



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

French Presidency of the EU

France will hold the presidency of the EU Council from 1st July 2008 - January 2009. To mark the occasion, The Eiffel Tower was lit and a building in Brussels decorated with the flags of member states, although unfortunately the Finnish flag was incorrect. France's Presidential motto is "*a more protective Europe*" and because of damaging global price rises it has promised to concentrate on "finance, fuel and food" and resolving the dilemma of the Lisbon Treaty.

The Lisbon Treaty

Following Ireland's rejection of the Lisbon Treaty by referendum in June 2008, there was intense speculation about how the EU and Ireland would proceed.

Future ratification: Germany's ratification process was put on hold until the autumn 2008 when a German court will decide whether the Treaty violates Germany's constitution. Also, Czech Republic president, Vaclav Klaus, tried to convince the Czech government not to ratify the Treaty. In Britain, businessman Stuart Wheeler's court case against the UK government's refusal to hold a referendum ended with the court ruling in favour of the government. Mr Wheeler's application for an appeal was denied and Britain ratified the Lisbon Treaty on 17th July. Italy's senate unanimously ratified the Treaty on 24th July.

The Irish Problem: It looks increasingly likely that the EU will try to revive the Lisbon Treaty and encourage Ireland to hold a second referendum. Focus has fallen on the French President Nicholas Sarkozy, as current EU President, to see how best to guide the EU through the continuing constitutional crisis. Although he has maintained that the EU would not force Ireland to ratify the Lisbon Treaty, whilst on a visit to Ireland shortly after the referendum he admitted, "Ireland will have to vote again". Sarkozy has emphasised the need for a solution before the June 2009 elections, in order to "battle institutional paralysis".

Towards the end of July the Irish government did confirm that it was considering holding a second referendum in March 2009. Declan Ganley, Chairman of *Libertas* (the organisation which led the Irish "No" campaign) criticised proposals for a second vote as "undemocratic" and predicted that even more people in Ireland would vote 'No' to the Lisbon Treaty a second time around. Mr Ganley also announced that if Ireland was forced to ratify the Lisbon Treaty, *Libertas* would take the campaign to another level and enter candidates for the EU Parliament election in 2009 in an attempt to "address the democratic deficit".

World Trade Organisation negotiations collapse

Negotiations continued in an attempt to establish new conditions for global free trade. The EU Trade Commissioner, the UK's Peter Mandelson, represented the EU and its member states at the World Trade talks. Shortly before the talks began a row broke out between Mandelson and French President Sarkozy, who criticised Mandelson for negotiating a poor deal for the EU. There were fierce differences of opinion over what the conditions for free trade should be. For example, whether the EU should reduce subsidies to EU farmers as well as those tariffs on imports, in order to make it easier for developing countries to trade with EU member states. The tricky negotiations were even more difficult because of currently escalating food and oil prices and even Mandelson conceded that progress is now unlikely in the near future.

The European Parliament 'bans' small political groups

After the European Parliament elections in June 2009, political groups with less than 25 members will be banned and group members will have to come from at least seven countries. The changes were criticised as "detrimental to democracy and parliamentary efficiency" by reducing political diversity.

Union for the Mediterranean – Founding summit

On 7th July France hosted the first summit for this new political grouping, which aims to bring together 43 countries in the Mediterranean rim, representing 765m people. The founding summit was attended by Algeria, Egypt, Israel, Jordan, Lebanon, Mauritania, Morocco, the Palestinian Authority, Syria, Tunisia and Turkey. However Libya's Leader, Muammar Gaddafi, did not attend and instead criticised the new union as "another Roman empire". EU member states also criticised the new Union, claiming it could redirect money from member states.

Environment

'Green energy' jobs have increased whilst fuel sector jobs have decreased.

The Emissions Trading Scheme will include Airline emissions from 2012. The ETS creates financial incentives to reduce emissions. However Ryanair was amongst parties criticising the move, declaring that there is "no justification for this tax theft by the EU" and that it could add £45 to the cost of a family holiday.

Biofuels A report criticised the EU's biofuels policy as "costly and ineffective", and the cause of food price rises.

José Manuel Barroso will campaign to serve for a second term as President of the EU Commission.

Member states

Belgium Prime Minister Yves Leterme resigned on 15th July; just four months after the coalition government had been finally formed after the longest negotiations in Belgian history. The current crisis stems from disagreement between the Dutch-speaking North and French-speaking South, with PM Leterme failing to reach a compromise over reform. However Belgium's King Albert II rejected PM Leterme's resignation and insisted that the rival parties should negotiate to sort out the political crisis. One suggestion is for the small state to split up but this would be very complicated. For example Brussels, the capital city and home to a number of EU institutions, is a French speaking city in a predominantly Flemish region.

France The village of Collobrières returned to using the franc, despite France's membership of the eurozone.

Italy President Berlusconi threatened to boycott all EU meetings unless Italian is spoken. Proposed changes to Italy's immigration policy were criticised, including finger-printing Italy's minority Roma population and longer prison sentences for illegal immigrants than Italian citizens, who are convicted of the same crime.

Austria The coalition government of Social Democrats and Conservatives collapsed. There will be a snap-election in September

Romania The EU criticised the level of corruption in Romania, threatening financial sanctions if it does not improve.

Bulgaria The EU criticised the level of corruption in Bulgaria and acted on its threat of financial punishment by suspending €486 million worth of pre-accession funding to Bulgaria. The opposition party called for the Bulgarian President to resign.

Switzerland A petition collected enough signatures to force a national referendum attempting to ban minarets on mosques.

The Netherlands A smoking ban came into force, although it is still legal to smoke marijuana.

Slovakia Preparations for Slovakia to adopt the euro in 2009 were finalised.

External States

Turkey A Constitutional court ruled against banning the ruling party, the AKP. Critics of the AKP claimed that the party has a secretly Islamist agenda. Since the 1960s twenty parties have been banned when courts ruled they were a threat to Turkish secularist principles of governance. However, supporters of the AKP party claim that whilst it is an Islamic party, it was democratically elected and respects Turkey's status as a secular state. There was concern that the court case could damage Turkey's chances of joining the EU, making the case hugely controversial.

Serbia After months of negotiations a new coalition government was formed and will be led by pro-EU Prime Minister Mirko Cvetkovic, who announced he will strive for Serbian membership of the EU. Relations with the EU improved when Serbia returned its ambassadors to EU capitals; having previously removed them from states that recognised Kosovo's declaration of independence in February this year. Serbia also referred Kosovo to the UN International Court of Justice to challenge the legality of its independence.

Radovan Karadzic, the suspected Bosnian-Serb war criminal was arrested in Serbia shortly after Bosnia had commemorated the 1995 Srebrenica massacre. The murder of 8,000 people at Srebrenica is just one of the crimes committed during the 1990's Balkan conflict that he is charged with. He had spent 10 years on the run before his arrest, which provoked violence at a protest by Serb Nationalists and Karadzic supporters in Belgrade. His detention was a condition of Serbia's application for accession to the EU but, whilst the EU praised the arrest, it emphasised that Serbia must also arrest suspected war criminal, Ratko Mladic, who is still at large.

Kosovo The EU hosted an International donors' conference which raised €1.2bn to aid Kosovo after its declaration of independence from Serbia in February 2008. Enlargement Commissioner Olli Rehn insisted that "Kosovo is a profoundly European matter" and the EU Commission pledged €508m from 2009 - 2013. Kosovo issued its first official passports on 31st July, although there are still many problems for the fledgling state, such as Slovakia's announcement that Kosovan passports will not enable entry to Slovakia, while another six EU member states have yet to even formally recognise Kosovo's independence.

USA The Czech Republic signed a deal to take part in the USA's missile defence shield in Eastern Europe and Poland is also close to agreeing to take part in the project. However the Russia government has expressed anger because it feels threatened by the location of the missile sites close to its borders.

US Presidential candidate, Barak Obama, visited the EU as part of his World tour. He gave a speech in Germany insisting that it is time for the EU and USA to come together. Visa negotiations for EU citizens travelling to the US continued to be problematic as the USA wants to record personal information about all visitors from the EU.

FYR Macedonia A New pro-EU government was approved and incoming Prime Minister Nikola Gruevski pledged to speed up EU integration. However, the on-going dispute between FYR Macedonia and Greece about FYRM's name (a region of Greece is also called Macedonia) intensified when PM Gruevski angered Greece by asking it to recognise its own Macedonian minority.

Zimbabwe Despite China and Russia vetoing UN sanctions, the EU extended its 2002 sanctions against associates and companies linked to President Mugabe because of the terrible violence during the recent election. However, there is concern that Mugabe might use the sanctions as propaganda against the EU.

Ukraine The EU will sign an "association" pact with Ukraine in September. However, it has emphasised that this is not a "membership" pact so it does not mean Ukraine is closer to joining the EU.

Other Events

Olympics Hans Pöttering, President of the EU Parliament, announced he will boycott the Olympics as a protest because the Chinese Government has failed to respect the Dalai Lama's concerns about human rights abuses in Tibet. However, French President Nicholas Sarkozy, who also currently holds the EU's rotating Presidency, will attend the Olympics opening ceremony. Sarkozy's announcement angered people across the union.

MEPs' "Gravy train" launched A new private high-speed rail link opened, to transfer MEPs between Brussels and Strasbourg. However, tickets cost twice as much as regular fares, which will increase the cost to EU citizens of MEPs because they can claim back travel on their expenses.

Fraud A Commission report revealed that €6.5m is lost per day due to fraud and financial irregularities in the EU. For example £37 million was overpaid in farm subsidies.

'Acre' banned as an EU measurement A new EU Directive will make it illegal to use the 'acre' as an official unit of measurement. From 2010 the 'metric hectare' must be used instead.

Proposals for future legislation

Advances in the EU space projects The EU's Galileo satellite system was approved for military use despite the fact that the UK government had insisted it should remain a purely civilian project. A proposal was published, calling for an increase in EU spending on space exploration, including financing an EU manned mission to Mars.

MEPs' questions to Commission could be screened to filter out 'irrelevant' questions. However, MEPs were concerned that it would restrict accountability if the Commission can refuse to hear certain questions.

Scottish Gaelic and Welsh will become official EU languages.

Unspent farm subsidies worth €1 billion could be given to developing countries.

EU Health Directive A formal Directive is being developed to enable patients to be treated in any EU member state and the cost of patients' treatment to be refunded by their own national government. Trade Unions in the UK have criticised the proposed directive and claim it would undermine the NHS.

New University of Europe There has been a proposal for the creation of a new university in Strasbourg to teach the "history of Europe and the European spirit."

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