



*The "Various Interests" Group
European Economic and Social Committee*



CONFERENCE organised by the Various Interests Group of the European Economic and Social Committee and the European Movement Ireland:

'Ireland 40 years on: the benefits, opportunities and challenges of EU membership'

CONCLUSIONS

Membership of the European Union has resulted in enormous benefits for European citizens and individual Member States, including Ireland, in the economic, social and cultural spheres. Whilst recognising the hardships of five years of austerity, the continuing crisis can be utilised as an opportunity to invest in Europe's future. It is an opportunity for increased economic, financial and political integration, which will lead to a more sustainable, competitive and cohesive Europe. Against this background and based on both the work of the EESC to date and on the discussions at the above mentioned conference, the following are recommended:

Promoting 'More Europe' for a better Europe

- Insist that if Europe is to fully meet its ambitions and potential, it is necessary to invest in a united Europe which is mutually reinforcing and stronger than the sum of its individual parts;
- A key first step in this process is the completion of a 'genuine economic and monetary union' and the Irish Presidency of the Council of the EU is urged to facilitate the future implementation of economic governance in the EU, notably the ECB-based banking supervision and the recapitalisation of banks through the European Stability Mechanism;
- Urge rapid progress towards a fiscal and economic union and stronger investment in the social dimension of Economic and Monetary Union (EMU), as clearly stipulated in the conclusions of the European Summit of December 2012;
- Recall that European civil society and citizens have a pivotal role to play in finding solutions at the European level, which would complement national strategies. To this end, civil society and citizens should be more actively involved in the formulation and implementation of European policies, via inter-alia, Article 11 of the Lisbon Treaty (TFEU);
- Highlight that an adequate EU budget for the next Multi-annual Financial Framework and an upward subsidiarity of responsibility towards policy-making at the European level would result in significant increases in growth, competitiveness, job creation and poverty

reduction. For example, in the areas of energy, research, customs and border security, taxation, social policy etc;

- Within this context, strongly urge the European Commission to assess the cost of 'non-Europe' in all policy areas and to evaluate its impact on employment and growth. As a second step, the Europe 2020 Strategy should include new objectives and action plans for reducing these costs.

Overcoming the challenges of Europe's financial and economic crisis

- Insist that Europe is currently undergoing not only a financial and economic crisis, but also social, environmental, food and demographic crises;
- Highlight that to date, the policy response to the crisis at the EU level has proved inadequate, for example, the Europe 2020 Strategy, the Fiscal Compact, Six-Pack, Two-Pack, the European Stability Mechanism (ESM), the Banking Union, etc.
- Stress that holistic solutions are required, where the fiscal, banking and financial unions which are necessary pillars of EMU, are complemented by growth and equity promoting measures, employment creation, the sustainable and efficient use of resources, territorial, social and environmental cohesion. All of the above should be underpinned by political legitimacy and democratic accountability;
- Insist that there is a need for a different response centred around more support for a Social Europe, a social investment package to support more inclusive growth, a re-balancing of production systems, greater encouragement of the social economy and a new investment in our democratic structures in order to re-engage with citizens;
- To this end, it is imperative to balance the economic and social dimensions to the crises through the introduction of a social compact and integrated anti-poverty strategy. The EU's Structural Funds should become key instruments in the fight against poverty;
- Call on the European Council to include in the social dimension of EMU, concrete proposals for inter-generational solidarity, poverty reduction, youth unemployment and gender equality. Particular emphasis should be placed on investments in active inclusion, education systems, lifelong learning and youth mobility programmes;
- Stress that despite fiscal discipline, the EU and national budgets should focus on incentives for growth, employment, competitiveness, sustainable development and consumption, with the EU budget supported by own-resource mechanisms;
- Highlight the pivotal role in job creation, innovation and in growth to be played by the Single Market, the Europe 2020 Strategy and a new industrial policy for Europe. Europe's SMEs, the social economy, the green economy and the liberal professions should be key actors in this process;
- Urgently call for additional measures to enhance the protection of consumer rights, which will result in greater trust by citizens in the Single Market;
- Insist on the importance of ending the negative link between bank bailouts and sovereign debt of Member States, by inter alia, the use of the European Stability Mechanism (ESM). Even a partial covering of bank debt by the ESM would enable bailout countries to regain growth and exit austerity more rapidly;

- Within this context, strongly regret that in the case of Ireland, the direct recapitalisation of banks through the ESM is currently not possible;
- Call for the European Investment Fund (EIF) to be re-capitalised, in order to enable it to provide development capital for European SMEs, notably when banks are either unwilling or incapable of meeting the needs of SMEs;
- Welcome the future re-capitalisation of the European Investment Bank (EIB), which is scheduled for March 2013. This should enable the EIB to significantly expand its support for long term infrastructure investments;
- Highlight that most analyses of the crisis have blamed bankers, speculators, credit rating agencies and the financial markets. Few have singled out political incompetence, which is also a contributory factor to the current crisis.

Investing in a sustainable and effective Common Agricultural Policy (CAP)

- Stress that after 50 years, CAP remains at the cornerstone of European integration and that it continues to play a central role in European food security, growth, job creation and the vitality of rural communities;
- Insist that the future budget for CAP should reflect this pivotal role and call on the EU to maintain the current budgetary levels in the next Multi-annual Financial Framework;
- Emphasise that if the budget is reduced, it will have a very negative impact on rural Europe, forcing increasing numbers of citizens to migrate to urban centres;
- Highlight that the negative effects of climate change are particularly acute for the agriculture sector and that the CAP should be viewed as an opportunity to encourage green and smart growth in the EU;
- Within this context, CAP must strongly support efforts to encourage sustainable forms of agriculture and to reverse environmental degradation;
- Reiterate that CAP must assist farmers who work and produce, as opposed to farmers who no longer produce;
- Within this context, emphasise that the agri-food sector should be able to maintain and even increase its levels of efficiency and output, whilst also respecting sustainable production and consumption patterns. This is necessary in order to address future demand for food and increasing food prices, whilst also encouraging job creation and attracting younger generations to the sector;
- Insist that greening measures should not lead to excessive bureaucracy and additional costs. It is imperative that the future CAP is simplified and rendered more transparent, balanced, predictable and flexible, subject to effective financial and operational controls;
- Highlight that flexibility in the management of the CAP by Member States is crucial in order to best address the challenges facing rural areas, particularly in the current period of budgetary constraints.

Dublin, 1 February 2013