



Europe III

The voice of Group III Various Interests September 2015



(From the right) Luca JAHIER (IT), President of the Various Interests Group with Paula LEHTOMÄKI, State Secretary at the Prime Minister's Office and Seppo KALLIO (FI), Member of the Bureau of the Various Interests Group

ED.

Editorial

The impact of current EU-Russia relations on the Agri-food sector

The "Various Interests" Group of the European Economic and Social Committee (EESC), in collaboration with the Central Union of Agricultural Producers and Forest Owners (MTK), hosted a seminar entitled "The impact of current EU-Russia relations on the Agri-food sector" on 7 July 2015. The event took place at the Scandic Marina Congress Center in Helsinki (Finland). In the opening session, Paula Lehtomäki, State Secretary at the Prime Minister's Office, spoke on behalf of the Government of Finland.

The main objective of the seminar was to discuss the current situation in trade and agri-food products following the Russian restrictions on food imports from the European Union. Since Russia banned the import of agricultural goods from the EU, the situation for food producers has been very critical. This has impacted several European countries including: Finland, Lithuania, Latvia and Estonia which exported more than half of their agri-food export to Russia. Additional key exporters affected by the ban include Poland, Germany, the Netherlands, Slovakia, Greece and Belgium amongst others. The seminar provided an opportunity to review and assess the situation as well as to suggest civil society's views on a way forward.

The seminar had approximately 100 people in attendance, including representatives of the Finnish government and from the agri-food industry as well as a large number of local civil society organisations.



President Luca JAHIER (IT) delivering his inaugural speech

Report of the Seminar:

The seminar was very successful and presented a clear picture of the altered situation in cooperation in the agricultural sector between the EU and Russia. This event marked the beginning of a relevant and necessary process to discuss openly and analyse thoroughly the consequences of the overall deteriorating political relations between EU and Russia, due to, in part, the crises in the Ukraine.



Panel of experts

The agri-business has suffered greatly from the Russian embargos, especially in the dairy, vegetables and fruit sectors. The biggest losses in export market share have been in the Baltic Countries, Poland, Finland, but also the negative effects have been felt in some Eastern

European and Mediterranean countries. Traditionally, the role of Russian import markets in these regions has been very important in milk sector and especially in relation to cheese and dairy produce. The current situation is particularly devastating for milk producers and the dairy industry in general in Finland and Baltic countries. The dairy market has been destabilised and the whole sector is facing the real market crisis.



Group III Member Pirkko RAUNEMAA (FI) intervenes in the debate

Therefore, it is essential that the EU take immediate action and it must be prepared to propose new risk management systems and mechanisms for defending the producers in this type of market crises. The EU has to strive to find new markets by using EU-trade policy instruments and more market promotions in agri-markets in new areas and countries throughout the world. This is an important aspect also in the WTO-negotiations and bilateral negotiations.

Regarding future EU-Russia relations, the EESC has to continue working towards progress and having an open dialogue with its Russian counterparts, though the political situation is very challenging. It is clear from their side that the Russia agriculture sector also needs to restore EU-relations for both economic and political reasons. Russia is

also the member of WTO and, as such, is obliged to adhere to international trade rules and cooperation agreements.



The auditorium with participants

The EESC should encourage and facilitate cooperation activities and better contacts with the Russian civil society organisations. The Russian agri-sector organisations badly need the western contacts for developing better relations in the future. For example, the Russian Farmers' Union is a member of the World Farmers Organisation (WFO).

The EESC and all its members, from all three Groups, can help increase cooperation with Russian democratic civil society organisations and, naturally, through the ongoing work of the REX Section. It is vital that the EU must try to develop a better cooperation policy and model with the Russian authorities, over a wide range of fields in the political and economic sectors.



Group III member Krzysztof KAMIENIECKI (PL) makes a point and poses some questions to the panel

The impact of current EU-Russia relations on the Agri-food sector (continued)

The Various Interests Group, through taking the initiative to organise this dialogue seminar in Helsinki, has shown good will and noble intentions, which proves that it is possible to deal head-on with very difficult political and economic subjects and thus to bring openness and transparency and encourage an exchange of information. In conclusion, the Helsinki seminar served also as a vector for the EESC's communication policy and highlighted



Seppo KALLIO (FI) summing-up at the end of the Seminar

the important and pivotal vital role it needs to continue to play, due to the fact that EU-Russia relations are fundamental from the EU's food security and international trade point of view.

You can consult the full programme, read the speeches and run the PowerPoint presentations on the designated webpage of the Seminar: <http://www.eesc.europa.eu/?i=portal.en.events-and-activities-agri-food-russia>



Special feature

THE SHADY AND DANGEROUS WORLD OF DISINFORMATION



Indrė Vareikyte (LT)
Member of the Bureau of the Various Interests Group

The EESC recently adopted an Information Report entitled: "How the media is used to influence social and political processes in the EU and Eastern neighbouring countries" (REX/432 – EESC opinion 7333/2014). The Rapporteur was Indrė Vareikyte (LT). The following is her text explaining the principle reasons for writing the report and some of its main findings and recommendations.

"We must threaten Brussels, Warsaw, Vilnius, so they start digging trenches. Germany is seeking to get back its Third Reich's glory and making preparations to attack Russia and, on the way, other European nations – much like Nazi Germany did during World War II. It's not Russia that is being aggressive, but rather European Union. The Germans, as well as the French, want to single-handedly divide the world. They are trying to pit against Russia".

This is how the world looks like through the eyes of the Russian TV channels and these are only several examples of the Russian produced content – you can find many more by following Russian broadcasters every day. A variety of tools and methods are currently used to undermine European values, influence Eastern Partnership and other external actions of the EU, as well as to develop and provoke separatist and nationalistic attitudes among the members of civil society, manipulate the public and conduct direct interference in the domestic policy of sovereign countries and the EU as a whole. These actions destabilise and provoke confrontations among the societies of the EU. Disinformation can even sow hatred which generates violence and terror among people – consequences which we see in Russia itself.

TOOLS OF DISINFORMATION:

You probably think about niche or small broadcasters, but, for example, the global news network RT is the main Russian international media outlet used in the government's information campaign. It has 22 satellites and over 230 broadcast operators, attracts over 700 million viewers in more than 100 countries and is available in almost 3 million hotel rooms throughout the world. State-funded, with a budget of \$400 million in 2015, it broadcasts in English, Arabic, Spanish, German, French and Russian and is the most watched news channel on the internet in the world. For comparison, the BBC World Service Group, the biggest broadcast newsgathering operation in the world, had a budget of \$376 million for 2014-2015.

However, fake news is not the only shown on TV, many other tools are used as well: fake video footages with professional actors, who, for example, can appear in one TV report as a German citizen who came to Ukraine to support radical movements, and in another channel he will perform as a Russian speaking Ukrainian who was attacked due to his pro-Russian views. Through various forms, e.g. fake social network accounts and profiles, social networks are also a convenient tool for the rapid distribution of interlinked texts and images supporting a certain narrative, and their easy, cost-free multiplication. Many social media profiles are created in order to gather communities. Many of them are named with absolutely unrelated titles, for example "discounts for glasses", or similar. When these profiles gather enough followers they start publishing information against governments, EU and spreading other common narratives.

An information campaign to shape international opinion has extended to recruiting and training online bloggers and trolls who spread the Kremlin's messages in the comments sections of top news websites and in social networks. Over 400 employees work 12-hour shifts and are split into three departments – writing up themes, commenting, and creating graphics and content for social media. On an average working day, the trolls are expected to post 50 times on news articles. Each blogger is to maintain 6 Facebook accounts publishing at least 3 posts a day and discussing the news in groups at least twice a day. Each month, they are expected to attract 500 subscribers and get at least 5 posts on each item a day. On Twitter, the bloggers are expected to manage 10 accounts with up to 2 000 followers and tweet 50 times a day.

Blogs and comments under articles are used very actively as well. Forbes and Guardian editors announced that sometimes new publications related to Russia or Ukraine receives up to 40 thousand comments per day.

WHAT SHOULD WE DO?

The EESC's Information Report "How media is used to influence social and political processes in EU and Eastern neighbouring countries" is based on facts, research data provided by academics, civil society organisations, journalists both in Eastern partnership countries and Europe, as well as on the data collected from European and Russian sources. Part of the document is also based upon the information from the EESC's public hearings where input was made by various researchers, civil society representatives, members of European Parliament, European External Action Service and journalists from European media and independent journalists from Eastern Partnership countries.

The document underlines that propaganda cannot and should not be countered with anti-propaganda, as it would only further destabilize European society and, the worst outcome, it would lower people's trust in information overall. Considering the scale and amount of resources dedicated to increasing information influence, we should choose the approach of internal partnerships, publicity, transparency and education instead.

In response to the current situation EU institutions together with the Member states should take these necessary actions: support an EU level network of media regulators, journalists, experts, NGOs and EU institutions; increase the proportion of European works in the Audio-visual Media Services Directive, and ensure broader distribution; establish a position of EU media spokesperson for Russia-related issues; support the establishment of European monitoring initiatives to track false information originating from foreign media outlets; encourage Member States, media and civil society organizations to raise awareness on cases of disinformation; establish a co-funding scheme for reporters from broadcasters in the EU Eastern border countries, Eastern Partnership states and Member States that do not have sufficient resources to report on EU news from Brussels, engage and strengthen independent Russian language media outlets; analyse the impact of disinformation and information manipulation on the public; collect existing UNESCO, Council of Europe and Member States examples on media education and information literacy training, and prepare a list of recommended practices to the Member States; strengthen the promotion of European identity and core values; enhance transparency and integrity in the lobbyist, think tank and NGO sectors at both EU and national levels

WHY DOES THIS MATTER?

Although Russian content is often aimed at European values and the EU's foreign policies, we shouldn't forget that people in Russia suffer from propaganda as well. The lack of media freedom in Russia works as a supporting factor for these goals. The government of Russia controls over 95% of media and over 90% of Russians get their information directly from the state media.

According to latest surveys, one of the most popular topics in the Russian media is "The West is preparing a plot against Russia" – Russian people hear that we are their biggest enemy every day and in the future it will affect our relations with Russian people significantly.

Propaganda has become a tool, which induces paranoia, fear, a sense of insecurity, nostalgia for the Soviet Union and nationalism. Data shows, that 68% of Russians believe, that they are under the threat of being attacked by another country. Six-in-ten Russians have an unfavourable opinion to the EU. 61% of Russians agree with the statement that parts of neighbouring countries really belong to Russia.

Group III Members in the Spotlight playing a key role



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

EU AGRI-TRADE IN THE CONTEXT OF THE GLOBAL FOOD SECURITY

Agriculture and farming are absolutely vital sectors that are of paramount importance for economic viability, employment and added value in rural areas. Demographic trends in the EU – an ageing and shrinking population – mean that the internal market in agricultural and food products is heading towards saturation point. Moreover, imports are growing and competition intensifying as a result of the liberalisation of agricultural markets.

At the same time, international agricultural trade is growing as demand for food is increasing – particularly in the large emerging countries – due to population growth and rising incomes. With this in mind, it is necessary at EU level to identify the differences between the export of staple foods to less developed countries and the export of high-quality agricultural products to emerging economies where demand for high-quality consumer goods is increasing rapidly. Nowadays hunger is not so much a problem of quantity but of distribution, justice and buying power.

Agricultural trade is a sensitive issue in international negotiations. The EU is a major player in the world agri-trade. The EU is both the world's largest importer and exporter of agri-food products. The EU is a net importer of raw agricultural commodities, and a net exporter of processed foodstuffs. Trade thus allows the food sector to specialise in higher value commodities, increasing the returns received by farmers. Trade allows consumers to benefit from lower prices and a wider range of food commodities. Imports increase the level of competition on food and input markets and help to control market power which is an important policy concern. Trade also helps to drive productivity growth. But trade openness means that agricultural markets are vulnerable to imported price volatility, even as trade helps to stabilise prices in the face of domestic shocks. In these circumstances, the EU should make use of the opportunities to be found in agricultural trade. The achievement of growth, jobs and prosperity is absolutely clear. Also made clear was that EU high standards in sensitive areas like food safety, environment and consumer protection will be clearly stated in the trade negotiations and greater transparency in the trade negotiations especially in TTIP will increase the confidence in the agreement.

In the NAT Section we try to give agricultural trade a focus – as a specific topic for the EU – and demonstrate its importance and its contribution to global food security. Benjamin Franklin says that “No nation was ever ruined by trade”. So let make EU added value agriculture much more market oriented. It is high time EU politics start strongly supporting the EU agri-trade otherwise EU will lose its positions on the world agri-trade markets and the Junker Plan will not be properly implemented.

RUSSIAN BAN – NO WINNERS THIS TIME!

Russia is highly likely to extend its import embargo on agri-food products from the EU, as member state governments have agreed to continue economic sanctions against Moscow until January 31, 2016. The import ban was imposed in early August 2014, for a period of one year, but the Russian government has stated that it will not be lifted while Western sanctions remain in place. Russia banned imports of fruit, vegetables, meat, poultry, fish, milk and dairy originating from the European Union as a response to Western sanctions over Ukraine's crisis.

The Russian food ban forced the European Commission to use agricultural funds to help EU producers hit by the trade restrictions. Some sectors are affected differently however. The EU is the region which is most affected by the targeted restrictions as 73 per cent of the banned imports come from the EU. This is unsurprising given that the EU represents the vast majority of Russia's total imports from the countries impacted by the sanctions. Russia is the second most important destination for EU agri-food exports after the United States, representing in total a value of about € 11.8 billion in 2013, or roughly 10% of all EU agri-food exports, according to the Commission. The agri-food products covered by the Russian ban represent a value of € 5.1 billion in 2013 exports or 43% of EU agri-food exports to Russia.

What is the situation today? Total EU agri-food exports to third countries increased by 2.3% from August 2014 to February 2015 compared to the same period the previous year despite Russia's ban on EU agricultural products - although some member states fared much better than others. While EU exports of agri-food products to third countries have risen since the start of the Russian ban on Western agricultural products, intra-EU agri-food trade is down year-on-year, new figures from the European Commission have shown. The new data released by the EU executive shows that while trade with countries outside the EU rose by 5% (to just over €95bn from €91 billion) from August 2014 to April 2015 compared to the same period in 2013/14, trade between member states fell by 7%.

What are the main conclusions? We could agree with DG AGRI that the most recent developments from the Russian Embargo are:

- Total EU agri-food exports increased
- Exports to Russia down by more than 40%
- Cheese, fruit and vegetables most affected
- Some Member States much stronger affected than others

What is much more important however is what will be the measures that the EU could undertake further and what will be the concrete EU actions to mitigate Russian Embargo? Of course some of the most adequate measures are finding alternative markets, promotion of the EU agri-food products in third countries, diversification of the markets. Here we could underline the role of the instruments of the trade policy - multilateral trade agreements, bilateral/regional agreements and unilateral preferences. And still some crucial questions have no answers. Is the EU prepared for such unpredictable situations as embargos in future? Are we taking the right measures? What could be done more?

News from Group III



We warmly congratulate our three Group members who were awarded, on Bastille Day, 14 July 2015, the highest decoration in France, the National Order of the Legion of Honour.



Evelyne PICHENOT
Chevalier de la Légion d'honneur



Joseph Honoré GUIMET
Officier de la Légion d'honneur



Reine-Claude MADER
Commandeur de la Légion d'honneur

You can read more about the history of this award here: https://en.wikipedia.org/wiki/Legion_of_Honour

Quote of the month...



“Start by doing what's necessary, then do what's possible, and suddenly you are doing the impossible...”

Saint Francis of Assisi (1181/2-1226)

(Birth name: Giovanni di Pietro di Bernardone)
Italian friar and preacher. Founder of significant Catholic mendicant religious and monastic orders including the Franciscans and the Poor Clares

https://en.wikipedia.org/wiki/Francis_of_Assisi

OUR GROUP'S STRENGTH

The Social Economy Category met on 8 July 2015. Following some words of welcome from the category Spokesperson, Miguel Ángel CABRA DE LUNA (ES), the members formally adopted the 2015 Work Programme. Next, Professor Lowitzch of the University of Viadrina in Frankfurt gave a presentation of the Virtual Tool on

Employee Financial Participation. Finally, the members had two consecutive debates with representatives of the European Commission: Baudouin Baudru, Member of Commissioner Thyssen's Cabinet and Michel Catinat, Head of Unit F2, Clusters, Social Economy and Entrepreneurship, DG GROWTH.

The programme and presentation are available here: <http://www.eesc.europa.eu/?i=portal.en.categories-social-economy-meetings.36269>

Highlights of the July 2015 EESC Plenary Session

Group III members co-ordinating the work on new opinions

Reine-Claude MADER (FR) is the Rapporteur for the opinion on: “Report on Competition Policy 2014” – INT/771.

Séamus BOLAND (IE) is the Rapporteur for the exploratory opinion on: “CAP simplification” – NAT/672.

Gabriel SARRÓ IPARRAGUIRRE (ES) is the Rapporteur for the opinion on: “Fishing Authorisation Regulation” – NAT/674.

Sorin IONIȚĂ (RO) is the President of the study group for the opinion on: “Revision of the legislative framework for Emissions Trading (ETS)” – NAT/675.

Bernardo HERNÁNDEZ BATALLER (ES) is the President of the study group for the exploratory opinion on: “The internal market of international road freight: social dumping and cabotage” – TEN/575.

Grace ATTARD (MT) is the President of the study group for the opinion on: “EU Action Plan against migrant smuggling (2015-2020)” – REX/452.

Ronny LANNOO (BE) is the President of the study group for the opinion on: “Better regulation for better results” – SC/41.



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>

Overview of our Members' Work in the EESC

At its plenary session on 1-2 July 2015 the European Economic and Social Committee (EESC) adopted the following opinions for which Group III members were Rapporteurs or Co-Rapporteurs.



Bernardo HERNÁNDEZ BATALLER (ES) – INT/766 "Environmental, social and health claims in the single market" (EESC opinion 503/2015)

In this own-initiative opinion, the EESC believes it is important that the Commission put forward European methodologies for measuring and communicating the overall environmental impact of products and services. An inventory of official labels should also be compiled, specifying their meaning and the bodies accredited for awarding, validating and differentiating them.

The EESC hopes that, with a view to extending the scope of Directive 2005/29/EC, the Commission will revise the guidelines facilitating consumers' and businesses' access to reliable and transparent information and will clarify the use of environmental, ethical and health-related claims in marketing communications.

In the field of administrative cooperation, each Member State's consumer authorities should carry out a "sweep" of environmental, social, ethical and health-related claims, to be able to assess the situation today on the basis of real data.

Moreover, the EU should equip itself with a coherent legal framework for regulating on-line marketing communications, which shows due regard for the right to personal privacy and for the protection of other public policy objectives.

Finally, the European Commission and the Member States, within the scope of their respective powers, should develop initiatives for surveillance, monitoring and sanctions in relation to existing self-regulation and co-regulation schemes in this area.

Bernardo HERNÁNDEZ BATALLER (ES) – SOC/514 "Sport and European Values" (EESC opinion 4496/2014)

In this second own-initiative opinion, by the same Rapporteur, the Committee states that sport helps meet the EU's strategic objectives, brings to the fore key educational and cultural values and is a conduit of integration, since it is open to all members of the public, regardless of their gender, ethnic origin, religion, age, nationality, social situation or sexual orientation. Sport is a tool to tackle intolerance, xenophobia and racism.

Sporting activities allow all people to channel their hopes in a constructive way, enriching them with the values that sport entails such as hard work, solidarity and cohesion. Such activities also bring physical and mental well-being while helping to alleviate social problems by providing positive values.

Volunteering has a key role to play in the development of grassroots sport and in clubs, affording it considerable value from a social, economic and democratic point of view.

The principle of good governance and sound management should ensure integrity in sporting competitions. The EESC supports strengthening the role of sport as a driver of innovation and economic growth. With an eye to the development of the sports sector, steps should be taken to foster at different levels the use of EU funding instruments. At European level, efforts should be made to promote social cohesion, measures to include disadvantaged groups in sporting activities and social integration.

The EU has an important role to play in tackling inequality with a view to removing the barriers that prevent people with disabilities and older people from taking part in sport.



Cristian PÎRVULESCU (RO) – REX/447 "Towards a new European neighbourhood policy (ENP)" (EESC opinion 2442/2015)

The current European Neighbourhood Policy (ENP) does not reflect reality in the EU's neighbourhood and it has faced a lot of challenges, which were not properly addressed. Fundamental changes to the ENP mechanism and instruments are needed. The EU must recognise its role and influence on ENP countries and their neighbours – which contributed to political and social disturbances and galvanised the interest of certain stakeholders beyond the borders of the ENP countries.

The ENP countries have differing foreign policy priorities and ambitions for their relationship with the EU. The EESC therefore stresses the need to apply the principles of differentiation and flexibility. At the same time, the EESC emphasises that the acceptance of democratic values and respect for human rights should be applicable to all states, as applying double standards would demoralise other ENP countries.

The new ENP should focus on activities that strive to increase human security and the stability of the EU's neighbourhood, as well as activities which create better economic and social conditions – and prosperity – in the ENP partner states. The main objective of the renewed ENP should be to ensure the security of the people and to secure their prospect of leading a dignified and prosperous life in their country, free of violence, oppression and poverty.

The EESC also recommends that civil society's role must be further enhanced in three main ways: by empowering civil society, rendering it better able to support stabilisation and democratisation processes; including civil society organisations more in ENP related commitments and activities and finally, making better use of European civil society's expertise and resources to support the development of civil society in the ENP countries. Moreover compliance with fundamental human and social rights – in particular, freedom of association and the right to collective bargaining – need to be fully recognised. Social dialogue should also be encouraged in both the eastern and southern dimensions of the ENP.



Mario CAMPLI (IT) – NAT/664 "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" (EESC Information Report 1409/2015)

For the first time in the history of the CAP, the European Parliament participated – on an equal footing (as co-legislator) with EU agriculture ministers (the Council) – in the reform of an EU common policy.

Since the Commission communication, "the increasing diversity of agriculture and rural areas following successive enlargements" has been recognised, as has the fact that: "policies set at European level are therefore needed in order to ensure fair conditions with a common set of objectives, principles and rules." The Commission's legislative proposal of October 2011 reiterates, consequently, that: "The proposal complies with the principle of subsidiarity. The CAP is a truly common policy". The proposal itself, then, already had around twenty areas in which decisions are entrusted to the Member States.

However, the Regulation which emerged from negotiations between the three EU institutions has around seventy areas in which Member States have the option of making their own decisions. It is impossible to infer from the list of transfers a strategy behind the flexibility offered to Member States, given, in part, the negotiating method used to reach the Regulation's final wording, the co-decision procedure. The autonomous decisions of the Member States, legitimately exercised on each of the delegated options, automatically trigger, throughout the Union, a multiplier effect on both the quantity and the diversity of the choices made.

It follows that, in addressing CAP reform, the Parliament and the Council have opted for national arrangements that very much reflect "common" policy (something not anticipated, as we have shown above, in the Commission's initial proposal). At the same time, the Commission remains under an obligation to ensure, pursuant to the Treaties, the safeguarding of the assets of the single market.

An information report does not adopt recommendations, since its purpose is, on the one hand, to map a state of affairs and, on the other, to provide a knowledge base for a future own-initiative opinion. Nevertheless, it is possible to draw some conclusions from it.

- The lengthy decision-making process has led to delays in reaching political agreement and implementing the CAP. It should be borne in mind that the new CAP has been applicable since 1 January 2015 (in other words, a year later than the date initially planned) and that, given the difficulties in implementation, farmers must submit aid applications without full knowledge of the new rules. They risk making mistakes, which should not be penalised.
- Implementing the common agricultural policy will not be any easier in the years to come. The report shows that the final outcome of the reform and the subsequent decisions made by Member States on a range of more than fifty delegated matters is not a simpler CAP. Breaking up direct payments into a series of measures (basic payment, greening and so on) also risks creating greater administrative complexity. In some cases use was not made of flexibility, partly due to this administrative complexity. One example of this are the "equivalent practices" to greening, introduced during the negotiations on the reform, but in practice applied by only five countries in 2015.
- When the reform is actually implemented and the Member States make their implementation decisions – the consequences of which for the dynamics of actual farms and agricultural markets have yet to be seen –, it will be necessary to monitor and verify regularly whether the wide diversification as set out in the co-decision procedure is compatible with the principles of an agricultural policy that the Treaties themselves define as "common" (see Article 38 TFEU).



Panagiotis GKOFAS (EL) – REX/433 "TTIP and its impact on SMEs" (EESC opinion 561/2015)

Given the importance of SMEs for the European economy, the EESC considers it essential, particularly in light of the implications for employment, to have an impact assessment detailing by sector and by Member State the likely consequences that the entry into force of the TTIP would have, under current negotiating terms, on European SMEs. This evidence-based and detailed assessment, should measure the impact that the TTIP could have on exporting and non-exporting companies integrated into the various value chains. It is crucial to be able to anticipate how these businesses will be affected by the opening of a more integrated transatlantic market. Will the TTIP bring about a change in their business models, production methods, service delivery or strategies in terms of investment and jobs once this new area of competition is in place?

The SME category in the EU is itself highly varied and very small enterprises with fewer than ten employees are in fact over-represented. Moreover, the distribution of SMEs by size also varies widely among the Member States. Given the strong presence of micro-enterprises in trade, manufacturing and craft industries, the EESC recommends that the Member States most concerned organise local information and training seminars on the content of the TTIP, the opportunities involved and the "points to watch".

Trade and investment barriers are not exclusive to SMEs, but they have more of an impact and are more dissuasive. In terms of the TTIP, most of them will be the subject of specific chapters to be applied across the board to all businesses. As a result, the SME chapter in the TTIP will be somewhat limited: promoting the participation of SMEs in the transatlantic market by making the relevant information available and strengthening cooperation between the public authorities responsible for SMEs. The EESC is pleased that there is a chapter on SMEs in the negotiations but would like to improve the content, and has therefore drawn up proposals set out in the section on specific comments. The current content proposed by the European Commission needs to be fleshed out in several areas, including ways in which SMEs/VSEs may be represented in the future SME committee and the remit of this committee.

The EESC would like to use the opportunity provided by the negotiations with the US to compare the SME support policies on each side of the Atlantic. This comparison will doubtless identify appropriate new measures for supporting SMEs and thereby strengthen the European Small Business Act (SBA). It considers that the time has now come for the European institutions to heed the call by European and national SME organisations for a legally binding SBA and more closely coordinated industrial and trade policies. The network of "SME envoys" also needs to be turned into a real authority responsible for coordinating SME policy.

The EESC asks that small and micro-enterprises be represented in the negotiation process, with at least one specific seat on the TTIP Advisory Board. It would also recommend that SMEs' economic, professional and sectoral organisations be assisted when providing SMEs and micro-enterprises with support and guidance, and that financing measures be established where necessary.



Lutz RIBBE (DE) – NAT/665 "The Paris Protocol: a blueprint for tackling global climate change beyond 2020" (EESC opinion 580/2015)

The EESC expects the COP 21 negotiating parties to finally decide on a binding agreement which is both fair and ambitious. Apart from some minor exceptions, the Committee fully supports the Commission's negotiating position on this matter. However, it takes issue with the fact that seemingly the EU has yet to fully grasp the key role to be played by civil society in this process.

All parties to the framework convention on climate change must, without exception, assume responsibility for meeting the actual goal. The principle of common but differentiated responsibility is correct. Most countries should rapidly embark on a process of transformation away from fossil fuels towards a high level of resource and energy efficiency and renewables. Regardless of the outcome of the negotiations in Paris, in reality the battle for future markets in green technologies that are important for protecting the climate started a long time ago, and it is a battle that Europe needs to fight, whether or not COP 21 produces results.

The EESC cautions that it is not by the (hopefully) ambitious outcomes of COP 21 that our climate will be saved, but rather by their systematic implementation. And it is not politicians who will implement them. Although they must create the right conditions, it is civil society that will put them into practice. The decisions therefore need broad public approval and support from businesses, trade unions and all other elements of civil society.

Unfortunately, the multiple roles played by civil society will be discussed only on the outer fringes of the COP, and the EU has taken no evident steps to change this. The communication provides no tangible indications whatsoever as to the role civil society should play. The new climate policy cannot and must not be imposed "from above", but needs to be based on broad support from all stakeholders and to be implemented "from below". The EESC recommends that the Commission, the Council and the European Parliament finally engage in intensive and structured dialogue, so that society's fundamental willingness to develop new structures is not jeopardised. The actual EU policy in this area to date has been very disappointing.



Ronny LANNOO (BE) – SC/040 "Evaluation of EC stakeholder consultations"

In this opinion, the EESC sets out recommendations on stakeholder consultation, as provided for in the Treaties, with a view to enhancing the quality of these consultations and bridging the gap between the EU and its people. The EESC is concerned about the way in which stakeholder consultations are carried out and therefore also about the quality of the results of such consultations. It is therefore calling for consultations to be consistent and representative and to ensure added value for the organisations and interest groups concerned. The EESC has put forward a number of structural, practical and realistic proposals and asks the European Commission to cooperate constructively in developing and implementing new measures.

A more strategic approach to the consultation process, from preparation to assessment, with systematic involvement of the relevant existing structures (organisations representing the target groups and advisory and consultative bodies) should ensure a greater, high-quality response. In view of its role set out in the Treaties, the Committee would like to act as facilitator to ensure the success of stakeholder consultations.

It can participate and cooperate in all of the key phases of the process (identifying the stakeholders, drafting the questionnaires, summarising and following up the results). In order to bring structure, stability and representativeness to the process, the Committee could, as in the past, hold hearings and conferences and establish platforms and forums for dialogue.

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>