – **NAT/489**.

Mr Carlos PEREIRA MARTINS (PT) will chair the study group for the opinion on: "Single European railway area/Development of a Single European Railway Area" – **TEN/432-433**.



Mr Bernardo HERNÁNDEZ BATALLER (ES) will chair the study group for the opinion on: "First radio spectrum policy programme/European Broadband: investing in digitally driven growth" – **TEN/434-435**.

Mr Bernardo HERNÁNDEZ BATALLER (ES) will chair the study group for the opinion on: "European Network and Information Security Agency (ENISA)" – **TEN/436**.

Mr Bernardo HERNÁNDEZ BATALLER (ES) is the Rapporteur for the opinion on: "Opportunities and challenges for European cinema in the digital era" – **TEN/439**.

Mr Richard ADAMS (UK) will chair the study group for the opinion on: "Programme to support the further development of an Integrated Maritime Policy" – **TEN/440**.

Mrs Maureen O'NEILL (UK) will chair the study group for the own-initiative opinion on: "Innovative workplaces as a source of productivity and quality jobs" – **SC/034**.

The full listing of membership of the study groups for the new work may be consulted here: <http://www.eesc.europa.eu/?i=portal.en.group-3-new-study-groups>



News from civil society organisations close to Group III



On 5 November 2010, BEUC published its response to the "Public consultation on the future of electronic commerce in the internal market and the implementation of the directive on electronic commerce (e-commerce)."

To read the paper, please go to:

<http://www.beuc.org/BEUCNoFrame/Docs/1/GCHCBBBCCJPGIMMFGMMKLBAJPDWD9DBN739DW3571KM/BEUC/docs/DLS/2010-00697-01-E.pdf>



Rossano Rimelli elected as president of CECOP-CICOPA Europe

Rossano Rimelli was elected as president of CECOP-CICOPA Europe at its extraordinary general assembly which was held on 4th November in Brussels. With this election, he becomes also Vice-president of CICOPA for Europe. Industrial expert, graduated in economy and business, Rossano Rimelli has been active in the cooperative movement in Italy for more than 25 years.

To read more, click here: <http://www.cecop.coop/Rossano-Rimelli-elected-as>



A fundamental step towards allowing women and men to reconcile family and professional life

On 20 October 2010, COFACE issued a press release in which it applauds the European Parliament's vote in favour of the FEMM Committee report revising Directive 92/85/EEC – the so-called 'Maternity Leave Directive'.

http://coface-eu.org/en/upload/PRESS/PRCOFACE_Maternity_Leave_Directive_en.pdf



EU farm leaders warn Commission plans on future CAP fail to respond to challenges faced by EU farmers

On 18 November 2010, COPA COGECAL issued the above-titled press release in which Group III member and Copal President **Padraig Walshe** argued that "we face very different challenges today than we have in the past. Extreme price volatility is on the increase and climate change puts a big question mark over our ability to meet world food needs. Yet the only concrete proposal in the

Commission's Communication is to add more costly burdens onto EU farmers."

To read the full text, please go to: <http://www.copa-cogeca.eu/Main.aspx?page=HomePage>



Global NGO coalition calls for smart nano definition

In a press release published on 24 November 2010, the EEB highlighted the fact that 46 NGOs from Europe, USA, South America and Asia are calling on the European Commission to ensure nanomaterials are adequately defined and regulated in the EU. Nanomaterials, used in a variety of everyday products, have been subject to a Europe wide public consultation with a view to finalising their legal definition.

You can consult the full text of the press release here: <http://www.eeb.org/EEB/index.cfm/news-events/news/global-ngo-coalition-calls-for-smart-nano-definition/>



Mobility Card: the disability movement wants freedom of movement in Europe

On 22 November 2010, the leaders of the disability movement gathered in Brussels to outline their priorities for 2011. One year after the EU accepted to conclude **the UN Convention on the Rights of persons with disabilities** and straight after the European Commission has presented the disability strategy for the next decade, EDF **urges the EU institutions to guarantee the free movement of persons with disabilities** in particular through the adoption of the European mobility card in 2011.

To read more about this issue, please go to: http://www.edf-feph.org/Page_Generale.asp?DocID=13855&thebloc=25752



Euro Coop' reaction to the Commission Communication on the CAP towards 2020

On 22 November 2010, in a posting on their website, Euro Coop welcomed the general orientation of the European Commission Communication on **"The CAP towards 2020 – Meeting the food, natural resources and territorial challenges of the future"**.

To read the full text, please go to: http://www.eurocoop.coop/index.php?option=com_content&view=article&id=372%3Aeuro-coop-reaction-to-the-commission-communication-on-the-cap-towards-2020&catid=47%3Afood-policy&Itemid=194&lang=en



UEAPME elects Loek Hermans as its new President

During its meeting in Brussels this week, the General Assembly of UEAPME elected Loek Hermans as President for the 2011-2012 term. He is currently President of our Dutch member organisation MKB Nederland. In his acceptance speech, Mr Hermans thanked outgoing President Georg Toifl for his work in his two mandates. Stressing that UEAPME has grown in the years from a small organisation into **"the one and only voice of SMEs in Europe"**, he pledged to continue the work previously done while strengthening the position of UEAPME in all policy areas and by taking into account the needs of all SMEs in Europe, **"from micro to medium-sized, from start-ups to fully grown SMEs, from traditional to high-tech companies"**.

To see more items in their newflash, click here: http://www.ueapme.com/IMG/pdf/101119_news.pdf



Do you want to be European Youth Capital 2014?

On 24 November 2010, the EYF launched a call for applicants to be the European Youth Capital in 2014. The European Youth Capital (EYC) is a title granted by the European Youth Forum to a European city for a period of one year, during which it is given the chance to showcase its youth-related cultural, social, political and economic life and development.

To read the more about this project, please go to: <http://europeanyouthcapital.org/>

Quote of the month...



"What is popularly called fame is nothing but an empty name and a legacy from paganism."

Desiderius Erasmus (1466 -1536)
Dutch Renaissance humanist, a Catholic Augustinian priest and a theologian

Overview of our Members' Work in the EESC

At its plenary session on 19-21 October 2010 the European Economic and Social Committee (EESC) adopted the following opinions for which Group III members were Rapporteurs or Co-Rapporteurs.



Michael SMYTH (UK) – ECO/279 “The implications of the sovereign debt crisis for EU governance” (EESC opinion 1367/2010)

In this own-initiative opinion, the EESC is widely acknowledged, both in economic theory and policy making practice, that fiscal discipline is one of the key elements of macroeconomic, particularly in a monetary union as the Euro area, where sovereign states retain responsibility for their fiscal policies. In the euro area national monetary and exchange rate policies to respond to country-specific shocks are unavailable. Fiscal policies are therefore all-powerful but they can adjust better to such shocks if they start from a sustainable position. **The sovereign debt crisis - triggered by the financial and fiscal crises - threatens the very existence of EMU and requires effective financial, economic and political responses.**

The EESC supports the actions taken to date by the Council and ECOFIN to support member states in financial distress via the European Stabilisation Mechanism (ESM) and the European Financial Stability Facility (EFSF). However, this should be considered as an interim solution which might form the basis of a more permanent procedure and framework for conditional financial support through **the establishment of a genuine European Monetary Fund. It should also be considered the setting up a European sovereign debt agency that issues Eurobonds.**

Much of the blame for the sovereign debt crisis can be attributed to the irresponsible fiscal policies pursued by some EU Member States. Some of the blame can be also attributed to imprudent bank lending which fuelled asset bubbles. The huge taxpayer-funded bail-outs of banks in some Member States and the subsequent fragility of the global financial system was also an important contributory factor to the crisis. **For the future there must be effective reforms of global banking that prevents a recurrence of such behaviour.**

In conclusion, the EESC hopes that the strengthening of European economic governance, to be launched in January 2011 with the European Semester, bringing closer economic

policy co-ordination among the Member States, will aim to safeguard European jobs which are seriously threatened by the crisis.



Ionuț SIBIAN (RO) – SOC/378 “Preventing and combating trafficking in human beings, and protecting victims” (EESC opinion 1376/2010)

The EESC supports the EU's commitment to preventing and combating trafficking in human beings and to protecting the rights of those who are trafficked and welcomes the holistic, integrated approach of the proposed directive. It strongly supports the broader definition of the offences concerning trafficking in human beings proposed by this Directive.

The EESC endorses the opinion that criminal sanctions for trafficking offences have to be commensurate with the extreme gravity of these crimes. Therefore it recommends the adoption of harsher penalties and sanctions combined with the seizure of assets derived from illegal activities. Moreover, the Committee supports the contention that the victims of trafficking are in a vulnerable situation and should be protected from secondary victimisation and further trauma during criminal proceedings. In view of the special situation of the victims of trafficking, **the EESC proposes that they be provided with free, quality legal assistance starting from the moment that the person is identified as a victim of human trafficking.** In the case of minors, assistance and support should consist primarily of reuniting them with their families, if the latter have not been involved in trafficking.

Civil society also plays a central role in the effort to combat trafficking. The EESC welcomes the fact that the directive envisages cooperation with civil society organisations. Finally, the EESC supports the idea that there is a lack of comparable data as regards human trafficking. Therefore there is a need to collect quality data on this phenomenon in a harmonised manner in EU Member States through the establishment of National Rapporteurs.



Renate HEINISCH (DE) – SOC/389 “European Year for Active Ageing (2012)” (EESC opinion 1377/2010)

The EESC welcomes the proposal to designate 2012 the European Year for Active Ageing. **However, this title and the idea**

behind it do not convey what the EESC thinks this year should be about, namely that ageing should not only be active, but also healthy, dignified and enjoyable. Hence, “active” ageing should not be seen just as the possibility of prolonging working life or social involvement.

The Commission is therefore asked to word a less restrictive title that incorporates these broader quality-of-life dimensions.

If the European Year 2012 is to deliver benefits, the terms “ageing”, “active”, “healthy” and “dignified” need to be harmonised across Europe. Measures that are comparable can only be introduced if there is a common understanding of what these principles mean.

The EESC sees itself as being especially fitted to playing a leading role when it comes to awareness-raising measures and steering constructive debates between social partners and **organised civil society** and passing on the outcomes of these. In particular, the Committee has in mind the **creation of an observatory to assess events at European and national level**, thereby supporting a “European Alliance for Active Ageing”, which has also been proposed and which should be tasked with coordinating initiatives at Union level. **The EESC could also take on the role of an “Ambassador for the Year”. It would also be useful to hold a conference on the most important substantive aspects of the year, the conclusions of which should be incorporated into an own-initiative opinion drafted by the observatory.**

News from Group III



From left to right, Jillian van Turnhout, Luca Jahier, Arno Metzler and Maureen O'Neill

New Presidency of Group III from 2010-2013

At its meeting on 19 October, Group III confirmed the election of **Luca Jahier (IT)** as its new President and appointed three Vice-Presidents: **Arno Metzler (DE)**, **Maureen O'Neill (UK)** and **Jillian van Turnhout (IE)**. The Presidency will meet at regular intervals during the year to monitor progress on the implementation of the President's programme and to discuss issues of political and practical interest for the Group.

OTHER NEWS THAT MATTERS



Congratulations to Group III member **Dick Westendorp (NL)**, (standing on the right above), who was presented on 3 November 2010 with the ITO Foundation Award (Dutch Customer Service Centre). A former Director of the Consumers ITO and former Chairman, Dick was praised as **“the person who has done the most to improve the relationship between consumers, business, citizens and government.”**