

event

## The Sibiu Summit - a point of reference in the history of European integration

In the autumn of 2017, the President of the European Commission, Jean-Claude Juncker, pinned Sibiu to the European integration timeline by announcing the summit that was to be organized the day after the withdrawal of the United Kingdom from the European Union, i.e. on the 30th of March 2019: *"This should be the moment we come together to take the decisions needed for a more united, stronger and democratic Europe."* The de facto situation was different from the one initially expressed because the British process of withdrawal has not complied with the timetable set, therefore the proposed date for the summit has changed to May 9, 2019, marking the first European Council informal summit to take place on Europe Day.



On May 9, was organized in Sibiu, the informal summit of the European Council, bringing together the 27 Heads of State or Government, the President of the

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Photo source: European Union

event

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## Krakow: Contemporary Local Government – Tasks and Challenges

The debate on Contemporary Local Government - Tasks and Challenges was included in the program of the fifth edition of the European Congress of Local Governments which took place in Krakow (Poland) on 8 and 9 April 2019.

The event was moderated by Mrs. Gabriela Drăgan, Director-General of the European Institute of Romania, with the participation of Mr. Emil Boc, Prime Minister of Romania (2008-2012), Mayor of Cluj-Napoca (Romania), Mr. Witold Kozłowski, Marshal of Malopolska Region (Poland), Mrs. Guoda Burokienė, Chair, Committee on State Administration and Local Authorities, Seimas (Lithuania), Mrs. Annika Annerby Jansson, Chairman of Region Council, Region Skåne (Sweden), Mr. Mikhail Chesalin, Deputy Chairman of the Standing Committee on Legislation, State Construction, Local Self-Government, Administration of the Kaliningrad Region (Russia).

The main issues raised during the debate were the following:

- It is imperative for a country to have a strong National Government and also a strong Constitution to be followed;
- At European level, the responsibilities of Local Governments may differ from one country to another, but the need for resources is a common feature;

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## The Sibiu Summit - a point of reference in the history of European integration

[...] European Commission, the President of the European Parliament, the President of the European Council and the High Representative of the Union for Foreign Affairs and Security Policy.

The role of the meeting was to discuss the **general political orientations of the European Union**, which was also subscribed to by the political leaders in their call to unity, conveyed just weeks before the European elections. Donald Tusk, President of the European Council, later presented the main issues debated<sup>1</sup>: *"We talked both about internal affairs as well as global challenges, bearing in mind that the world around us is becoming increasingly changeable and unpredictable. The result of this discussion will come in June, when - as the European Council - we will adopt the EU's priorities for the next five years, also known as the Strategic Agenda."*



**The Sibiu declaration**<sup>2</sup>, widely regarded as the collective message of the national leaders, represented the expression of political will on the future of Europe. The ten commitments publicly expressed refer to the responsibilities assumed by the political leaders regarding the persistence and the consolidation of the European project. By asserting that *"we will defend one Europe - from East to West, from North to South"* and that *"we will stay united, through thick and thin"* was a pretty powerful message in terms of security, defence and unity, taking into account the threats the European Union faces, both internal and external ones. The goal expressed in *"we will always look for joint solutions"* comes to strengthen the need for cooperation at European level, putting on the second place the national options for solving common problems. Still, the fact that there is a restating of protection towards *"our way of life, democracy and the rule of law"*, respectively the uphold of *"our shared values and principles enshrined in the Treaties"* shows political attachment to strengthening the principles which set the grounds for the European Union development, despite the contrary positions expressed by certain member states.

The commitment to reducing regional disparities and differences between Western Europe and the Eastern Europe was highlighted by *"respecting the principle of fairness"* and by delivering results *"where it matters most"*. This promise is closely related to the openness of the European institutions to involve the citizens more in the decision-making processes, proof of this being the citizens' consultations organized on the future of Europe in the past year. The subject of climate change, brought up ahead of the summit by the French President, is among the commitments, political leaders saying that *"Europe will be a responsible global leader"* and a promoter of the rules-based international order. Furthermore, citizens are mentioned several times in the Declaration, with on the dot references to young people, such as *"safeguarding the future for the next generations of Europeans"*. Another direction, quite vaguely formulated, is considering the means necessary to attain its objectives and carry through its policies.

Following the Summit, it was announced that a new informal meeting of the political leaders will be organized soon after the elections. Scheduled for May 28, 2019, the meeting noted the establishment of nominations for key leadership positions that are to be occupied thereafter. Depending on the outcome of the elections, the national representatives nominate, in the European Council, the candidate to hold the position as President of the European Commission.

The next step in the series of establishing the Strategic Agenda for 2019 - 2024 is represented by the European Council reunion of 20 - 21 June 2019. That will be the moment where the issues discussed at Sibiu will be agreed upon and the Declaration which was an expression of political intention will form the basis of establishing the European political agenda for the next 5 years.

Another key area that will be discussed at the June meeting is linked to the multiannual financial framework. In addition, the leaders will take note of a report on disinformation and elections prepared by the Romanian presidency in cooperation with the Commission and the High Representative. The Romanian President will also provide an overview of progress on the implementation of earlier European Council conclusions<sup>3</sup>.

**Eliza Vaș**  
Studies and Analyses Unit

1 Speech in full is available here: <https://www.consilium.europa.eu/ro/press/press-releases/2019/05/09/remarks-by-president-donald-tusk-at-the-press-conference-of-the-informal-summit-in-sibiu/>.

2 The text of the Declaration is available here: <https://www.consilium.europa.eu/ro/press/press-releases/2019/05/09/the-sibiu-declaration/>.  
3 20-21/06/2019 European Council, important points on the agenda, <https://www.consilium.europa.eu/ro/meetings/european-council/2019/06/20-21/>.

## Contemporary Local Government – Tasks and Challenges



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- At local level, citizens need more social protection, and this cannot be provided without adequate resources; local governments need significant financial resources, not just tasks;
- Depending on the organisational structure at national level, in some states, Local Governments can access European funding only through the National Government;
- Local Governments have to make decisions that are more beneficial for their people rather than for individual interest groups;
- Regional and local municipalities are also very important as they are closer to citizens and their needs. From a democratic point of view, it is important for citizens to elect those people who decide how their daily life will look like;
- At National Government level, the main challenge is to trust Local Governments' decisions and to support them by making funds available;
- For Local Governments, the current challenges are, on the one hand, poverty, migration, infrastructure, environmental protection and, on the other hand, those related to local development by trying to keep local talents in their communities, for their own benefit; from this point of view, the challenge is the ability to see the issue from a broader perspective;
- Thus, the two levels of Government must trust each other for a good cooperation, which should be real, not formal; only through dialogue we can find solutions to the most complicated issues;
- The principle of subsidiarity is a core value of the European Union, which means that decisions should be made by the administrative bodies which are closer to citizens, therefore not by the Government, but by Local Public Administrations.
- There is a need for balance between the National Government and the Regional and Local Governments;
- A strong state has a strong local public administration, with all resources necessary to achieve the best results;
- A strong country makes a very clear distinction between National and Local Governments' tasks and powers, but it also underlines the importance of Regional and Local Governments in terms of development, financial resources, and competitiveness;
- A strong Local Government means a strong State Government and this cannot be changed because local people know their needs better and the Government must help them reach their goal.

For more information, as well as for the video recording of the event, please visit the Events Section on EIR website.

### About the Congress:

The mission of the European Congress of Local Governments is to create a positive atmosphere to facilitate the exchange of information and to improve cooperation between regions in the EU. The event aims to be a platform for exchange of views, knowledge and experience for leading local, regional elites with state government representatives, NGOs and business leaders.

For the fifth year in a row, the European Institute of Romania (EIR) was partner of the Institute for Eastern Studies (ISE, Warsaw) in organizing a debate within the congress program.

**Florentina Costache**  
Communication and Marketing Unit



## International Conference “The Future of Europe. Perspectives of Contemporary Developments”

The International Conference “The Future of Europe. Perspectives of Contemporary Developments”, that took place between 8-10 May, 2019 at the “Lucian Blaga” University in Sibiu - ULBS, aimed to advance a debate with the academics and specialists in EU affairs on the margins of the European Council informal summit held in Sibiu on 9 May. The conference was under the High Patronage of the President of Romania, Mr. Klaus Iohannis, and under the auspices of the Romanian Presidency of the EU Council.

The conference was organized by the Conflict Prevention and Early Warning Center, Bucharest and the Lucian Blaga University, Sibiu. The partners for the conference were the German Marshall Fund Bucharest office, Konrad Adenauer Stiftung, the European Commission and the National University of Political Studies and Public Administration, Bucharest.



Photo credit: LBUS Communications and Marketing Department

The objective of the event was to create the setting for an international debate at the level of officials, academic world and think tanks on the current developments within the EU and in the international context that have an important impact on the future of the European Union. The focus of the conference was first and foremost on the processes that are influencing dramatically the European Union, the member states and on the European citizens. The conference addressed the main issues that shape the future of Europe, with the evolution of the European Union at the core of the debate. The discussion encouraged a strategic approach to these issues, and involved actors interested in and with influence on these processes, including European security and defense policies.

The conference brought together 200 participants, including EU officials, representatives of the European countries, but mostly international experts, members of academia and think-tanks, along with their relevant Romanian counterparts. Furthermore, the conference was attended by representatives from the United States of America, UK and Turkey, as well as from the Western Balkans and from the Eastern Partnership countries - Ukraine, Georgia, the Republic of Moldova, Armenia, and Azerbaijan. The European Institute of Romania was represented by Mr. Mihai Sebe, expert with the Studies and Analyses Unit.

The President of Romania, Mr. Klaus Iohannis, opened the conference, presenting the Romanian approach to the future of Europe, and its efforts towards the EU Strategic Agenda.

Six panels tackled the main topics of debate, including the projects and scenarios or the future of the EU “Projects and scenarios for the future of the EU. What Future for Europe?”; the great internal challenges to the EU project “Turning today’s great challenges into tomorrow’s opportunities. New ambitions for the future of Europe”; Europe and the security of European citizens “The Security and Defense of Europe”; the European Security and Defense, with all the complexity of this project in relation to NATO and the US; the transatlantic relation, in all its complexity “Opportunities and anxieties of the transatlantic relationship”; the European values, how strong they are embed in the behaviour of the Commission, European bodies and EU member states, how flexible or strict the observance of such values has to be for the coherence of the EU “Fundamental values - the cornerstone of Europe’s cohesion and future. Which and Whose Fundamental Values?”; and the neighbourhood of the EU, from UK, Turkey, Western Balkans and Eastern Partnership countries and their future “The European Union - partners and vicinities Where Does Europe End?”.

**Mihai Sebe**  
Studies and Analyses Unit

## The Common Agricultural Policy Reform post-2020



The European Institute of Romania together with the Ministry of Foreign Affairs, Coordination Unit for Romania’s Presidency of the Council of the EU and the Bucharest University of Economic Studies organized on March 22, 2019 the "The Reform of the Common Agricultural Policy" conference. The event was included in the Romania’s Presidency of the Council of the EU official calendar. On this occasion, there have been addressed invitations to hold interventions to the representatives of the European Commission, of the European Parliament and the Romanian Parliament, representatives of the Ministry of Foreign Affairs, the Ministry of European Funds, the Ministry of Agriculture and Rural Development, as well as experts and analysts specialized in European affairs.

Mrs. **Gabriela Drăgan**, Director General of the European Institute of Romania, addressed a welcoming speech and moderated the first panel of the conference. The goal of this event was to tackle the reform of the common agricultural policy (CAP) from the perspective of the future multiannual financial framework (2021-2027). Thus, within the panel, it was discussed about issues such as: the main elements of the new green architecture CAP post-2020; detailed rules for the implementation of the new delivery model proposed by the European Commission; the progress of the negotiations in the process of co-decision concerning the future of the CAP; the schedule for discussing and adopting the Commission’s proposal.

It was also noted that the future common agricultural policy must protect the European agricultural model based on the principles of food security, sustainability and the capability of responding to the real needs of European citizens, be they farmers or consumers. It was pointed out that the new management model for CAP derives from the will to simplify European policies and is considering another way of determining the responsibilities between Brussels and the member states. At the European level there will be proposed some specific common objectives and each member state will have to put in the national strategic plan the entire set of measures related to the CAP. In other words, they will have to establish targets to reflect the national contribution to the achievement of the common objectives.



Regarding the relationship between Romania and the European Union on CAP, it was recalled that for Romania and for Romanian farmers the accession to the EU was a positive fact, which resulted in an increase in productivity and farmers’ revenues. For Romania, 20% of farms receive 84% of the funds, while 67% of subsistence farms in the EU can be found in Romania. Also, as part of a research project implemented in Romania, five cultures were analysed from the development region II (wheat, corn, barley, sunflower and turnip) and three cultures from a micro-area subject to the process of desertification (Caracal) and it has been concluded that the corn production will be the most affected by climate change (between 2010 and 2015, farmers’ incomes have dropped notably).

The conference was an excellent opportunity to discuss the future of the common agricultural policy from an extensive perspective, taking into account the specific and technical interventions brought by the guests. To give to the general public a follow-up of the delivered presentations, the European Institute of Romania has invited Mr. **Alan Matthews** (Professor Emeritus CAP, Department of Economics, Trinity College Dublin, Ireland) and Mr. **Mihail Dumitru** (Deputy Director General, Directorate-General for Agriculture and Rural Development, European Commission) to give an interview for the EIR Newsletter, respectively to send an opinion article concerning the implications of the future common agricultural policy from their perspectives and expertise.

**Eliza Vaș**  
Studies and Analyses Unit



## What can we expect from the New Delivery Model proposed by the European Commission?

Alan Matthews

The European Commission has put forward radical proposals for the design of the EU's Common Agricultural Policy (CAP) after 2020. One element proposes changes in the green architecture of the CAP, designed to achieve a higher level of environmental and climate ambition. Another element proposes a New Delivery Model, which would alter the rules under which Member States receive their CAP money.

Instead of a compliance-based model (checking whether all the eligibility requirements set down in legislation were met when making payments to farmers) the CAP would move to a performance-based model (checking whether targets set by Member States when drawing up their CAP Strategic Plans are met as the basis for eligibility for payments to Member States).

### ***Why is the Commission proposing changes to the green architecture of the CAP?***

There is no doubting the need to halt and reverse the negative impacts of agricultural production on water use and quality, soil health, biodiversity loss, air quality and greenhouse gas emissions across Europe. The current green architecture consists of cross-compliance rules that farmers should observe to be eligible for direct payments, prescriptive farm practices associated with the greening payment in Pillar 1 of the CAP, and voluntary agri-environment-climate measures in Pillar 2 rural development programmes.

The greening payment, which was the big innovation in the last CAP reform in 2013, has proved to be a disappointment. It has added greatly to the complexity of managing the CAP both for farmers and paying agencies but has yielded little additional environmental benefit.

Instead, the Commission proposes to incorporate the greening practices into cross-compliance rules, where Member States have greater national discretion in designing these rules. It also proposes that Member States should introduce a new eco-scheme using funds from the CAP Pillar 1 to incentivise farmers who want to do more for the environment and climate. The eco-scheme, which would be voluntary for farmers, would pay farmers who enrolled a top-up on their basic payment if they accepted the additional environmental obligations that Member States can design.

### ***How will the New Delivery Model work?***

The Commission argues that the New Delivery Model will greatly simplify the CAP because detailed rules regarding eligibility for payments would no longer be set out in the basic legislation. Member States will set national targets for up to nine specific objectives in their CAP Strategic



Plans, based on a national assessment of needs and wide stakeholder engagement.

Targets will be set in terms of result indicators that are set out in the proposed legislation. Result indicators measure the direct and immediate effects of interventions (e.g. number of jobs created by an investment measure, share of land covered by agri-environment management contracts). Result indicators are distinguished from impact indicators which measure the longer-term impact of interventions (e.g. is rural unemployment falling? Is biodiversity stabilising or continuing to disappear?).

National CAP Strategic Plans will be approved by the Commission and the Commission can seek changes if it feels they are not ambitious enough. Member State implementation will be monitored through a new performance framework, under which Member States would have to account for significant deviations between their stated targets and actual implementation.

### ***What are the risks with the New Delivery Model?***

Both the proposed changes in the CAP's green architecture and mode of governance hold out the promise of a more flexible, targeted and efficient CAP. Member States will have more responsibility to design interventions that are more suited to their national needs. Member States that want to use CAP funds to address the environmental and climate challenges of agricultural production will have new tools and more room to experiment.

But with this greater flexibility there also come risks. Many Member States will want to prioritise their use of CAP funds for the traditional objective of farm income support. Developing new eco-schemes and agri-environment measures to draw down CAP funding is inherently riskier. Contrary to the Commission's intention, some Member States may use their greater flexibility to weaken their environmental ambition. Whether the need for Commission approval of the CAP Strategic Plans will be sufficient to avoid this remains to be seen.

Members of the European Parliament have highlighted the danger that the greater flexibility for Member States under the Commission proposal will mean that agricultural policy and support becomes more differentiated and less common across the Member States. They fear that this greater differentiation could disrupt the level playing-field that ensures fair competition within the European single market.

The Commission assures that the common programming framework, built around common objectives and common indicators, will be sufficient to ensure that future EU

agricultural policy will be common. Again, whether their oversight role will be sufficient to avoid disruptions to the level playing-field remains to be seen.

***When can we expect the new CAP proposals to come into effect?***

These debates take place against the background where the overall budget for the CAP in the post-2020 period has not yet been settled. Some argue that farmers cannot be asked to take on additional environmental obligations if the CAP budget is reduced as the Commission has proposed. Others argue that only by adopting a CAP reform that secures a higher environmental and climate ambition is there any hope of persuading the Heads of State and Government in the European Council to increase the CAP budget when they meet to decide on the new Multi-annual Financial Framework in October.

The new European Parliament that takes office on 1 July will also have to decide whether it wants to continue negotiations on the Commission's legal proposal on the basis of the reports voted by the outgoing Agricultural Committee or if it wishes to develop its own opinions.

There is still scope for agreement between the Council and the Parliament on the new CAP post 2020 to be reached by the end of this year which would allow it to come into force on 1 January 2021 as planned. But this timeline could also slip, necessitating a delay in introducing the new CAP as happened following the 2013 reform.

*Alan Matthews is Professor Emeritus of European Agricultural Policy at Trinity College Dublin, Ireland, alan.matthews@tcd.ie.*

## The new CAP reform and its implications for the Romanian agricultural sector

Mihail Dumitru

A new multiannual financing framework and a new reform of the CAP were adopted in June 2018 by the European Commission and are now in the process of co-decision.

### **CAP budget 2021-2027**

In a particularly challenging context (Brexit and the new priorities related to defence, security, migration/asylum) the proposal for the 2021-2027 budget allocates the CAP EUR 365 billion (current prices) of which: EUR 286,2 billion to the European Agricultural Guarantee Fund (EAGF) and EUR 78,8 billion to the European Agricultural Fund for Rural Development (EAFRD). The CAP share of the EU budget continues to decrease to 28.5% for 2021 - 2027 (EU 27) compared to 37.6 % in the period 2014-2020 (EU28). The reduction is uneven 4% for EAGF and 15.3% for EAFRD, the main reason being to protect farmers' income (direct payments) as for the rural development Member States are required to increase national co-financing in order to maintain the same level of public support.

In addition, EUR 10 billion from the European Horizon programme will support research and innovation in food, agriculture, rural development and the bio-economy.

For Romania due to external convergence the proposal for direct payments amounts increases to EUR 13 372 million, i.e. an increase of 4% compared to 2014-2020. In addition, 363,5 million represents other amounts assigned to market measures increasing by 8.9%. FEADR is reduced to EUR 6 758,5 million compared to EUR 8 016 million in the period 2014-2020.

### **Key elements of the CAP reform 2021-2027**

The most important change is a new partnership based on the new delivery model where the sharing of responsibilities between the European Commission and the Member States changes in favour of the latter. Thus, only the necessary elements are set at EU level to ensure a common policy (common specific objectives, a limited number of mandatory definitions and conditions applicable to all, a set of common output, result and impact indicators and a limited number of types of intervention).

Each Member State will prepare a National Strategic Plan for the CAP 2021-2027 comprising of the common elements mentioned above.

Member States will have full freedom and flexibility to determine the set of interventions and the eligibility conditions so as to respond in the most appropriate way to the specific needs and situations in that country.

Another major change is the move towards a performance-based policy, leaving the control part of the conformity/regularity and penalising in the hands of the national authorities.

Beyond the management aspects of the future CAP, it proposes:

1. A new green architecture to ensure increased ambition to protect the environment and combat climate change. This architecture is based on a combination of three elements: 1) mandatory enhanced conditionality for all aid beneficiaries, 2) eco schemes compulsory for Member States but voluntary for farmers and 3) use of at least 30 % of the EAFRD budget for environmental, climate and other measures that contribute to their improvement. The absolute novelty element is the eco-schemes financed under EAGF (Pillar 1). They remunerate farmers for public environmental services and may take the form of top-up payments for an increased level of ambition or compensation for additional costs and/or loss of income in case of further environmental or climate obligations. Enhanced Conditionality is based on the combination of cross-compliance in the current policy and new elements taken from payments for greening (i.e. crop rotation) or other elements with a major role in the protection of natural resources (water, soil, biodiversity). As regards the allocation of at least 30 % of the EAFRD for environmental and climate related interventions, the only change consists of excluding the compensatory payments for natural constraints (ANC) of this percentage.
2. A fairer distribution of public aid by promoting small and medium-sized farms. A redistributive measure based on reduction and capping subsidies above EUR 100 000 and redistribution to small farms or other interventions.
3. An increased effort for generational renewal (young farmers) by requiring at least an equivalent amount of 2 % of the EAGF to be used for interventions related to the targeting and setting-up of young people in an agricultural holding.
4. Promotion of an agriculture based on knowledge, innovation and the promotion of modern technologies.
5. Simplification and increased subsidiarity leaving Member States to lay down the most appropriate means of intervention to answer common objectives but also to the needs and context of each Member State.



The most contested proposal by Romania is the one linked to the progressive reduction as from EUR 60 000 and the capping over EUR 100 000 of CAP subsidies. Due to the dual structures of Romanian agriculture, in which a relatively small number of very large farms cultivate more than half of utilised agricultural area and this capping would affect these farms.

The amounts resulting from capping are, however, at the disposal of the Member State that will use them for redistribution to small and medium-sized farms, young farmers or towards climate and environment actions.

**Mihail Dumitru:** Deputy Director General (DDG), Directorate general Agriculture and Rural development Romanian nationality. Agriculture economist specialised in agri-food economics and rural development. Postgraduate studies in France and Greece at the International Centre for Advanced Mediterranean Agronomic Studies. Ph D in economics.

*After graduating from the Bucharest Academy of Economic Studies, he worked for three years in a large state-owned farm in Prahova county, South Romania. Following the farm experience, he moved into economic research carrying research studies in agricultural economics and rural economics at the Institute of Agricultural Economics Bucharest a constituent institute of Romanian Academy where he was head of a research department.*

*In 1995 joined the Delegation of the European Commission in Bucharest where he followed the whole process of Romania's accession to the EU being in charge with agriculture and other related sectors. In the last years prior to accession he headed the section of the Delegation in charge of Agriculture and Internal market. In 2006 he joined DG AGRI where he was in charge of negotiating the first rural development programme (2007-2013) for Romania co-financed by EAFRD.*

*Minister of Agriculture and Rural development of Romania in 2009-2010 he re-joined the European Commission in early 2011 where he took over a directorate in charge of Rural development programmes. In February 2014 he became Deputy Director General responsible for rural development and research. Since January 2017 he is DDG responsible for CAP direct support, rural development and sustainability.*



## Conference: The coordination of economic policies at EU level, a renewed role for the European Semester

The Economic and Monetary Union (EMU), the core of the European Union (EU), has brought the Member States' economies closer together. This has increased the risk of spreading unwanted potential effects in the euro area. Coordination of fiscal and economic policies at EU level must respond to this challenge, giving the European Semester a renewed role. It is implemented mainly by: i) assessing the economic challenges and possible responses at EU level through qualitative analysis; ii) good communication in the formulation of recommendations; iii) ownership of reform measures by Member States and involvement of all actors with responsibilities in their implementation. The capacity to provide benefits in every social dimension outlines the future of the European Semester. In this context, Romania's extensive investment needs were exemplified by a proverb: you reap what you sow. These are just a few points of discussion, outlined by Mr. Valdis Dombrovskis, Vice-President of the European Commission, in the opening session of the Conference entitled Coordination of Economic Policies at EU level, a renewed role for the European Semester.



The conference was held on 4 April under the aegis of the Romanian Presidency of the Council of the European Union. It was a high-level communication event dedicated to the European Semester and its renewed role of coordinating economic policies at EU level. The organization was provided by the Ministry of Foreign Affairs and the European Institute of Romania.

The event was attended by senior European officials, members of the Romanian Government and Parliament, other dignitaries and officials. Among them were Mr. Valdis Dombrovskis, Vice-President of the European Commission, Mr. Viorel Ștefan, Deputy Prime Minister, Romanian Government, Mr. Luca Jahier, President, European Economic and Social Committee, Mr. Ștefan-Radu Oprea, Minister, Ministry for the Business, Commerce and Entrepreneurship Environment, Ms. Gabriela Crețu, Senator, Chair of the Committee on European Affairs, Mr. Rob Jonkman, Vice-Chairman of the Committee on Economic Policy, European Committee of the Regions.

As anticipated by Mr. Viorel Ștefan, Deputy Prime Minister of Romania, the conference served the public interest, focusing on four related objectives: a platform for dialogue; an opportunity to evaluate 10 years of European semester; a reflection framework on the future of Europe; an opportunity to explain to the general public the European Semester and the way Romania benefits.

**Iulian Oneașcă**  
Projects Unit

## Europe of Convergence: growth, competitiveness, connectivity

On 17 May 2019, the European Institute of Romania (EIR) and the Centre of European Studies within the “Alexandru Ioan Cuza” University, with the support of the Ministry of Foreign Affairs - Romanian Presidency of the Council of the European Union, organised a conference entitled “Europe of Convergence: growth, competitiveness, connectivity”. The event took place in the Senate Hall of the “Alexandru Ioan Cuza” University in Iași and enjoyed the presence of numerous officials, experts and researchers in the field of European affairs.

The main objective of the Conference was to discuss different issues related to the reform of the next EU Cohesion Policy (after 2021). How should the future EU Cohesion Policy address the new and growing challenges,



from migration, terrorism, security to digitalization and cyber security? Which should be the main objectives of the future policy: cohesion or competitiveness, urban dimension or rural dimension, transition regions or lagging regions, support of jobs' creation and innovation or infrastructure, etc.? Which must be the most efficient form of support for beneficiaries: grants, financial instruments or, likely, a mix of all of these?

From the perspective of the Romanian Presidency of the Council of the European Union, cohesion is a prerequisite for shaping the future of the European Union and strengthening citizens' confidence in the European project. The Presidency's motto envisages cohesion both as a common European value and as an expression of unity between the EU Member States and regions. The Cohesion Policy remains the main investment policy of Europe, despite the Brexit budget hole and the latest challenges. In order to remain a competitive economy, EU has to anticipate market changes and its citizens must have the necessary skills for increased productivity.



For more information on the event, we invite you to visit [ier.gov.ro](http://ier.gov.ro), Events section.

**Florentina Costache**  
Communication and Marketing Unit

## Eurofound: The annual conference of the national correspondents

Eurofound, a tripartite agency of the European Union, organized the annual conference of the national correspondents during 4 - 5 April in Dublin, Ireland. The conference was attended by national correspondents and researchers from all 28 Member States.

The agenda of the event covered two days, the first focusing on an overview of the Eurofound project at a European level, while the second day focused on several workshops with themes related to the implementation of the project and several deliverables requested from the correspondents.



In the first day of the conference, Ms. Erika Mezger, Eurofound Deputy Director presented the recent changes in the structure and founding documents of Eurofound, insisting on the coming into force of the new Regulation for the agency<sup>1</sup>. Ms. Mezger underlined the importance of the research work developed by the national correspondents for the agency, thanking everyone for their efforts in 2018.

In the second presentation, Mr. Jorg Tagger, Acting Head of Social Dialogue Unit - Commission Directorate-General Employment, Social Affairs and Inclusion underlined several important developments at EU level: the beginning of a new social dialogue at EU level, European Pillar of Social Rights, the state of the legislative files connected with transparent and predictable working conditions, European Labour Authority and the revision of laws related to social security. Some of the relevant points presented by Mr. Tagger referred to:

- An increased involvement of social partners in EU policy and law making;
- The implementation of the European Pillar of Social Rights needs to take into consideration the European Semester, EU legislation, available financing, state of the social dialogue and civil society;
- There are 27 proposals concerning social themes which are in legislative procedure<sup>2</sup>;
- The new Regulation concerning Eurofound (2019/127) incorporates the current tripartite structure of the agency and modifies the organizational objectives, the activities developed are described in a simple and concise way, the procedure to appoint a Deputy Director has been modified.

The following sessions dealt with specific themes like: operationalizing the European Pillar of Social Rights in Member States (Italy and Bulgaria) and business models, self-employment, blurring boundaries between employment status (Ireland and Netherlands).

<sup>1</sup> [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=uriserv:OJ.L\\_.2019.030.01.0074.01.ENG](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=uriserv:OJ.L_.2019.030.01.0074.01.ENG)

<sup>2</sup> [https://ec.europa.eu/commission/sites/beta-political/files/social\\_priorities\\_juncker\\_commission\\_en.pdf](https://ec.europa.eu/commission/sites/beta-political/files/social_priorities_juncker_commission_en.pdf)

During the session related to the Pillar of Social Rights, several ideas were mentioned:

- The priorities of the Member State's government should be: reducing the illiteracy rate, improving education, lifelong learning, opportunities for people with disabilities and support for NEETs;
- Priorities of the employers' organizations are: education, active support for employment, childcare services - free kindergarten services, improving the Employment Code - ensuring that employees have safe and adaptable options for employment.

The second session brought into discussion several ideas, such as:

- Employment types, the possibility of adapting and modifying them;
- People with a false self-employment status in Ireland.

The themes of the workshops developed on 5 April focused upon: EurWORK - research deliverable developed by Eurofound focusing on industrial relations and administrative aspects of the implementation of the project by the national correspondents.

The conclusions of the annual conference were related to: a stronger partnership between national correspondents, social actors and labour market institutions, continued balanced and impartial reporting of national developments and compliance with the tripartite approach with the involvement of stakeholders and members of the Governing Board.

**Tiberiu Nica**  
Projects Unit

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## Baltic-EU Conversations 2019: Awaiting Political Change

The European Institute of Romania was represented at the annual high-level international conference: "Baltic-EU Conversations 2019: Awaiting Political Change", by Mihai Sebe, expert within the Studies and Analyses Unit, as a speaker. The event was held on 5 April and was organized by the Latvian Institute of International Affairs in cooperation with the European Commission Representation in Latvia and the Parliament of the Republic of Latvia.



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During the conference, in the company of high-level representatives, the speakers: discussed ongoing negotiations on the next Multiannual Financial Framework; explained what the EU's tactics are in the current international trade environment, and what they should do; discussed the future of European defence policies and systems as well as tried to provide answers to the question of how the European Union institutions can better help to cope with or adjust to the current challenges of the information field and tried to predict how relations between the EU and the US will look like in the run-up to the next US presidential elections in 2020.

Each panel addressed a specific question, while trying to provide answers such as:

**PANEL 1: The Political Renewal of the European Union.** This year, 2019, will be a year of change in the European Union. Not only will the EU have one less member state, but also a new European Parliament and a new European Commission. These changes could be both unfortunate and fortunate. Additionally, the Romanian Presidency held the Sibiu Summit on the future of the EU on 9 May. Hence, the aim of the panel was to understand the future political shape of the European Union and its institutions in the years to come.

**PANEL 2: The MFF 2021-2027: A Work in Progress.** Ongoing discussions and negotiations on the next Multiannual Financial Framework (MFF), for the 2021-2027 period, are slowly revealing the potential outcome. Although the 2 May 2018 proposal by the European Commission maintains the traditional methodology, the suggested increase of overall budget and new issues to be covered are ambitious. Hence, the aim of this panel was to determine the expected shape of the next MFF and the outcomes of the MFF negotiations.





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**BREAKOUT SESSION 3A: The European Information Agenda and Modern Democracies.** Recent years have demonstrated that modern technologies need adjustments to the democratic system. The abuse of information and communication technologies and mass media by demagogic politicians, foreign powers and irresponsible businesses has become increasingly evident. Fake news, propaganda, and media and political illiteracy are among the central points of concern. Hence, the aim of this panel was to answer to the question of how European Union institutions can better help to cope with or adjust to the current challenges created by the information space.

My intervention in this Breakout session singled out the Romanian specificities. While we are not witnessing a massive third party interference in the election system,

we are still vulnerable to the phenomenon of fake news. Romania does not deal with mainstream Eurosceptic parties, but still efforts need to be done in order to address the question of past low turnout in the European Parliament elections and to increase the citizens' involvement in the public affairs in order to have a functional and vibrant democracy. All this is done in the context of the Romanian Presidency of the Council of the European Union as one of our priorities is the Europe of common values: „Raising awareness and promoting European values at the level of the whole society must be reflected in efforts to combat racism, intolerance, xenophobia, populism and antisemitism, and to discourage hate speech. In this respect, the fight against online disinformation and fake news, including by improving education in the mass-media sector and by designing European mechanisms which promote best practices for combating disinformation, is an important aim.” (Programme of the of the Romanian Presidency of the Council of the European Union 1 January - 30 June 2019)

**BREAKOUT SESSION 3B: European Defence Structures: A Process in the Making?** A build-up of European security and defence structures is starting to take shape. Since the establishment of PESCO at the end of 2017, the establishment of the European Defence Fund, and the increasing discussions on military mobility between EU member states, the plans have become clearer. Russia's new foreign and defence policy trends, the United Kingdom leaving the EU, and worrisome signals from the United States have triggered more self-reliance in the EU. Hence, the aim of this panel was to depict future European defence policies and systems.

**BREAKOUT SESSION 3C: EU Tactics in a Time of “Trade Wars”.** The purpose of the creation of the EU was to facilitate trade, both among the member states and with third countries. The EU and its member states have gained substantially from economic growth and the trade in goods and services globally. Recent years have demonstrated a re-emergence of protectionist feelings and even trade wars. Hence, the aim of this panel was to explain what the EU's tactics are in the current international trade environment, and what they should be.

**PANEL 4: The EU and the US: A Friend in Need is a Friend Indeed?** The last couple of years of relations between the European Union and the United States have not been easy or easily predictable. Both sides of the Atlantic have been exchanging strong rhetoric, while simultaneously preserving collaboration on trade issues, on military issues, and on global governance and geopolitical stability issues. Several leading EU member state politicians share a similar worldview with the current US elite. Hence, the aim of this panel was to predict how relations between the EU and the US will look in the run-up to the next US presidential elections in 2020.

The full details of the event are available at <http://liia.lv/en/news/insight-into-baltic-eu-conversations-2019-awaiting-political-change-786>

**Mihai Sebe**  
Studies and Analyses Unit

**Editor-in-Chief:** Oana Mocanu  
**Editors:** Mihai Sebe, Eliza Vaş  
**Revision RO:** Mariana Bara  
**Translations RO-EN:** Eliza Vaş, Mihai Sebe, Florentina Costache  
**Graphics & DTP:** Mihai Paraschiv

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**European Institute of Romania**  
7-9, Regina Elisabeta Bvd., RO - 030016, Bucharest, Romania  
Phone: (+4021) 314 26 96/ 133 / Fax: (+4021) 314 26 66  
Contact: [newsletter@ier.gov.ro](mailto:newsletter@ier.gov.ro), Web: [ier.gov.ro](http://ier.gov.ro)