



# Europe III

The voice of Group III  
Various Interests  
February 2015



## The investment plan for Europe – old wine in new bottles?

### Why does Europe need an investment plan?

The level of investment in Europe has fallen 15% below its pre crisis peak and yet there are high levels of savings rates across Europe. Corporate balance sheets are bulging with cash; institutional investors are awash with money, while at the same time the budgets of most Member States are either fully stretched or shrinking. This low level of investment is all the more puzzling when the cost of capital in both nominal and real terms is at rock bottom.

The markets to bring together investment demand and the supply of investment finance are clearly not working properly across Europe. Given the ideological divide between supporters of supply-side reform and neo-Keynesians that emphasise the shortfall in aggregate demand, the Investment Plan for Europe aims to please both sides. It seeks to boost EU productive potential while at the same time it looks like a fiscal stimulus.

### What is the essence of the Investment Plan for Europe?

There are three pillars of the Plan:

- the creation of a dedicated European Fund for Strategic Investments (EFSI) guaranteed by EUR 21 billion from the EU budget and EIB reserves which, according to the Commission's assumptions, can leverage an additional EUR 294 billion of investment finance over three years;
- an investment pipeline of strategic projects supported by a specialist investment hub of technical assistance;
- the removal of barriers to investment and improvements in the regulatory regime.

### Will the Investment Plan work?

This is not an easy question to answer. Ideally Europe needs a full-blown public investment programme to boost productive potential, boost demand and create employment. As this seems unlikely to happen, the Juncker plan is a second-best. Critics of the plan argue that it is too small relative to Europe's investment need of well over €1 trillion and that the leverage required to deliver the plan is unrealistically high. In addition, it is claimed that the plan has a medium-term time horizon

when what is needed is a short term boost. Some see parallels between the Juncker plan and the €120 billion Growth Initiative launched in 2012. The latter was also made up of budgetary allocations and very little positive results have been reported to date.

Against this rather negative perspective, there are some positive aspects of the Investment Plan. The degree of leverage in the plan is within the range already achieved by the European Investment Bank. The EFSI will target higher risk projects and will attempt to leverage substantial amounts of private investment and it will therefore be additional to investments under the Cohesion Programme. The EFSI will attempt to utilise a range of innovative financial instruments such as equity, quasi equity, guarantees and venture capital within a more flexible investment framework.

The Commission estimates that the investment plan will create up to 1.3 million net new jobs between 2015 and 2018. In its review of the plan, the ILO estimates that the job creation could be as high as 1.8 million net new jobs if assistance is targeted at the greatest need. Member

States' contributions to the EFSI will not be counted in the budgetary calculations under the Stability and Growth Pact. This begs the question as to why the Commission has not gone further and introduced a new Golden Rule for Europe, which would incentivise Member States to boost public investment? This is a proposal that we in the EESC should now investigate.

Ultimately the success or failure of the plan hinges upon two things – firstly whether there are sufficient higher risk, higher return projects that the Plan's financial instruments can unlock and secondly, whether institutional and other investors are willing to take on these riskier projects.

It will be difficult for the Commission to reform the regulatory regime so as to make large (particularly cross-border) infrastructure projects less difficult to undertake. These reforms are set out in the Commission's Work Programme for 2015 and so the EESC will have ample opportunity to comment on and input in to this regulatory reform programme.

ED  
Editorial



Michael Smyth (UK)  
Member of the Various Interests Group  
Former President of the ECO Section

## INTERVIEW: European Policy Centre

The European Policy Centre (EPC) is an independent, not-for-profit think tank dedicated to fostering European integration through analysis and debate, supporting and challenging European decision-makers at all levels to make informed decisions based on evidence and analysis, and providing a platform for engaging partners, stakeholders and citizens in EU policy-making and in the debate about the future of Europe.

EUROPE III – The Investment Plan for Europe focuses mainly on energy, the digital agenda, transport and innovation among SMEs and mid-caps. It is relatively light on social infrastructure and on skills. Do you agree?

Yes, there is a strong focus on physical infrastructure projects with far less on social infrastructure and skills. This does not necessarily reflect political priorities; this kind of financing mechanism is better suited to projects with a clear economic return, which implies that they are 'bankable', i.e.

they can attract private finance. The plan should be complemented by national public investments in higher risk projects, which cannot attract private finance.

EUROPE III – The high degree of financial leverage underpinning the Plan has drawn a lot of critical comment but, given that the EFSI will target riskier projects, is it not achievable?

The higher the risk, the higher the potential leverage. However, it is far from clear how

willing the Commission and the EIB are to take significantly higher risks. In addition, there are many projects where, even with a higher risk being taken on at EU-level, they still remain unattractive for private finance, which will be a particular issue in countries where there is significant political risk.

EUROPE III – If Member States contribute additional capital to the EFSI or if they or their respective National Promotional Banks co-finance projects under the Plan, these will not be counted in the

IN.  
Interview



Fabian Zuleeg  
Chief Executive of the European Policy Centre

budget calculation under the Stability and Growth Pact. What is the difference between this flexibility and a full-blown Golden Rule for Europe?

A Golden Rule exempts certain public (capital) investments from fiscal rules. This provision is similar but only applies to a narrow category of spending, i.e. spending related to the Juncker Plan. The EU should define a more general a Golden Rule for certain types of social and public investment, but this also needs to be assessed at EU level to avoid weakening the EU influence on national fiscal policies.

EUROPE III – The third pillar of the Juncker Plan is the removal of red tape and regulatory barriers inhibiting infrastructure investment in Europe. Is this feasible, in any meaningful sense, over the next three years? If not, how can larger cross-border infrastructure projects get underway?

The third pillar is, in essence, nothing new: a development of the Single Market, national structural reforms and improving the business environment. While these are generally good aims, what is missing here is any new mechanism to implement, especially since many national vested interests would have to be overcome, which has not been achieved in the past.

EUROPE III – Around €75 billion has been earmarked in the Plan for SMEs and mid-caps. Will the EFSI and the EIB have the capacity to deliver this investment across Europe? Surely they will have to rely even more on commercial banks in Member States?

Access to capital for investments remains an issue across the EU and that must include the lending activities of commercial banks. This funding can create some incentives for commercial banks but

the fundamental issue – a break-down in the free movement of capital – will not be addressed by this funding.

EUROPE III – The commission estimates that between 1.0 and 1.3 million net new jobs will be created under the Plan between 2015 and 2017. Recently, the ILO estimates that between 1.8 and 2.1 million net new jobs are possible if investment is directed towards skills and the areas of greatest need. Do you agree?

These estimates firstly rely on a full implementation of the plan in the timeframe envisaged. This seems unlikely but there is a relatively high job potential, especially in the countries most hit by the crisis where labour resources are underutilised. But whether this plan can deliver in these countries remains to be seen, given country-specific risks. Here,

a conditional transfer mechanism, such as a targeted fiscal capacity, is also needed to provide additional support which can encourage higher employment levels.

To find out more about the EPC, please visit: <http://www.epc.eu/about.php>



## Highlights of the January 2015 EESC Plenary Session

### Group III members co-ordinating the work on new opinions

Thomas PALMGREN (FI) is the President of the study group for the own-initiative opinion on: "Creative and cultural industries – a European asset to be used in global competition" – CCMI/137.

Mr Bernardo HERNÁNDEZ BATALLER (ES) is the Rapporteur for the own-initiative opinion on: "Environmental, social and health claims in the single market" – INT/766.

Mrs Renate HEINISCH (DE) is the Rapporteur for the own-initiative opinion on: "Towards digital health - electronic information for safe use of medicinal products" – INT/767.

Mr Michael SMYTH (UK) is the President of the study group for the own-initiative opinion on: "Completing EMU: The political pillar" – ECO/376.

Mr Viliam PÁLENÍK (SK) is the Rapporteur for the own-initiative opinion on: "A European tax as an EU own resource" – ECO/377.

Mr Bernd SCHLÜTER (DE) is the Rapporteur for the own-initiative opinion on: "Sound social benefit systems – a social agenda for Europe" – SOC/520.

Mr Pavel TRANTINA (CZ) is the Rapporteur for the own-initiative opinion on: "Recognition of skills and qualifications acquired through non-formal and informal learning – the practical input of organised civil society" – SOC/521.

Mr Tom JONES (UK) is the Rapporteur for the own-initiative opinion on: "Rural Development Programmes: Sticking Plasters or Green Shoots of Recovery?" – NAT/661.

Mr Mario CAMPLI (IT) is the Rapporteur for the Information Report on: "The reform of the CAP: implementing arrangements, diversity, redistributive effects and other decisions taken by the Member States when implementing the reform of direct payments" – NAT/664.

Mr Lutz RIBBE (DE) is the Rapporteur for the own-initiative opinion on: "2015 Global climate change negotiations (COP 21): Civil society's role and expectations" – NAT/SDO/665.

Mrs Dilyana SLAVOVA (BG) is the Rapporteur for the Information Report on: "Corporate social and societal responsibility as a catalyst in the EU's partnership agreements (trade, investment and cooperation/development)" – REX/439.



Mrs Anne Marie SIGMUND (AT) is the President for the Information Report on: "Role of EIDHR in democratic transition – Tunisia a case study" – REX/442.

Mrs Evelyne PICHENOT (FR) is the Rapporteur for the Information Report on: "Corporate social and societal responsibility as a catalyst in the EU's partnership agreements (trade, investment and cooperation/development)" – REX/443.

Mr Ronny LANNOO (DE) is the Rapporteur for the own-initiative opinion on: "Evaluation of EC stakeholder consultations" – SCO/039.

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>

## OUR GROUP'S STRENGTH



The *Farmers' Category* held a half-day meeting on Tuesday 27 January 2015. The category spokesperson Yves Somville (BE) introduced the main topic for discussion: 'Current situation and perspectives for the agricultural market' to which a number of actors were invited. Mr. Pierluigi Londero, Head of Unit of DG AGRI.2 – Agricultural modelling and outlook, presented the short and medium-term prospects for EU agricultural markets and Prof. Jose-Maria Garcia-Alvarez-Coque, of the Polytechnic University of Valencia, presented a study for which he was co-ordinator entitled: 'EU member States in Agri-food world markets: current competitive position and perspectives'. The members then heard from the rapporteurs, members of the Category, about the current state of play of the ongoing draft opinions

and finished the morning examining some proposals for the 2015 category work programme.

The *Social Economy Category* will hold a meeting on Friday 27 February 2015. Following some words of welcome from the Category Spokesperson, Miguel-Ángel CABRA DE LUNA (ES), there will be an exchange of views with Jens Nilsson MEP, Co-chair of the European Parliament's Social Economy Intergroup. The members will have a debate on the latest situation regarding the *European Foundation Statute* with representatives of the European Foundation Centre. Then, Jose Maria Zufaur, President of the REX section, will report on the public debate on 'The external dimension of Social Economy', which took place at the EESC on 29, January 2015.

Next on the agenda will be a brainstorming session on the possible priorities for the Category's Work Programme for 2015. The meeting will continue with an exchange of views with Emmanuel Verny, General Delegate, French Chamber of Social and Solidarity Economy, followed by a presentation of the Cooproute project by Bruno Roelants, Secretary-General, CECOP. In conclusion, Ariane RODERT (SE), Vice-President of the Various Interests Group, will update the members about the latest developments concerning the *Social Business Project* (INT/735).

More information on the work of the categories can be found on our website, by contacting the spokespersons of the categories, or the Secretariat of Group III at: [gr3@eesc.europa.eu](mailto:gr3@eesc.europa.eu).

## Other news that matters

### Professor Gerd Wolf awarded Minerva Prize



We send our warm congratulations to our member, Professor **Gerd WOLF** (first on the right in photo) who has received the Minerva Prize for Champions of Fusion Research. In Jülich on 4 December 2014, the Minerva Prize of Jülich's Museum

Association (Förderverein Museum Jülich e.V.) was presented to a triumvirate from fusion research. On that evening, Prof. Wolfgang Marquardt presented a statuette of Minerva, the goddess of wisdom and patron of science, to Prof. Chevalier Paul Vandenplas, Prof. Marnix van der Wiel, and Prof. Gerd Wolf for their services.

At the ceremony in the Schlosskapelle of the Zitadelle in Jülich, the Chairman of the Board of Directors of Forschungszentrum Jülich and the chair of the association emphasized one particular quality of the three prize winners – their far-sightedness. "Anyone who, like yourselves, has dedicated their whole life to fusion, certainly has this quality!"

The whole press announcement (in German) can be read here: <http://www.fz-juelich.de/SharedDocs/Pressemitteilungen/UK/DE/2014/14-12-04minerva.html>

### Quote of the month...



"Reconciliation is worth much more than revenge; justice is worth much more than anger. Despite the tragic events of yesterday, and today, I trust in human kindness."

**Simon Gronowski**

83 year-old Belgian Holocaust survivor  
Speech marking International Holocaust day 27 January 2015,  
and the 70th anniversary of the Liberation of Auschwitz  
<http://www.eesc.europa.eu/?i=portal.en.news.34564>

## Group III Members in the Spotlight playing a key role



### CROATIAN PARLIAMENT INFORMED ON EESC WORK

From the left, Toni Vidan, Marina Škrabalo and Lidija Pavić Rogošić

The three members of the Various Interests Group from Croatia (photo) attended a meeting held towards the end of 2014, which was organised jointly by the EESC member acting as Communication contact point, Lidija Pavić Rogošić and the Parliament's [European Affairs Committee](#). The EESC work and members' activities were presented by six of its nine Croatian members: Anica Miličević-Pezelj and Marija Hanževački from Group II, Violeta Jelić from Group I, Lidija Pavić Rogošić, Marina Škrabalo and Toni Vidan from Group III. Croatian MPs were informed about European Economic and Social Committee, which brings together representatives of organised civil society from Member States and its consultative role to the European Union bodies. Croatia in each group has three representatives. Members of the EESC presented to the assembled MPs their work during the first year of Croatian membership in the European Union and [expressed their desire to strengthen cooperation with the Parliament](#), especially when it comes to defining strategic priorities for action. The meeting concluded with an agreement on future cooperation and ways of exchanging information between Parliament and the Croatian members of EESC on issues of mutual interest.



Dilyana SLAVOVA (BG)  
President of the NAT Section  
Member of the Bureau of the Various Interests Group

### HOW TO ENSURE THE COMMON NATURE OF CAP REFORM IN THE FUTURE

Launched in 1962, the Common Agricultural Policy (CAP) is a partnership. All of us should reinforce the common nature of the policy, while taking into account the diversity of European agriculture, the CAP must remain a common policy with common rules to ensure that

A strong CAP, with an adequate budget, will be more essential than ever in future. A dynamic and competitive agricultural sector, which provides employment for nearly 30 million people, also has an indispensable role to play in the EU future. Why?

Because we have common challenges in front of all of us:

- EU farmers face an uneven playing field when competing with imports
- Market instability is on the increase
- Farmers' incomes are deteriorating
- New risks from climate change

Rising world demand for food, combined with increasing climatic extremes and market volatility, will mean that food security will be a policy priority for governments throughout the world.

So the future CAP should be based on the following principles:

- the vital nature of the economic role of farmers - providing essential food supplies - and their wider role meeting society's territorial, environmental and social objectives distinguishes it from other economic sectors
- agriculture should contribute to the reinforcement of the European Union - the CAP must remain a common policy with common rules to ensure that competition within the single EU market is not distorted, while taking into account the diversity of European agriculture
- financial solidarity is necessary to ensure greater economic and social cohesion and integration throughout the EU of 28 Member States and greater rural/urban balance.

We have common objectives to ensure future common CAP:

- provide a stable framework for the development of agricultural production, through increased productivity and competitively, as well as the proper functioning of the market, so that the EU's strategic independence of supply in all its key production sectors is maintained and consumers are there by assured secure, stable and safe food supplies and that the EU is also able to contribute to meeting the rising world demand for food
- ensure the maintenance of a rich diversity of high quality food from different rural areas throughout the EU and ensure that consumers are fully informed about the food they purchase
- ensure that all production is carried out in a way which protects the environment (air, soil, water), protects animal welfare and biodiversity and provides an attractive countryside
- optimise EU agriculture's contribution to economic and employment opportunities in rural areas throughout the EU
- encourage land management practices which promote biodiversity, resource and habitat conservation, taking into account specific regional conditions
- assist farmers' ability to adjust to, and mitigate the negative effects of climate change
- ensure EU agriculture's contribution to reducing emissions (CO<sub>2</sub>) and the EU's dependence on energy imports through the production of renewable non-food resources
- ensure a fair standard of living for agricultural producers and long-term prospects which will attract future generations of both men and women farmers to take up a career in farming.



### 25 YEARS AFTER THE FALL OF THE IRON CURTAIN: ACHIEVEMENTS AND CHALLENGES

Opening panel with Group III members Mall HELLAM (centre, on mic) chairing and Kinga JOÓ (first on the right)

The conference was initiated and organised by the Directorate General for Research and Innovation (DG RTD) of the European Commission with the contribution of the European Economic and Social Committee to commemorate the historical events that transformed and shaped Europe in 1989. The event was also an occasion to present the publication *"25 years after the fall of the Iron Curtain – The state of integration of East and West in the European Union"* by the author Prof. Peter Balazs, ex-European Commissioner and former Minister of Foreign Affairs of Hungary.

In opening panel Mall HELLAM (EE) welcomed the participants. She recalled the events in the Baltic States that led to the political transformation and to the end of the Soviet rule in these countries. By talking about the present day situation, she emphasised the dangers that the Baltic countries and the whole of Europe is facing just as it was the case during the cold war. She warned of populism, that is gaining strength in the Eastern neighbour countries, Ukraine and Russia, as well as in some EU member states. As an approach for the future she emphasised the importance of civil dialogue and the total rejection of aggression. "Until one part of Europe remains unfree, no European country can feel itself safely," she stated. Mrs Hellam stressed that by no means it can be allowed dividing Europe into spheres of influence like back in 1939. "The moral pillars of EU are universal human rights, rule of law, independent judicial system, free speech, transparency and accountability. Along with free entrepreneurship, strong economic and social guarantees these are what make the EU desirable and worth fighting for."



The question and answer session after the first panel was moderated by Kinga JOÓ (HU). Many of the participants took the floor. From the presentations as well as from most of the questions it became clear that the evaluation of the historical events, although 25 years have passed, is still an ongoing process. Most reactions emphasised the ambiguity that still surrounds the judgment of this period (whether seen from a political, economic, social, etc perspective).

The "25 years after the fall of the Iron Curtain – The state of integration of East and West in the European Union" publication is available for download...

More information on the event and the programme can be found here:

<http://ec.europa.eu/research/social-sciences/index.cfm?pg=events&eventcode=2DD8214B-DC9C-5279-743699391E8EE507>

About the author: [http://people.ceu.hu/peter\\_balazs](http://people.ceu.hu/peter_balazs)



Ariane RODERT (SE), Vice-President of the Various Interests Group and Kinga JOÓ (HU), who also chaired a panel.

### YOUNG SOCIAL ENTREPRENEURS IN DIALOGUE WITH THE EESC

On February 3 and 4 the EESC seminar "A New Generation for a New Europe" facilitated the dialogue between young entrepreneurs and policy makers to discuss issues and opportunities for young entrepreneurs and the role of the EU institutions. The event concluded with recommendations on education and entrepreneurship, quality jobs and growth. Group III members participated throughout the event and in particular in the session on social entrepreneurship. It was clear that the majority of the young entrepreneurs were social entrepreneurs signalling the current popular interest in social economy. They called on the EU Institutions and the EESC to facilitate networking and ways for them to connect with like-minded. They raised issues such as better access to information, finding ways to share models, to better measure societal impact and the value of both formal and non-formal education in social entrepreneurship. Ariane Rodert presented the EESC work on social enterprise policy in the session on social entrepreneurship which was moderated by Kinga JOÓ. She took note of the discussions as input to the continuation of the social enterprise project. "We have to ensure that the work we do fully supports young social entrepreneurs" Ariane said. "We need to foster social innovation in Europe. It was clear to me that these young entrepreneurs are exactly what Europe needs to tackle the societal challenges we are facing" Ariane concluded.

Jens Nilsson MEP also referred to this in his presentation where he stressed the need for a true social market economy and that the Social Economy Intergroup will be ensuring the Parliament's work is supportive of the social economy and that in particular the review of Europe 2020 is important in this work.

The EESC will continue to act as a bridge on promoting social entrepreneurship and social economy through the continuation of the EESC Social Enterprise Project which has been extended to end of current mandate.

The programme for the event can be consulted here:

<http://www.eesc.europa.eu/?i=portal.en.events-and-activities-new-generation-4-new-europe>

## Overview of our Members' Work in the EESC

At its plenary session on 21-22 January 2015 the European Economic and Social Committee (EESC) adopted the following opinions for which Group III members were Rapporteurs or Co-Rapporteurs.



**Renate HEINISCH (DE) – INT/762** "Laying down Community procedures for the authorisation and supervision of medicinal products for human and veterinary use and establishing a European Medicines Agency" (EESC opinion 6070/2014)

The EESC endorses the change to the regulation which is, in our view, consistent and it notes that no specific proposals for changes to the regulation are presented, nor do they appear necessary. It recommends that the proposal for a regulation be approved in its current form and **welcomes the proposal for a regulation on veterinary medicines**. It accepts the proposal amending Regulation (EC) No 726/2004 laying down Community procedures and the proposal for a regulation on the manufacture, placing on the market and use of medicated feed. Furthermore, the Committee believes that a number of points could be improved upon to ensure that the objectives of improving the availability of veterinary medicines, such as **reducing red tape and promoting innovation and competitiveness**, as well as enhancing the functioning of the internal market.



**Kaul NURM (EE) – NAT/632** " Land grabbing – a wake-up call for Europe and an imminent threat to family farming" (EESC opinion 926/2014)

In this own-initiative opinion, the EESC states that some EU policy areas have direct or indirect effects on land grabbing in the EU and worldwide. These include the bio-economy, trade and agricultural policy. A prime example is the EU requirement to increase the share of biofuels and permitting of duty-free and quota-free sugar imports, which are behind certain land grabbing projects in Asia and Africa.

According to data from various sources, in Romania up to 10% of agricultural land is now in the hands of investors from third countries and a further 20-30% is controlled by investors from the EU. In Hungary one million hectares of land was acquired in secret deals using capital primarily from EU Member States. Although foreigners will not be allowed to buy land in Poland until May 2016, it is well known that 200 000 hectares have already been acquired by foreign investors, mainly from EU countries. To protect family farms so that small-scale farming can offer a viable alternative to industrialised agriculture and to the land grabbing that this entails, **active measures must be taken to protect family farms**, including aid measures for producer organisations and measures to combat unfair trading practices. Policy measures at EU and at national level can help to make family farming more sustainable and more resilient.

The EESC calls on all EU Member States to implement the Voluntary

Guidelines on the Responsible Governance on Tenure (VGGT) and to report to the European Commission and the FAO on the use and application of the VGGT in their land governance policies. In conclusion, the Committee urges the European Parliament and the Council to discuss whether the free movement of capital in respect of the alienation and acquisition of agricultural land and agribusinesses should be guaranteed, particularly in relation to third countries, but also within the EU.



**Padraig WALSH (IE) – NAT/638** "Situation after the expiry of the milk-quota system in 2015" (EESC opinion 5123/2014)

In this own-initiative opinion, the EESC considers the abolition of the milk quota system from 31 March 2015, as decided in 2008, to be a fundamental change. Since the introduction of this comprehensive method of guiding production on 1 April 1984, it has over time become increasingly clear that dairy prices and farmers' incomes have not been sufficiently effectively supported and stabilised and that dairy production in the EU has decreased, while rising significantly worldwide.

The EESC believes that this must be done by **fully utilising Pillar II provisions of the CAP 2014-2020 and the Milk Package**, to ensure dairy farm families can be sustained throughout the territory. Participation in producer organisations which can help farmers improve their standing in the supply chain must be encouraged, and knowledge transfer measures targeted to help farmers improve technical and economic efficiencies. However, the EESC considers that **the Pillar II budgets and measures, or the measures in the Milk Package which now forms part of CAP 2014-2020, will certainly not suffice to protect vulnerable dairy farmers** whether within or outside disadvantaged or mountainous areas. Additional measures may be required to ensure those farmers receive viable incomes and a fair share of market returns. They should also benefit from advisory services on production efficiency, diversification and re-orientation to help them make the best decisions for their future and that of their successors, bearing in mind the limitations of disadvantaged enterprises in terms of income generation capacity.

Moreover, the Committee considers it equally critical to ensure that commercial and competitive dairy farmers in all areas, including those more suited to sustainable and competitive dairy production for export are allowed to grow their enterprises to respond to fast rising global demand, and in so doing generate increased employment and revenue for the economy in rural areas of the EU. However, the main challenge for these farmers will be the massive income variations related to the volatility of both dairy commodity prices (and hence producer milk prices) and input costs. It is essential that the EU facilitate the development by Member States and industry of taxation solutions and simple hedging instruments, such

as fixed-margin contracts, easily accessible by farmers.

In conclusion, the EESC urges that the **inadequate level of the "safety net" provisions built into the new CAP be revised**, and kept under ongoing review, to ensure they bear a closer relation to actual production costs.



**Arno METZLER (DE) – REX/397** "Situation and operating conditions of civil society organisations in Turkey" (EESC opinion 1568/2014)

This own-initiative opinion is partly based on a fact-finding mission organised in July 2014 to consult Turkish civil society organisations. The recommendations of the opinion are providing guidelines to the other EU institutions, especially to the Commission, on how to better support Turkish civil society organisations and improve their working conditions. The EESC **encourages particularly the Turkish government and administration to recognise civil society organisations as an important part of society**. The Turkish government and administration are also invited to engage civil society in a formal discussion process (Economic and Social Council), and to enshrine this in the constitution through the constitutional reform process. Moreover, **the separation of powers between the legislative, judiciary and executive is a key prerequisite in ensuring that civil society organisations can operate**. An independent judiciary, in particular, is the basis for any rule of law.

Particular attention should also be paid in EU-Turkey dialogue to the **effective implementation of basic rights and freedoms**, including freedom of expression without fear of individual discrimination or punishment; **media freedom**; freedom of association and assembly; women's rights; trade union rights; rights of minorities -including religious, cultural or sexual minorities. **Turkish civil society organisations should be recognised as a key player in Turkey's approximation process with EU values and acquis**. Certain occupational groups – specifically the Liberal Professions, such as lawyers, doctors, tax advisors – **have a particularly important role to play in making a free society under the rule of law a reality**. Accordingly, these professions need effective self-regulation, for example by professional organisations that ensure that they can fulfil their particular responsibilities towards society and individuals without political interference.

Finally, the EESC stresses that social dialogue at national, branch and enterprise level is desirable in Turkey to allow employees and employers to become partners on equal terms. The goal should also be to improve working conditions and occupational health and safety, which must translate into comprehensive rights for workers.

NOTE: The complete texts of all EESC opinions are available in various language versions on the Committee's website:  
<http://www.eesc.europa.eu/?i=portal.en.opinions-search>

## News from Group III



On 10 February 2015, the Various Interests Group went on a field visit to Ypres to mark the centenary of the First World War. The programme began with a courtesy call to the Town Hall to meet and have an exchange of views with the Deputy Mayor, Jef Verschoore. This was followed by a short guided tour of the 'In Flanders Fields' Museum, where our guest speaker, Piet Chielens, gave an overview of the history and objectives of the museum. Since 1996 Mr Chielens has been co-director of the In Flanders Fields Museum, where he is director of exhibitions and public programming. He is also the author and co-author of numerous publications concerning WWI. The visit continued with the laying of a wreath at the Menin Gate, in commemoration of all those who perished in the first great war. The President of Group III, Luca Jahier, made an address of remembrance at the closing of the event ( <http://www.eesc.europa.eu/?i=portal.en.news&itemCode=34668> ) and Group III member and Vice-President of the EESC, Jane Morrice, read out the following poem:

### IN FLANDERS FIELDS

*In Flanders fields the poppies blow  
Between the crosses, row on row,  
That mark our place; and in the sky  
The larks, still bravely singing, fly  
Scarce heard amid the guns below.*

*We are the Dead. Short days ago  
We lived, felt dawn, saw sunset glow,  
Loved and were loved, and now we lie  
In Flanders fields.*

*Take up our quarrel with the foe:  
To you from failing hands we throw  
The torch; be yours to hold it high.  
If ye break faith with us who die  
We shall not sleep, though poppies grow  
In Flanders fields.*

Written by Canadian Physician,  
Lieutenant Colonel John McCrae,  
on 3, May 1915

[http://en.wikipedia.org/wiki/In\\_Flanders\\_Fields](http://en.wikipedia.org/wiki/In_Flanders_Fields)



Please visit the Museum's website for further information: <http://www.inflandersfields.be/en>