



in focus _____

Austria: holding the Presidency of the Council of the European Union

A Europe that protects



On 9 July 2018 the Austrian Embassy in Romania organised a press conference at the European Commission Representation in Romania, to mark the start of the Presidency of the Council of the EU. On this occasion, the presidency’s programme and priorities for the upcoming six months, July-December 2018, were presented. The keynote speakers included HE Ms. Isabel Rauscher (Austria’s ambassador to Romania), Mr. Teodor-Viorel Meleşcanu (foreign affairs minister) and Mr. Cristian Buchiu (deputy head of the European Commission Representation to Romania). This is the third time in the history of Austrian membership to the EU when the Austrian state holds the Presidency of the Council, after the 1998 and 2006 mandates ... [p.2](#)

event _____

Citizens’ Consultations on the future of the European Union

The series of events dubbed “Citizens’ consultations on the future of the European Union” takes place between July-September 2018 in different locations from the historical regions of Romania, with the final conclusions to be presented in Bucharest this October ... [p.3](#)



CONSULTĂRI CETĂȚENEȘTI
PENTRU VIITORUL UNIUNII EUROPENE

in this issue _____

- 4 *Romanian Journal of European Affairs - Summer Issue 2018*
- 6 *PeSCo - A game changer for European defence cooperation?*
- 7 *EIR: Strategy and Policy Studies SPOS 2018*
- 8 *EPIN Project: Towards Citizens’ Union (ZCU) - Project Meeting on Direct Democracy*
- 9 *EUROSFAT 2018: Romania’s accession to the euro area. From necessity to reality*
- 10 *2018 European Semester: country specific recommendations and national response measures*
- 11 *The Vision of Media over Romania’s Presidency of the Council of the European Union - 2019 Perspectives*
- 12 *PROMO: EIR - partner of the Economic Forum, Krynica*

In the opening session, Mr. Cristian Buchiu acknowledged that the Austrian Presidency's motto (*A Europe that protects*) is also one of the priorities of the European Commission, and that both the Austrian Presidency and the Romanian one will focus on the citizens (a citizens' summit being planned). Subsequently, Ms. Rauscher reminded¹ that, this time, holding the Presidency of the Council is happening in a challenging context: the post-2020 EU budget, the unfolding of the negotiations regarding the United Kingdom's withdrawal from the EU and the need to finalize as many legislative dossiers as possible are all matters that need to be dealt with in the upcoming months.

To this end, the slogan chosen by the Austrians covers the priorities selected to be promoted during their mandate: **security** (which includes the fight against illegal migration), **prosperity** (which also refers to increased competitiveness through digitalization) and **stability** (referring to the neighbourhood policy and the Western Balkans/ South-Eastern European states). **The security theme** includes actions regarding the improvement of external borders protection and the strengthening of FRONTEX, cooperation with third states and helping those who need protection before entering the EU, namely combating terrorism and radicalisation through a better cooperation between the relevant authorities. **The objective of ensuring prosperity and competitiveness through digitalization** could be reached through measures such as: creating a modern and balanced regulatory framework which could lead to the completing of the Digital Single Market, securing a level playing field and taxation of the digital economy, modernizing the public administration and outlining an industrial policy suitable for the digital era. **With regards to the stability of the European neighbourhood**, actions to be taken include: promoting a close relationship between the EU and its neighbours, adopting some clearly set criteria and measuring the progress regarding the European perspective of the Western Balkans/ South-Eastern European states, ensuring continuous support in the region which has proved to be a trustworthy partner in the refugee crisis.

Last but not least, it was also mentioned that more than 2000 preparatory body meetings, 2 meetings of the European Council, 36 formal Council meetings, 1 informal Ministerial meeting and 7 plenary sessions of the European Parliament (taking place in Brussels, Luxembourg or Strasbourg) will be organized. Events planned to be held in Austria include an informal meeting of the European Council (in Salzburg), 13 informal meetings at ministerial level and more than 300 Presidency events.

Furthermore, Mr. Teodor Meleşcanu highlighted Romania's availability to collaborate as close as possible with Austria during these six months and ensuring the shadow presidency. Similarly, the following aspects were mentioned:

- Appreciation of the Bulgarian presidency's success during January-June 2018 and the need to consolidate the European project through coordinated solutions;
- Romania will make efforts to ensure inclusive negotiating formats and will assume the continuation of the European agenda beginning with 1 January 2019;
- A very important dossier for Romania is the one on the future multiannual financial framework and from this point of view the future EU budget should be balanced so that both the Common Agricultural Policy and the Cohesion Policy might be in accordance with the new priorities;
- Romania was of the opinion that, ever since the beginning of the migration crisis, the root causes of the problem must be addressed, a process in which the reform of the European asylum system is also required;
- Transatlantic relations remain a powerful driver for ensuring common security;
- One of the most important subjects for Romania is the EU Strategy for the Danube Region and it is trusted that this point is of interest to the Austrian Presidency as well.

At the end of the event, a Q&A session took place and the press addressed several subjects related to Romania joining the Schengen area and the importance of the Cohesion Policy for Romania. The officials' answers were that Austria does not oppose Romania joining the Schengen area, and for Romania the Cohesion Policy represents a red line in the negotiations on the next multiannual financial framework.

Eliza Vaş
Studies and Analyses Unit

¹ Presentation of the Austrian priorities within the Presidency of the Council of the European Union, 9 July 2018, https://ec.europa.eu/romania/sites/romania/files/docs/prezentare_es_isabel_rauscher_ambasada_at.pdf.

Citizens' Consultations on the future of the European Union

The series of events dubbed “*Citizens' consultations on the future of the European Union*” takes place between July-September 2018 in different locations from the historical regions of Romania, with the final conclusions to be presented in Bucharest this October. At the European level, the results of the citizens' consultations conducted in the Member States will be presented and discussed at the European Council (December 2018) and at the Sibiu Summit (9 May 2019) on the future of Europe.

More specifically, the consultations are aimed at generating public debate in order to identify the main concerns and expectations of the Romanian citizens regarding the future of the Union and their perceptions of Romania's EU membership benefits. Also, they act to underscore the importance of the ongoing debates on the future of the Union, while collecting the Romanian public's messages on the Union's post-*Brexit* development perspectives.

At the same time, this series of events represents an occasion to highlight the institutional openness to dialogue with the citizens, especially important in the present context of preparing the mandate and themes of interest for Romania during the Presidency of the Council of the European Union in the first semester of the following year, as well as gaining popular legitimacy in the processes which will define the future of Europe. At the same time, this initiative represents an **opportunity to meet the strategic goals of Romania** on the European level, aiming to implement and consolidate Romania's role in supporting the development of the European project. Similarly, actions taken in this framework will increase the visibility of European Affairs on the national level, in direct relation to the citizen.

On 6 July 2018, the Ministry of Foreign Affairs, through the Minister Delegate for European Affairs, organized in Arad the first Citizens' Consultations on the future of EU in the territory, after the initial launch event in Bucharest (9 May). The consultation, with the general theme of ‘**Europe, a global actor**’, was hosted by “Vasile Goldiș” Western University of Arad (UVVG). The event, organized in partnership with the European Institute of Romania (EIR) and the Committee for Defence, Public Order, and National Security, Chamber of Deputies, was attended by approximately 80 people, representatives of the central public administration and the local authorities, academics, military experts, students and media.

The conference was structured in two sections, an official panel discussion and a moderated debate, followed by queries and comments from the audience, with a focus on the Common Foreign and Security Policy (CFSP), the main instrument through which the EU can gain a truly coherent global role in international affairs.

The opening word was addressed by Professor **Aurel Ardelean**, Founding-Rector and President of the Vasile Goldiș” Western University of Arad, who expressed his



satisfaction at the prospect of hosting the first thematic debate in the first capital of Romania after the Great Union of 1918. The Citizens' Consultation was moderated by Loredana Pribac, Assistant Professor, UVVG, and Bogdan Mureșan, expert, EIR. The official panel was composed of Mr. **Victor Negrescu**, the Minister Delegate for European Affairs, Mr. **Dorel-Gheorghe Căprar**, President of the Committee for Defence, Public Order, and National Security, Chamber of Deputies and Mrs. **Consuela Pop**, Counsellor, Arad County Council.

The importance of such events was underscored by Minister Victor Negrescu in his initial remarks: “*the citizen has to be an active part of the whole European decision-making process and the future priorities of the European project cannot be drawn without the direct contribution of the citizens and without attuning public policies to their expectations*”. Regarding the specific theme of the conference, Mr. Negrescu has said that “from Romania's perspective, the development of the role and responsibilities of the Union in the field of security and defence has been one of the fundamental landmarks of the national strategic framework.”

Another two events from the same series took place on 12 and 13 July. The two live debates had two specific themes in line with the priorities of the Romanian Presidency of the Council of the EU.

As such, “**Connectivity, Competitiveness, Markets**” was the theme of the event which took place in Constanța on 12 July, hosted by the “Ovidius” University. On 13 July, in Panciu (Casa de Cultură “Mihai Eminescu”), Vrancea county, the theme of the consultation was “**Common Agricultural Policy and Local Development**”. The two events were moderated by Mrs. Gabriela Drăgan, General Director, European Institute of Romania, and Mr. Daniel Lungu, Director, Communication Department, Ministry of Foreign Affairs.

On 23 July a debate on “**Cohesion - a European Common Value**” was organised at the Art Museum in Fălticeni, Suceava county.

The Minister Delegate for European Affairs, members of the Romanian Parliament, central officials and representatives



of local authorities were all an integral part of these events. During the citizens’ consultations, the topics discussed included not only aspects related to Romania’s EU membership, but also specific and contextual factors, on the same discussion format used in Arad.



More details about the above-mentioned events may be found here: <https://afacerieuropene.mae.ro/> (Romanian language).

Florentina Costache
Communication and Marketing Unit

Bogdan Mureșan
Studies and Analyses Unit

Romanian Journal of European Affairs – Summer Issue 2018

In the **June issue** of the Romanian Journal of European Affairs, the contributors bring to the readers’ attention topics such as: idiosyncrasies in the EU accession negotiations (case of Romania), fake news and insights into Romanians’ digital behaviour, structural funds absorption in Central and Eastern European (CEE) countries, the European Pillar of Social Rights, worrying labour market tendencies in the EU, the impact of Brexit on CEE countries security, EU-financed large-scale infrastructure projects (Rail Baltica).

The *guest article* on idiosyncrasies in the EU accession negotiations (case of Romania) comes from Mrs **Melania-Gabriela Ciot**, Associate Professor at University Babeș-Bolyai, Faculty of European Studies. The article aims at explaining some of the decisions (or ways of action) in the public sphere through the analysis of subjective elements (idiosyncrasies) that occur at individual level. The case study which is brought to attention refers to the period 2000 - 2004, during Romania’s preparation for accession to the European Union, from the perspective of the psychological factors that have intervened in the negotiations and decision-making process at the individual level. The discourses of former Chief Negotiator Vasile Pușcaș were analysed in this research process. This article is based on a previous doctoral and research analysis that was published in: Melania-Gabriela Ciot, *Negotiation and Foreign Policy Decision Making*, Cambridge Scholars Publishing, UK, 2014.



The article on fake news and insights into Romanians’ digital behaviour was written by Mrs **Alina Bârgăoanu**, Member of the High-Level Expert Group on Fake News and Digital Disinformation, European Commission and Professor at the Faculty of Communication and Public Relations, National University for Political Studies and Public Administration, and Mrs **Loredana Radu**, Associate Professor at the same Faculty. The authors focused on digital behaviour, self-assessment of vulnerabilities to digital disinformation, and patterns of trust as exposed by Romanian citizens. By corroborating the data of the first national public opinion survey on fake news and disinformation (implemented between February and March

2018) with the Special Eurobarometer no. 464 - Fake News and Disinformation Online - implemented in the same time frame (February 2018), they captured the perceptions and attitudes of Romanian citizens over the use of new media and news trustworthiness, and they also compared the Romanians' online behaviour with the average European's. The article opens the floor for more dedicated research and applied policies - at both the Member States and EU levels - aimed at mitigating the rising and ever worrying fake news phenomenon.

Mrs **Ramona Țigănașu**, Mr **Cristian Încălțărău** and Mrs **Gabriela Carmen Pascariu**, professors and researchers at Alexandru Ioan Cuza University of Iași, Romania tackle the subject of administrative capacity and structural funds absorption in the Central and Eastern European countries. The main purpose of this article is to analyse the impact of administrative capacity on the European Funds absorption level in Central and Eastern European Countries (CEEC), given that they were facing common transformations during the transition period, as well as the impact of the structural funds on development. The authors came to the conclusion that institutional quality and management performance have positively influenced absorption rates and that structural funds have managed to support economic development. Increasing efforts for improving their administrative capacity are still required in order to ease cohesion policy implementation and boost development.

Mr **Florin Bonciu**, University Professor with the Romanian-American University in Bucharest and Senior Researcher with the Institute for World Economy, analyses in this paper the opportunity, importance, implications and chances of success of one of the leading initiatives of the European Union, namely the *European Pillar of Social Rights* (EPRS). He comes to the conclusion that such an initiative is highly opportune and may even represent the key factor in relaunching the European project. The analysis reveals that, due to the legal and financial limitations of the current format of the EPRS, this initiative may represent too little for achieving substantial and sustainable results. At the same time, due to reduced chances of securing tangible results in a reasonably short time, the initiative may come too late for re-connecting the European citizens to the European Union project and for counter-acting the trends towards national and local approaches that have already manifested in some of the member countries.

Mrs **Annamaria Artner**, senior research fellow at the Institute of World Economics, Hungarian Academy of Science and Mrs **Krisztina Sőreg**, PhD candidate at the Faculty of Science of Public Governance and Administration, National University of Public Service, Budapest focused on the labour market tendencies in the EU. The authors examined the developments that have characterized the European Union labour market in the past decades, relying mainly on Eurostat data. They focused on the tendencies of employment and unemployment in general, the changing

conditions of work, the development of “atypical” forms of employment, the associated fluctuations of the social situation reflected in the different measures of poverty and social exclusion, and the distribution of incomes. The authors concluded that the EU labour market has significantly diversified during the past few decades and the precarious forms of “atypical employment” have grown in weight. The common policies have not been able to prevent the deteriorating tendencies of employment and they do not seem to be more successful in the near future either.

Mr **Valentin Naumescu**, PhD, Associate Professor at the Faculty of European Studies, Babeș-Bolyai University Cluj-Napoca, and Mrs **Agnes Nicolescu**, PhD candidate in European Studies at Babeș-Bolyai University Cluj-Napoca focused their analysis on the impact of the Brexit process on security policy and related political discourse in Central and Eastern Europe. Developments related to the Brexit process are considered in its two-fold dimensions: direct impact, on the European Union, and indirect effect, on UK's contribution to NATO. In this context, the article aims at reflecting the perspectives associated to the Brexit process in Central and Eastern European countries, as captured in official and independent documents and positions. The article also investigates the conditions for the emergence of a new post-Brexit special relationship between the UK and the EU in the foreign and security field.

Mr **Viljar Veebel**, an Associate Professor at Baltic Defence College, Department of Strategic Studies, Tartu, Estonia, Mr **Illimar Ploom**, lecturer at Tallinn University of Technology and the University of Tartu and Mr **Raul Markus**, lecturer at the same university are dealing with the topic of EU-financed large-scale infrastructure projects (i.e. Rail Baltica). The present article revolves around the question of the appropriateness of “the white elephant syndrome” (a very expensive project with little output) to characterize the nature of the planned trans-Baltic railway project Rail Baltica in terms of its initial financing, long-term profitability and symbolic importance.

Full articles are available at <http://rjea.ier.ro>.

Our readers are also invited to access RJEa's Facebook page, at: <https://www.facebook.com/romanian.journal.of.european.affairs/>

Editors' note: Starting June 2017, Romanian Journal of European Affairs has been selected for coverage in **Clarivate Analytics** (former Thomson Reuters) products and service. Consequently, the journal is now indexed and abstracted in **Emerging Sources Citation Index (ESCI)**.

Oana Mocanu
Studies and Analyses Unit

PeSCo – A game changer for European defence cooperation?

Arguably, the European Union (EU) is easier to experience than to define or measure and may have always been an idea in search of a concrete reality. This reality was constantly shaped by the European integration process, which, as the past two decades have clearly shown, is in no way straightforward, irreversible or undifferentiated. But, regardless of the various contesting views over the definition of the European Union and its international role, it is fair to say that the European space remains one of genuine political pluralism and multiculturalism, the history of which goes to prove that between its boundaries had taken shape and concretized most of humanity's greatest discoveries and scientific progress. Nevertheless, it has also witnessed some of humanity's darkest hours, marked by the unprecedented horrors of two World Wars.

As such, the emergence of a unified Europe, as a system of differentiated integration, has to be one of the most revolutionary and consequential events of our time. *After its official birth at Maastricht, the European Union has gradually matured into an actor of foreign policy and security towards the end of the '90s*, when a series of domestic and external factors have gone to show that there is a need for a new approach for the political integration on the continent and the concerted action for handling the EU's international relations. *Today, nothing underscores more the relevance and timeliness of a unified Europe than the ongoing deterioration of the transatlantic relation, and of the liberal world order at large, in the age of the Republican President Donald J. Trump.* Since his arrival at the White House, POTUS has called the North-Atlantic Alliance (NATO) "obsolete" and "as bad as NAFTA", supported the idea of *Brexit* and, more recently, complained about the fact that the EU was supposedly created "to take advantage of the United States".

Bluntly put, the so-called 'leader of the free world' seems keen to undermine the long-standing alliances, trading partnerships and international institutions that have characterized the American-led post-war world order for 70 years, in which the European project played an incremental role. But, if history is any guide, no world order lasts forever - it gradually declines, fades away and is eventually replaced by a new (not necessarily better) one. Aside from the mercantile, but not unsubstantiated, leitmotif of *burden sharing*, the United States (US) used to stand for something larger than itself - the *American creed* regarded democracy, liberty and human rights as universal principles - and it used to be the main source of inspiration for its European allies. *Nevertheless, as the European security environment has become much more diverse and challenging, the US appears to be less willing to continue providing its current high share of the burden for defending the continent. All the same, it is impossible to avoid one big question: Is Trump more a symptom or a cause of a larger geopolitical shift?*

Since the defeat of the European Defence Community by the French National Assembly in 1954 (in spite of it being a French proposal), the question of the EU assuming a military dimension had remained a closed topic until the signing of *the Treaty on the European Union in 1992, which signalled the intent of the Member States to move beyond a civilian power Europe after the end of the Cold War and established the Common Foreign and Security Policy (CFSP) pillar.*¹ Later on, as part of the CFSP, the Common Security and Defence Policy (CSDP) was introduced by the Treaty of Lisbon and it basically allowed Member States to pursue closer defence integration through the **Permanent Structured Cooperation (PeSCo)** in the quest for an 'European army' aimed at acquiring strategic autonomy - the ability to pursue one's interests independent from other states' constraints.² As a matter of fact, *the idea of a common European army is not at all new.* It goes back to the turn of the 17th century, when the visionary Duke of Sully put forth the prospect of an integrated European army of 100,000 infantrymen, 25,000 cavalry and 120 cannons, with a maintenance cost shared among participating nations. Other thinkers and political leaders later advanced different versions of the same idea.

In light of a changing security environment, the European Union launched in 2016, practically in the same time with the *Brexit* referendum, the **EU Global Strategy (EUGS)** - *its most ambitious long-term programmatic document, which recognized the growing demand for the EU as security provider for the EU, its citizens and globally.* It acknowledged *the inherent difficulty of a fine balancing act between realpolitik and idealism in its foreign policy action* and the fact that peace and security depend a great deal on the economic and social progress of the European nations. Also, the EUGS defined '*principled pragmatism*' as the cornerstone of its external conduct, *based on the principles of unity, engagement, responsibility and partnership* and it highlighted the importance of internal and external *resilience.*³ Against this background, the EU Member States agreed to step up their efforts in the area of defence and reckoned that enhanced coordination, increased investment in defence (the minimum 2% of GDP that NATO members should spend on defence by 2024) and cooperation in developing defence capabilities are key requirements to achieve it. This is the main

¹ European Council, *Treaty on the European Union*, February 1992, http://europa.eu/eu-law/decision-making/treaties/pdf/treaty_on_european_union/treaty_on_european_union_en.pdf.

² European Council, *Treaty of Lisbon*, December 2007, <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:12007L/TXT>.

³ EU HR/VP, *Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the EU's Foreign and Security Policy*, June 2016, http://www.eeas.europa.eu/archives/docs/top_stories/pdf/eugs_review_web.pdf.

aim of a Permanent Structured Cooperation on security and defence.⁴

Through the **Permanent Structured Cooperation**, 25 Member States decided to pool their defence efforts and increase their effectiveness in addressing common security challenges and advancing towards further integrating and strengthening defence cooperation within the EU framework. Launched at the end of 2017, PeSCo is an ‘ambitious, binding and inclusive’ legal framework aimed at boosting cooperation among Member States in the field of defence capability development and operations. As a driver for defence integration, *it includes two core components: binding commitments and specific projects*. Binding commitments are pledges made by Member States in the area of defence cooperation, which, in turn, will lead to a number of specific projects that will be proposed by PeSCo members. Participating states must accept all binding commitments and take part in at least one specific project. *Activities carried out in the framework of PeSCo can have either a capability or an operational dimension*. And, if PeSCo succeeds, it will benefit, not damage the transatlantic relation, because it will provide a much-awaited answer to the demand for more burden sharing inside the North-Atlantic Alliance.

The Treaty of Lisbon and the EU Global Strategy uphold the principle that the North Atlantic Treaty Organisation, at the moment the main guarantor of Euro-Atlantic security under the umbrella of *common defence*, and the European Union have to be complementary and avoid unnecessary duplication in this field. However, Ireland, Finland, Sweden, Cyprus and Malta are not members of NATO, which is one of the reasons invoked for the push in favour of a more pronounced and coherent European strategic autonomy. And, in order to avoid any threats of strategic or geopolitical irrelevance, it would not hurt for the two institutions to pair up their soft- and hard-power instruments to focus on common challenges - including new areas like cyber-deterrence, space and artificial intelligence.

On 6 March 2018, the Council adopted a **roadmap for the further implementation of PeSCo**. On the same occasion, it formally adopted the first set of 17 different projects in three areas (Common Training and Exercises, Operational Domains and Joint and Enabling Capabilities) and listed the project members for each of them. *The projects include, among others, a European Medical Command, facilitation of military mobility, a rapidly deployable Crisis Response Operation Core and Cyber Rapid Response Teams*.

The positive synergy between shared vision, political will and common action has led to the launch of the Permanent Structured Cooperation. So, could PeSCo, still in its infancy, indeed become a game changer for European defence cooperation? Lacking a magic crystal ball, that remains to be seen. But what recent events have underscored is that no nation today is large or powerful enough to impose rules on everyone else all by itself and that the EU, as a whole, is better equipped to meet the security challenges of our time than any single Member State on its own. Also, a strong and bold European Union, in which the political integration will gradually catch up with the economic integration, would be even more valuable if the United States’ security role in Europe were to gradually diminish.

Bogdan Mureşan
Studies and Analyses Unit

⁴ EEAS, *Permanent Structured Cooperation (PESCO) - Factsheet*, June 2018, https://eeas.europa.eu/topics/common-security-and-defence-policy-csdp/34226/permanent-structured-cooperation-pesco-factsheet_en.

projects

EIR: Strategy and Policy Studies SPOS 2018

The strategy and policy studies project coordinated by the European Institute of Romania, through the Studies and Analyses Unit, continued to be implemented in 2018, as well. Aiming to support the national decision makers in drafting the negotiation positions within the European mechanisms and institutions, this year’s project addresses present-day topics on the European agenda, and in connection to the preparations for Romania’s presidency to the Council of the European Union from 2019. Thus, this year the research themes will be focused on:

1. *The multiannual financial framework post-2020: risks and opportunities for the cohesion policy and the common agricultural policy;*
2. *The revival of the EU Strategy for the Danube Region - between economic interests and political priorities;*
3. *The transition towards a circular economy. From waste management to a green economy in Romania;*
4. *The European Pillar of Social Rights: the reduction of social inequalities and disparities in Romania.*

Developments of European policies and initiatives in the youth field.

Following the selection process, four teams were designated to conduct the research on the topics mentioned. The teams' coordinators are: Mr **Daniel Dăianu**, Member of the Board of Directors of the National Bank of Romania (for study no. 1), Mr **Sorin Ioniță**, President of the Expert Forum Association (for study no. 2), Mrs **Valentina Elena Târțiu**, Researcher within the "Bioeconomy in transition" group, Unitelma-Sapienza University from Rome (for study no. 3), and Mr **Dragoș Nicolae Pîslaru**, Partner Civitta Romania (for study no. 4).

The first study aims to explore, from the perspective of Romania's interests, the various options for the future multiannual financial framework. Given the many challenges the European Union is facing, the reform of the cohesion policy and that of the common agricultural policy are very likely to happen. The study will have a strong analytical and practical background, providing various options in the European negotiation frameworks.

The second study aims to map the challenges and opportunities derived from holding of the Presidency of the EU Strategy for the Danube Region, by Romania during November 2018 and November 2019. Highlighting some examples of best practices and lessons learned by Romania as coordinator in three priority areas (navigability, tourism and culture, the environmental risks), as well as the formulation of clear and concrete policy recommendations to promote the regional macro strategy at the EU level represent only a few specific objectives of the study.

The third study is focused on analysing the process implications for transitioning to a circular economy in Romania. The study will take into account the legislative initiatives adopted at European level for rethinking the economic cycle, i.e. the efficient use of resources and the storage of waste, but also the innovations brought to

the technological processes. In addition, the study will address the main implications of the measures proposed by the European Commission in the mini-package on circular economy, coming thus in support of the national decision-makers who will be involved in the Council of the EU negotiations. The study aims to provide to the actors involved an overview of circular economy and to offer policy recommendations relevant to Romania.

Through *the fourth study*, the authors seek to determine the necessary measures for implementing the European Pillar of Social Rights with regard to youth field. The study aims to identify the rights embodied in the Interinstitutional Proclamation that have an impact on the younger population, to examine the regulatory framework applicable to the national level and to establish a series of recommendations in accordance with the principles laid down by the European Pillar. There will also be taken into account and analysed the status of development and implementation of Romania's National Qualifications Framework, an essential tool to increase the employability of young people.

In the months to come, the Studies and Analyses Unit will organize a series of *working groups* for each study, with the purpose of strengthening the dialogue between the studies' authors and the representatives of the main beneficiary institutions (Ministry of Foreign Affairs, line ministries, governmental agencies, parliamentary committees, etc.). The meetings are held in order to ensure a continuous and coherent flow of information and to set the base for optimal policy recommendations.

Studies will be finalized towards the end of this year, then they will become available to the public and will be promoted within the framework of thematic debates organized by the European Institute of Romania.

Oana Mocanu
Studies and Analyses Unit

EPIN Project: Towards Citizens' Union (2CU) **Project Meeting on Direct Democracy, 14 – 15 June 2018, Athens**

The European Institute of Romania (EIR) is involved within the framework of a consortium coordinated by CEPS Brussels in the project called *Towards a Citizens' Union (2CU)* which takes place in a three year period (September 2017 - August 2020), bringing together a total of 20 think-tanks of 18 European countries.

A series of research papers, having a national perspective, would be produced within the project on topics such as: direct democracy, representative democracy and democratic responsibility. The project also involves the participation in a series of academic events in various EU Member States in order to disseminate the preliminary and final results of the research.

Thus between 14 - 15 June 2018, a project meeting took place in Athens, Greece, dedicated to the direct democracy topic of research, prepared by each national team. Within this meeting we had the privilege of representing the EIR.

The first day was dedicated to the analysis of the preliminary versions of the research papers, a series of ideas emerging as regards the evolution of direct democracy, as follows:

- Most of the paper show that there is an ever growing demand for the use of the direct democracy tools. On the one hand we assist to an increasing demand for the use of the direct democracy toolbox while on the other hand to an increased opposition toward the same toolbox. It is not possible to eliminate the demand for direct democracy;

projects

- The direct democracy is used many times for less than good goals by the political leaders. The credibility of the direct democracy is affected by the fact that it is used by the populist forces. They use the direct democracy toolbox in order to promote their own agenda;
- In the future, the direct and indirect democracy would have to merge. The more public participation forms are the better for the direct democracy;
- The direct democracy should be separated as regards the unrestricted majority (it cannot be a way to restrain the minorities' rights).



The second day was dedicated to the dissemination event organized by ELIAMEP - the Greek think-tank partner. The conference called *Dilemmas of Democracy: Is there any meaningful role for citizens in Europe?* presented and discussed the problems faced by contemporary democracies in Europe and the possibilities of activating citizens and revitalizing direct democracy. Amongst the speakers were: Mr Loukas Tsoukalis (ELIAMEP President), Mr Christos Dimas (deputy, New Democracy Party), Ms Nina Kasimati (deputy, SY.RIZ.A Party), Mr Kostis Papaioannou (former Chairman, National Commission for Human Rights), etc.

The ideas presented tackled various topics such as:

- It is difficult to understand the way in which individual voters can have a saying in the European decision-making process, and due to that the turnout for the European Parliament elections is a low one;
- National governments blame the European Union when they need to identify scape goats for the international problems their states have to deal;
- How the multinational democracy can be reconciled with the increase of the nationalist feeling, in a world where the societies are more and more divided?
- Irrationality has become a common element of today politics;
- Democracy is reinvented by the populists, through the message they support in the public space;
- We need to develop various forms of participation, in order to include those who are excluded.

For further information regarding the project, please visit the specific section on the [EIR website](#).

For further information regarding the debate, please visit the [ELIAMEP website](#).

Mihai Sebe, Eliza Vaş
Studies and Analyses Unit

event

EUROSFAT 2018: Romania's accession to the euro area. From necessity to reality

On the occasion of the sixth edition of EUROSFAT, the European Institute of Romania (EIR) was partner to Europuls in organizing a debate on *Romania's accession to the euro area. From necessity to reality*. The event was moderated by Mrs **Gabriela Drăgan**, Director General of the EIR, and benefited of the participation of Mr **Laurian Lungu**, Co-Founder of the Council Policy Advisor Group, Mr **Andrei Rădulescu**, Director for Macroeconomic Analysis/Transilvania Bank, Ms **Anca Dana Dragu**, former Minister of Public Finance, Mr **Daniel Vâlcu**, Director for Policy and Macroeconomic Analysis/Ministry of Public Finance and Mr **Istvan Jakob**, Economic Adviser within the European Semester Office/EC Representation Office in Romania.

The main aspects highlighted in the debate were the following:



- Accession to the Eurozone is stipulated in the fundamental treaties of the European Union and is a natural development for the Member States; the obligation to adopt the euro is assumed through the EU Accession Treaty, but Member States are not forced to take this step;
- At EU level, the EMU should be completed (low growth potential and persistent economic and social disparities, insufficient collective stabilization instruments, complex governance and democratic deficit);
- Romania's accession to the Eurozone would mean: a more resilient economy; political decision, but on economic bases; real and nominal convergence criteria; stricter governance rules; the existence of a country program for pre-accession to the euro;
- Also, the benefits can include: increasing exports; reducing interest rates; reducing the cost of capital and increasing foreign direct investment; increasing resistance to external shocks;
- The costs of joining the Eurozone: the loss of exchange rate policy; single monetary policy; uncertainties about how the Eurozone operates; the accumulation of imbalances (but can be redressed by EC monitoring instruments - macroeconomic imbalances procedure, alert mechanism and preventive arm of the Stability and Growth Pact (SGP) can prevent imbalances);
- The Eurozone has architectural and functional deficiencies (the Banking Union, considered as a stabilizing element of the financial infrastructure, is incomplete);
- In the current situation, even if Romania fulfils the accession conditions and would have a competitive economy it would be better to adopt a 'wait and see' position;
- Romania's economy is not ready to enter the Eurozone in the medium term (persistence and volatility of inflation, low GDP capita, excessive discretionary fiscal policy, low financial depth, etc.); an independent monetary policy is preferable at the moment;
- By coordinating monetary and fiscal policies, Romania's economy may grow faster outside the Eurozone (which provides the time to solve internal problems in this area).

About EUROSFAT:

The 2018 edition has brought into attention debates on Romania's contribution to relaunching the European project. The event was attended by political decision-makers from Romania, representatives of civil society, business and research environment, who had the opportunity to express their opinion on the place of Romania in the future EU.

Unlike previous editions, this forum was preceded on 6 June by the European Commissioner Tibor Navracsics dialogue with the citizens.

The event was organized by EUROPULS with the support and under the patronage of the European Commission Representation in Romania, the European Parliament and the Bulgarian Presidency of the EU Council.

More information and a list of participants are available on the [event page](#).

Florentina Costache
Communication and Marketing Unit

2018 European Semester: country specific recommendations and national response measures

On 10 July 2018, the Ministry of Foreign Affairs, through the Minister Delegate for European Affairs, organized in partnership with the European Institute of Romania (EIR), a debate on the *2018 European Semester, country specific recommendations and national response measures*. The event was hosted by the Ministry of Foreign Affairs in the Grigore Gafencu Conference Room.

The event was attended by representatives of the central public administration, representatives of the European Commission in Bucharest, trade unions, business unions and media.

The debate was structured in two sections. The first included interventions from Mr Viorel Ștefan, Deputy Prime Minister, Romanian Government, Ms Gabriela Crețu, Senator, Chair of the European Affairs Committee, Romanian Senate, Mr Victor Negrescu, the Minister Delegate for European Affairs, Mr Maarten Verwey, Head of Service, Structural Reform Support Service and the second section included contributions from Mr Minel Ivașcu, Vice-President, National Union Bloc, Mr Cătălin Gheran, Director General, Management Authority for Large Infrastructure, European Funds Ministry, Mr Gelu Duminiță, Executive Director, "Împreună" Community Development Agency Foundation, Mr Valentin Sorin Popescu, Director General, Ministry of Education and Mr Anton Hadăr, President, "Alma Mater" National Union.

The opinions expressed by the experts, guests and speakers focused on what the European Semester represents, specific country recommendations, programmes and projects connected to the country recommendations, national response measures, the situation on specific domains described in the country recommendations and the measures that need to be implemented in order to improve the situation at national level.

Among the aspects highlighted in the event, let us mention the following:

- The first European Semester took place in 2011. From that year on the member states have sent for evaluation to the European



Commission strategic documents on the fiscal and monetary policy, convergence reports and the way in which the objectives of the Europe 2020 Strategy objectives are attained. The European Commission evaluates and makes country specific recommendations which are approved in the Council. Country specific recommendations are the object of activity plans and, in the next year country reports, published in February, evaluate the way in which these recommendations were implemented (Gabriela Drăgan).

- Regarding the budget deficit for 2018 this will be for sure under 3% from GDP, observing the EU treaty. Adjusting the structural deficit in order to attain this medium term objective is planned to start in 2019. (Viorel Ștefan)
- In order to accelerate investments, the Government has started to modernise and improve the procurement laws at national level. (Viorel Ștefan)
- The European Semester comes to replace the lack of a common economic and budgetary policy at European level. Attaining common objectives by states that are in different economic, financial and social states implies measures adapted to their specific. (Gabriela Crețu)
- From the solidarity shared in the founding documents and the strengthening of the EU bloc which was for a long time the tendency of the economic policies we are returning to an increased state responsibility. The responsibility of states cannot be bigger than their capacity to intervene and control the results of their policies. (Gabriela Crețu)
- For Romania, the need for reform is greater than the European average, because the country still has many things to do and implement in order to attain the income level, social performance and living standards of other European states. (Marten Verwey)
- We perceive the European Semester as a collaboration mechanism between the European Commission and member states and we need to look at reality. From 2013 onwards Romania has managed to attain a 68% rate of country specific recommendations implementation. (Victor Negrescu)
- We are speaking about the labour market and unemployment, structural unemployment, long term high unemployment rates that affect almost half of the total number of unemployed people. We should be worried that the mix of policies implemented by the public employment service is not a success taking into consideration that the mentioned situation has been known for years. (Minel Ivașcu)
- The vision that we are proposing is that every Romanian child should be able to attain his maximum potential through the education and social system that is implemented. (Gelu Duminiță)

For more details, please access the Events section on EIR website.

Tiberiu Nica
Projects Unit

The Vision of Media over Romania's Presidency of the Council of the European Union – 2019 Perspectives

On 19 June 2018 at the National University of Political Studies and Public Administration (SNSPA) headquarters took place the debate addressing the *Vision of Media over Romania's Presidency of the Council of the European Union - 2019 Perspectives*, moderated by Lecturer **Miruna Butnaru-Troncotă**. This debate brought together speakers like University Assistant **Flavia Durach**, Faculty of Communication and Public Relations, SNSPA, **Alexandru Giboi**, Director of the Romanian National News Agency AGERPRES, and **Mihai Sebe**, PhD., researcher, European Institute of Romania (EIR).

The topics included the analysis of: Romania's preparations for taking over the Presidency of the Council of the European Union from the public communication perspective; the mass-media reflection of this process; the citizens' information concerning the priority themes of the Presidency. All these were also analysed from the perspective of promoting the country's image at European and international level.

Mrs **Miruna Butnaru-Troncotă** presented the main results of the project on the same topic, with a special focus on the evaluation of the accomplishment of the main objectives during the three years of implementation. Later on Ms **Flavia Durach** underlined the fact that the media *perspective determines a certain attitude toward the European Union* on behalf of the public and of the politicians, which would influence the way in which Romania's Presidency of the Council of the European Union unfolds. The role of the communication is extremely important and must not be underestimated. Mr **Alexandru Giboi** stated that *the role of the press is that of facilitating the public access to the real information*. Nevertheless the negative news would have a "bigger impact", an unavoidable situation. In that sense, AGERPRES is an editorial landmark, providing correct and equidistant news as regards the European Affairs domain.

During my intervention, I had the opportunity to present the relevant legal framework for Romania’s preparations for taking over the Presidency of the Council of the European Union, and also the activities undertaken by the European Institute of Romania for that purpose, meaning the training session for the public servants and the public debates organised since 2016 both in Bucharest and throughout the country. One of the fundamental ideas of the presentation is that *each person involved in the Romania’s preparations for taking over the Presidency of the Council of the European Union needs to be a good communicator*. The communication process must be a constant, continuous one and must go beyond the end of the Presidency. The Romanian experts need to overcome eventual “fears” and interact on an equal basis with their European counterparts, one of the solutions of reaching this goal being that of the continuous personal development and of increasing the professional autonomy. *The communication is not done with just by 1-2-3-50 communicators, but each of the persons involved in preparing the Presidency (...) can and must be a communicator. (...) Each person must also have a general overview of what the European Union means and of what Romania’s Presidency means, respectively what Romania wants to obtain.*



The debate was part of the closing conference of the Jean Monnet Module „EU*Ro Media, Standarde Europene, Aplicabilitate Românească: Viziunea media asupra Președinției române a Consiliului UE” [EU*Ro Media, European Standards, Romanian Applicability: The Vision of Media over Romania’s Presidency of the Council of the European Union], project that took place during 2015-2018, co-financed by the European Commission through Erasmus+ Programme.

Audio-video Recording

Mihai Sebe
Studies and Analyses Unit



EIR - partner of the Economic Forum, Krynica

The 28th edition of the **Economic Forum** will take place in **Krynica** (Republic of Poland), between **4 and 6 September 2018**.

The **Economic Forum** is a major event in the region and a renowned platform of discussion on a wide array of issues such as economy, politics, international security and society. As in the previous years, the Forum will be a distinct meeting place for the government officials and policy-makers, prominent politicians, business leaders, bankers and experts from most of the EU countries and other regions. The Forum’s program includes plenary sessions and over 150 panel sessions and round table discussions which will offer impartial and up-to-date information on the currently discussed political and economic issues.


Starting with 2012, the **European Institute of Romania** (EIR) has organized, within the Economic Forum, a panel session in cooperation with the **Institute for Eastern Studies** (Instytut Studiów Wschodnich - ISW) from Warsaw.

The Reform of the Common Agricultural Policy in the new multiannual financial framework is the topic proposed for debate within this edition.

In the panel moderated by Mrs. **Gabriela Drăgan**, PhD, Director General of the European Institute of Romania, there will be invited officials and experts from EU member states.

For more information about the Economic Forum, please visit the [official site](#) of the event.

Florentina Costache
Communication and Marketing Unit

<p>Editor-in-Chief: Oana Mocanu Editors: Bogdan Mureșan, Mihai Sebe, Eliza Vaș Revision RO: Mariana Bara Translations RO-EN: Ana Alexandrescu (trainee), Raluca Brad, Bogdan Mureșan, Mihai Sebe Graphics & DTP: Monica Dumitrescu</p> <p>* The texts published in this Newsletter express the authors’ opinion and do not represent the official position of the European Institute of Romania.</p> <p>ISSN 2065 - 457X</p>	<p>In order to receive future issues of the EIR Newsletter, you can subscribe by accessing the following link.</p>  <p>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, Web: www.ier.ro</p>
---	---