



EU Facts Update: developments in the EU (January 2008)

January has seen the baton of European Union Presidency passed to Slovenia in a crucial period for the future of the Union's development. The Slovenian leadership set out its aims for the six-month presidency, to encourage supra-national unity and to "strengthen the European perspective".

Priorities for the Slovenian Presidency include making a good start to ratifying the newly signed Reform/Lisbon Treaty before the European Parliament elections in 2009. Secondly, negotiating the terms for Kosovo's independence from Serbia, which will be a huge challenge early in the year. The Slovenian Presidency has declared 2008 the European Year of Intercultural Dialogue, naming Liverpool the European Capital of Culture (alongside Stavanger in Norway). Ambassadors for the programme include the current Eurovision Song Contest Champion, Serbian Marija Šerifović. More details on the Slovenian EU Presidency can be found at <http://www.eu2008.si/en/>.

REFORM TREATY

The Reform Treaty was signed in Lisbon in December of last year and will come into force in 2009 if it is ratified by all 27 EU member states throughout this year. Gordon Brown has resisted calls for a referendum on the Treaty by asserting that parliament will extensively debate the Treaty throughout the beginning of this year. An ICM/Open Europe poll found that 86% of UK voters want a referendum on the issue of the Lisbon treaty. Ireland is currently the only member state that has pledged to hold a referendum on the Lisbon Treaty at some point during the coming summer.

The Lisbon Treaty remains controversial within many EU countries, as it has been estimated that it retains between 90% and 99% of its content from the failed European Constitution. The French Constitution will be amended to allow the French Parliament to ratify the Lisbon Treaty on the 6th February this year. European Commission President José Manuel Barroso has stressed the importance of the new EU Treaty, referring to a shared commitment to fight terrorism within the EU, whilst also calling for a common immigration policy.

Ex-Prime Minister Tony Blair has fuelled suggestions that he will stand as a candidate for the new position of EU President, established under the Lisbon Treaty. Another possible candidate includes Bertie Ahern, the Irish Prime Minister.

TURKISH ACCESSION

The debate over Turkish accession to the EU has intensified following the landslide victory of the pro-European AKP party last year, with Turkish PM Tayyip Erdogan vowing to continue pressing for economic growth and political reforms designed to prepare the country for EU membership.

The controversial law which makes it a crime to insult 'Turkishness' is a major obstacle to Turkey's bid for EU membership. Proposals to change this law are on the agenda; however a university lecturer is currently facing charges of insulting Kemal Ataturk, the founder of modern Turkey. The issue of EU enlargement is highly contentious, with French President Nicholas Sarkozy's opposition to Turkish membership contrasting with UK Foreign Secretary David Miliband's recent assertion that "enlargement of the EU is our most powerful tool".

SCHENGEN AREA

In December the number of countries participating in the Schengen zone, in which national borders are opened to enable passport-free travel, was increased to 24. The zone now includes Belgium, France, Germany, Luxembourg, the Netherlands, Portugal, Spain, Italy, Austria, Greece, Denmark, Sweden, Finland, Norway, Iceland - and the nine new members - The Czech Republic, Estonia, Hungary, Lithuania, Latvia, Malta, Poland, Slovakia and Slovenia.

A huge Schengen Information System database (SIS) now enables uniform policing across the whole area. However, there has been criticism of the Schengen agreement, with Greece appealing to the EU to help it cope with a flux of illegal immigrants from Turkey, and a rise in the number of asylum seekers reaching countries such as Germany and Austria since the Schengen zone was extended. Switzerland is due to join the Schengen zone during 2008.

FRANCE

France is due to take over the Presidency of the European Council from Slovenia in the second half of 2008. With its aim to make the EU "more politically integrated", priorities for the French Presidency will include the environment, energy policy, calling for a common European defence policy and a "move together towards a common immigration policy". Under the new Lisbon Treaty an EU Foreign Minister will be nominated this year during French Presidency.

Furthermore, President Nicolas Sarkozy has proposed an European "reflection group" to consider the long-term purpose and character of the EU on issues relating to tackling terrorism, climate change, and social and economic challenges. However, issues such as EU financing, institutional reform and enlargement will be strictly off limits. It has been suggested that Sarkozy intends the group to provide a mechanism for establishing EU borders to exclude Turkey. However, the Commission has warned France to be careful of re-opening the debate surrounding Turkey's accession to the EU, in order to avoid premature discussion of the topic, prior to further convergence criteria being met. Sarkozy has also called for amendments to the French constitution and the creation of a Mediterranean Union.

There is increasing frustration at the European Commission with French economic policy. France has failed to reduce its budget deficit to the target of 1.8% of GDP (it is currently at 2.4%) and plans to implement a series of tax-cuts, which will hinder deficit-reduction further.

RUSSIA

Meanwhile the UK and EU's relations with Russia are tense as a result of the diplomatic row over the extradition of a suspect in the Litvinenko murder investigation. The situation resulted in the expulsion of four Russian diplomats in London and a reciprocal expulsion of British diplomats from Moscow.

At the time, despite the Portuguese Presidency's determination not to increase EU tension with Russia, they supported the UK over the issue, with "disappointment" expressed at Russia's handling of the situation. However, tensions have not eased. Towards the end of 2007 the British Council operating in Russia to promote British Culture abroad, was ordered to close by the Russian Foreign Ministry, who claim that the Council was operating illegally.

In addition there is concern for European security following both the Russian withdrawal from the CEF (Conventional Forces in Europe) arms treaty. Furthermore Russia has declared its intentions to increase military and intelligence capabilities in response to new "global threats" - in particular the planned US missile defence scheme, which will see installations placed in Eastern Europe.

President Putin's 'United Russia Party' won a land-slide victory in the Parliamentary elections in December 2007. He will step down as President after the next Presidential election in March 2008. However, he has agreed to become Prime Minister and named his current first Deputy Prime Minister *Dmitri Medvedev as his chosen successor*. *Many believe that the land-slide victory in the parliamentary elections will give him a mandate to return as President, despite the fact that his ruling for a further term is currently forbidden by the constitution.*

KOSOVO

A campaign for the Kosovo's independence has been encumbered by Russian reluctance to accept UN draft resolutions on the future of the Serbian region and the resistance of Serbian PM Vojislav Kostunica. Whilst willing to give Kosovo greater autonomy, he believes it "indecent" to consider trading its independence for Serbian membership of the EU. former UN president and special envoy Ahtisaari has constructed a plan for "Supervised/conditional Independence" for the region. The EU has pledged to send a 1,800 strong security force to take over from UN police in the area. There remains hope that the future of the UN protected territory will be successfully decided within the context of EU accession. EU foreign ministers have recently offered Serbia an interim political member ship pact to be signed after the presidential elections. A genuine pre-membership deal was blocked by Dutch opposition.

The Serbian presidential election will take place on 3rd February 2008. Boris Tadic, the current president, a pro-Westerner and pro-free market reformer, has campaigned for Kosovo to remain in Serbia, and for Serbia to join the EU. He will face Tomislav Nikolic, of the nationalist Serbian Radical Party. The official party leader, Vojislav Seselj, is on trial for war crimes in The Hague. Nikolic has previously called for military intervention in Kosovo if it splits from Serbia. Therefore, the presidential election will have huge consequences for the issue of Kosovan Independence.

ENVIRONMENT

Legislation has been passed limiting carbon dioxide emissions of vehicles sold in Europe after 2012 to 130g/km.

A new EU renewable energy policy is currently being developed to ensure that green energy accounts for 20 % of the EU's energy consumption by 2020.

This year phase two of the Emissions Trading Scheme (ETS) has begun, which sees European businesses and industries given financial incentives to lower their production of carbon-dioxide. A study by Open Europe claims that the ETS has, in its first phase, targeting specific industries, failed to reduce carbon emissions to the extent it had aimed to. The second phase will encompass more emission sources and other types of greenhouse gas.

The EU is considering plans to broaden its environmental policy, with proposals to introduce a carbon tax on goods entering the European Union from countries that fail to take measures to curb carbon dioxide emissions. The Commission has stepped up plans to increase biofuel usage in the EU, proposing that by 2020, 10% of fuel used in transport should be biofuel, as opposed to fossil fuel. However, critics have cited scientific evidence against these targets.

In December 2007, the 2008 EU Fishing quota was announced, which ruled that a "Conservation Credits" scheme has been introduced to tackle the illegal dumping of dead fish. There will also be an 11% increase in permitted North Sea cod catches due to an increased cod numbers, but a 25% reduction in permitted cod fishing in the West of Scotland and Irish Sea. Environmentalists have criticised that the quota does not consider scientific evidence that all quotas should be reduced to allow fish stocks to fully recover.

OTHER NEWS

- A Europe wide survey has found that European Citizens have lost trust in EU institutions, but support EU membership.
- The EU has created a new children's card game - 'Eco Vehicles Top Trumps' - to promote low car emissions called
- Georgia recently underwent a snap presidential election following accusations of corruption in from opposition parties. It was hoped that the election would demonstrate the success of democracy in the former Soviet republic, however the election was over-shadowed by mass protests after the President Mikhail Saakashvili was re-elected. The international observers said that despite some irregularities the poll had been democratic.
- The EU will push for a single market in online media, but has indicated it will avoid taking the legislative route.
- In 2007, German employment rose to the highest level since reunification in 1991.
- African, Caribbean and Pacific constituencies are still waiting for a conclusion to the Economic Partnership Agreements to outline trading relations with the European Union. Mali stands to lose 27 million euros in VAT and customs duties from the EU's EPA = currently represent 55% of their fiscal revenues.
- Following the election of a hung parliament in 2007 General Election, Belgium saw the longest government formation talks in its history. The country is culturally divided between the Flemish speaking north and the French speaking south. An interim Government officially came into office in December to be led by incumbent Flemish Liberal Prime Minister Guy Verhofstadt. It is expected that his political rival Mr Leterme of the Christian Democratic and Flemish Party will replace him as prime minister in March 2008.
- In December 2007 the EU announced plans for easier access to medical treatment across the EU. This would have huge consequences for the NHS if patients were free to seek treatment in alternative European countries, with the NHS paying for medical expenses.