# FONDATION ROBERT SCHUMAN The research and study centre on Europe



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The Foundation on





# EU-Ukraine: beyond a fair and transparent election



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The future of the EU-Ukraine cooperation is dependent not only on how parliamentary elections are conducted, but also on Ukraine's progress with implementing reforms based on the Association Agenda. It appears that the only positive scenario for Ukraine is to start unilateral implementation of the Association Agreement (AA) even before it is signed by the parties. This step would yield practical benefits for the country's weak economy and become an evidence of Kyiv's persistence in European integration.

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Front page!: Editorial - Budgetary Pact Elections: Montenegro - Lithuania - Slovenia Financial Crisis: IMF - Greece - Germany Defence: EADS/BAE Space: Galileo Nobel Prize: EU Commission: Industry - Enlargement - Food Aid Parliament: ECB European Council: EMU/Report Council: Economy/Finance - Competitiveness - Diplomacy Germany: Czech Republic France: Spain - Treaty Ratified - Tax rebellion Greece: Germany Italy: Budget Poland: Confidence Czech Republic: Senate UK: Austerity Council of Europe: Women UN: Sahel NATO: Capabilities Eurostat: Industry Studies/Reports: Citizenship - SME Publications: Democracy Culture: Exhibition/Berlin - Exhibition/Paris - Art/Paris - Klee/Rome

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# Front page! :

#### The Nobel Appeal



Following the award of the Nobel Peace Prize to the European Union on 12th October 2012 the chairman of the Robert Schuman Foundation, Jean-Dominique Giuliani, published an editorial on his site. Entitled "The Nobel Appeal", this editorial stresses that the award of the Nobel Peace Prize to the EU is an acknowledgement of the work it has accomplished since it was created and "an appeal to continue and over and above the

present crisis.".. Read more

# Learning about and understanding the Budgetary Pact



The Treaty on Stability, Coordination and Governance (TSCG) was signed on 2nd March 2012 by 25 Member States of the European Union (all except for the UK and Czech Republic). To date it has been ratified by 14 of them (including 10 in the euro zone). It will enter into

force once 12 euro zone Member States have ratified it (there are 17). Its

implementation is planned for January 1st 2013. The Robert Schuman Foundation has published a table of the ratifications per country... Read more

#### Elections:

# Results of the General Elections in Montenegro



The coalition "For a European Montenegro" formed by the Democratic Union of Socialists (DPS) and the Social Democratic Party (SDP) won the early general elections on 14th October. It won 45.6% of the vote and 39 seats. The New Democratic Front won 23.7% of the vote and 20 seats, the People's Socialist Party (SNP) 10.5% of the vote and 9

seats. Positive Montenegro (PCG), won 8% of the vote and 7 seats. The parties representing the country's minorities won 6 seats together. Turnout totalled 69.90%. In all likelihood Milo Djukanovic (DPS), former Prime Minister will became head of the government again... Read more

# Results of the first round of General Elections in Lithuania and rejection of the nuclear power plant project



The left won the first round of the general elections on 14th October. The Labour Party (DP), led by Viktor Uspaskich came out ahead in the election with 19.67% of the vote (17 seats). It is running ahead of the Social Democratic Party (LSP), led by Algirdas Butkevicius, which won 18.44% of the vote (15 seats) and the Homeland Union-Conservatives

(TS-LK) led by the outgoing Prime Minister Andrius Kubilius which won 15.02% of the vote (13 seats). The Liberal Movement (LRLS) won 8.42% of the vote, the Path of Courage (DK) 7.94%, Order and Justice (TT) led by Rolandas Paksas, 7.33% and the Polish Electoral Action (LLRA), 5.81%. Turnout totalled 52.82%... Read more

#### Presidential Election in Slovenia



1.7 million Slovenians will be voting on 11th November to appoint the next President of the Republic. If no candidate wins the absolute majority in the first round of voting a second round will be organised on 2nd December. The official campaign started on 12th October and will end on 9th November, on the eve of the election. The head of

State is elected in Slovenia by direct universal suffrage and by a majority vote (in two rounds) for a 5 year mandate that is renewable once. 13 people have expressed their desire run for the presidency. Amongst these only three have made the request official: Danilo Türk, outgoing head of State; Milan Zver, MEP; Borut Pahor, former Prime Minister. According to the most recent poll published by the daily Delo on October 1st Danilo Türk is due to win in the first round of the presidential election with 54% of the vote... Read more

# Financial Crisis:

# The IMF reviews its world growth forecasts downwards



In a report on the world economic forecasts published on 9th October 2012 on the occasion of its autumn Assembly in Tokyo, the IMF reviewed its world growth forecasts downwards. It is planning for the latter to lie at only 3.3% this year against a previous estimate of 3.5% and that it will total 3.6% in 2013, against a forecast of 3.9% in July 2012. Regarding the euro zone the IMF announced a contraction of

0.4% in 2012 and recovery of 0.2% in 2013... Read more

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# Greece: unemployment rises over the 25% mark in July



On 11th October the Greek National Statistics Office published its figures on the working population in Greece for July 2012. According to these figures unemployment lay at 25.1%, against 17.8% in July 2011 and 24.8% in June 2012. The number of people unemployed has increased by 42.8% in comparison with July 2011 (+337,991 people)

and by 1.9% in comparison with June 2012 (+23,255 people)... Read more

#### German Economic Research Institutes: forecasts down



The main economic research institutes in Germany published their joint report on 11th October 2012 in which they now forecast growth of 1% of the GDP in Germany in 2013 whilst previously they had been targeting 2% in April this year. For this year they forecast growth of 0.8% (0.9% in April 2012). According to these forecasts unemployment in Germany will remain unchanged in 2013 at 6.8%. For the euro zone

the analysts are forecasting extremely low growth of 0.1% in the first half of 2013 and a high level of unemployment... Read more

#### Defence:

## Failure of the EADS-BAE Systems Merger



The two groups specialised in the defence and aerospace industry, EADS and BAE Systems announced on 10th October 2012 the failure of their project to merge. According to a press release negotiations failed since "the governments involved had not managed to agree on the goals set by BAE Systems and EADS for the merger.".. Read more

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#### Space:

#### Launch of the Galileo Satellites



On 12th October 2012 two new Galileo satellites were placed in orbit by a Soyuz rocket from Guyana, which heralds a major stage for the European navigation system and the start of a full test phase. Since a minimum of four satellites are required to determine a precise position

on the planet, these first four "in orbit validation" (IOV) units will comprise a "miniconstellation" that will make it possible to test the system. The validation phase will be followed by the progressive deployment of the other satellites. It is due to enter into service around 2015 and be fully operational in 2018. Long term Galileo will have around 30 satellites... Read more

#### Nobel Prize:

#### The Nobel Peace Prize awarded to the EU



On 12th October 2012 the Nobel Peace Prize was awarded to the EU for its contribution to maintaining peace and for the promotion of democracy and human rights in Europe over the last 60 years. Since the start of the European project "Europeanism has equalled pacifism". This idea was highlighted by the jury which insisted on saying that the

EU's work represents "fraternity between nations" and a kind of "peace congress" - a criteria that Alfred Noble fostered... Read more

# Commission:

# Towards a Stronger European Industrial Policy



On 10th October the European Commission put forward new proposals in order to bring the share of industrial production in European growth from 15.6% to 20% by 2020. The European Commission is suggesting investments in new technologies, improvements in the legal

environment in which businesses develop in order to allow access to new markets and new sources of funding (particularly with regard to SME's) and to ensure that they can find the competences necessary for their activities... Read more

# The EU wants to continue its enlargement policy



On 10th October 2012 the European Commission presented various reports on the enlargement process in which it recommends the start of negotiations with Macedonia (FYRM), to give candidate status to Albania and to negotiate the introduction of a Stabilisation and Association Agreement with Kosovo. The Commission stresses that

accession negotiations with Iceland are progressing well and that Turkey has demonstrated its support to a "positive agenda" prepared by the Commission. The problem areas in the process involve the political accession criteria, the state of human rights in the country, the normalisation of its relations with Cyprus and the

respect of its obligations resulting from Customs Union which it has concluded with the EU... Read more

### 500 million euros in food aid for the poorest



The Single CMO Management Committee approved the package of 500 million euros planned for in the European budget in 2012 to provide food aid to the poorest. 18 million people, in 19 Member States are due to benefit from this. More than 70 million euros are planned for France and nearly 100 million for Italy. After 2013 this aid programme

will be recalculated completely... Read more

#### Parliament:

### Mr Draghi speaks at the European Parliament



On 9th October 2012 the President of the European Central Bank, Mario Draghi, declared to the Economic and Monetary Affairs Committee of the European Parliament that it was urgent for the EU to have share banking supervision, if possible as of January 1st 2013.

Finally he stressed that the present reforms, although difficult from an economic and political point of view, were starting to have effect and strengthen the euro zone's stability... Read more

### European Council:

# Towards true economic and monetary union



The President of the European Council, Herman Van Rompuy, presented his mid-term report on 12th October 2012 on Economic and Monetary Union (EMU). He recommended the strenghtening and acceleration of integration in the financial, budgetary and economic areas. In finance he suggests speeding up the implementation of the

European supervisory mechanisms and strengthening confidence in the banks by introducing savings guarantee mechanisms. In the budgetary area he recommends strengthening joint governance and anticipating specific competence for the EMU. In the economic field, competitiveness and convergence between the Member States should help the return to a path of growth and employment; structural reforms are necessary... Read more

# Council:

# More time for Portugal



On 9th October 2012 the 27 Finance Ministers decided to grant an additional year to Portugal in order for it to correct its excessive deficit. This decision follows the latest report on the economic adjustment plan set in place by the Portuguese government, thereby pushing the deadline back to 2014. On 8th October the euro zone Finance Ministers

also said that they were satisifed with the measures undertaken by the Portuguese government and approved the payment of a further tranche of aid totalling 800 million euros. 11 Member States (Belgium, Germany, Greece, France, Austria, Portugal, Slovenia, Estonia, Spain, Italy and Slovakia) also announced their support to a financial transaction tax. It is now up to the Commission to suggest a decision to the Council allowing enhanced cooperation on this issue... Read more

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## Conclusions of the Competitiveness Council



On 10th and 11th October 2012 the 27 Competiveness Ministers gave details of the rules of participation, use, distribution and protection of the results of the research and innovation projects funded by the Horizon 2020 project which the European Institute of Innovation and Technology should be part of. Ministers also debated the next steps for the achievement of the European Research Area, observing imbalances

between the Member States. They also insisted on the need to implement rapidly Act I of the Single Market, since competitiveness should support growth and employment... Read more

# Decisions of the Foreign Affairs Council



On 15th October 2012 the Foreign Affairs Ministers from the 27 EU Member States decided to step up sanctions against the regime of Bachar Al Assad in demonstration of their support to the Syrian people in their "courageous" fight. They also decided to introduce restrictions vis-à-vis the Iranian regime, since the country is not respecting

international obligations concerning its nuclear programme. The political and security situation in Mali was also debated; ministers said they supported a return of a totally sovereign government across the entire Malian territory. They also extended their sanctions against Belarus for a further year, saying that they were "extremely concerned about the non-respect of human rights, democracy and the rule of law" in this country governed by Aleksander Lukashenko... Read more

### Germany:

# Joachim Gauck visits the Czech Republic



German President Joachim Gauck travelled to the Czech Republic on 10th October 2012. He was guest to his Czech counterpart, Vaclav Klaus; the two heads of State discussed present European issues. Joachim Gauck also met Czech Prime Minister Petr Necas... Read more

## France:

## 22nd Franco-Spanish Summit



The French head of State, François Hollande hosted the head of the Spanish government, Mariano Rajoy on 10th October 2012 in Paris as part of the 22nd Bilateral Franco-Spanish summit. The two leaders reiterated their "strong agreement over European issues, especially the project for banking union and supervision. They signed a series of

agreements on the Common Agricultural Policy, police cooperation and the launch of new rail and road infrastructures. To the press they said that they "wanted to launch the sea motorway linking Vigo, Nantes and Le Have immediately and to foster energy and gas interconnections.".. Read more

# France ratified the European Budgetary Pact



On 11th October 2012 the French Senators adopted 306 votes in support of the project, 32 against, the draft law enabling the ratification of the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union. After the vote in support by the French MPs of the ratification of the treaty on 9th October (477 votes)

in support, 70 against), France became the 10th Euro zone Member State and the 14th EU member State to have ratified the text. For this treaty to enter into force two other euro zone Member States must still ratify it. On 10th October the French MPs adopted the draft organic law on "the golden rule", 490 votes in support, 34 against and 18 abstentions... Read more

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# Tax rebellion amongst business leaders



On 10th October 2012 French business leaders represented by 20 associations including the Medef, the Afep, Croissance Plus, Ethic and the Geonpi Movement declared a state of emergency in a joint press release, given the French government's plans to tax capital gains arising on the sale of shares. "Aware of the seriousness of the economic situation of our country, we are solemnly requesting the

government to withdraw the new measure to tax capital gains" stresses the release. The twelve associations note that the adjustments put forward by the Finance Minister, Pierre Moscovici will lead to stalemate because "these measures, taken without any consultation, will be extremely damaging from the point of view of economic development, investment and employment"... Read more

#### Greece:



On 9th October 2012 German Chancellor Angela Merkel met Greek Prime Minister Antonis Samaras. It was the German Chancellor's first visit to Greece since the start of the debt crisis. During a joint press conference, Angela Merkel said that she wanted to "see Greece remain

within the euro" and welcomed "the progress achieved." The Chancellor also maintained that "Germany and Greece will work together very closely" to overcome the debt crisis. The Greek Prime Minister said for his part that Greece was "determined to adhere to its commitments" (budgetary adjustments and structural reform)... Read more

# Italy:

# The 2013 draft budget and the stability law approved by the Council of Ministers



On 9th October 2012 the Italian Council of Ministers approved the draft stability law and budget 2013-2015. The stability law is a tool that will enable the achievement of the goals set out in the draft budget, itself written with the aim of rising to European requirements. It anticipates a balanced structural budget in 2013. The draft budget 2013-2015

includes rationalisation measures in public spending whose first phase will comprise savings of around 4.4 billion euros in 2012, 10.3 billion in 2013 and 11.2 billion in 2014... Read more

#### Poland:

## General Policy Declaration to the Diet



Polish Prime Minister Donald Tusk gave a general policy speech to the Diet (the lower chamber of the Polish parliament) on 12th October 2012. He presented the government's goals and priorities over the next few years and announced a package of 700 to 800 billion dollars designed for investments for the country's development (in the energy,

transport, research and defence sectors). He mentioned that some major reforms will be undertaken (concerning the labour market and a more generous family policy). The Prime Minister won the confidence of the Diet in order to implement the programme since out of a chamber comprising 460 MPs, the 233 members of the coalition in office supported him whilst the 219 members of the opposition voted against.

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# Czech Republic:

#### Senatorial Elections (1st round)



The coalition led by Prime Minister Petr Necas suffered defeat in the first round of the Czech senatorial elections designed to renew one third of the 81 seats in the upper chamber of Parliament. The Social Democrats won. They will have representatives in 23 of the 27 constituencies in the second round (19th-20th October) that will

distinguish between the two candidates who have won the greatest number of votes. Hence it is quite likely that this party will take the majority in the Senate where it holds 38 of the 81 seats at present... Read more

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#### UK:

#### David Cameron prepares his fellow countrymen for further austerity measures



On 10th October 2012 British Prime Minister David Cameron delivered a speech on the last day of the Annual Conference of the Conservative Party in Birmingham. He prepared his fellow countrymen for further austerity measures designed to prevent the country from "sinking". In his opinion the country should recover its place in the world arena and

not within the EU, "where we endlessly speak about Greece". He spoke of a mission that is not only economic but also moral. "How can we get out of the mess? ... By working hard. By giving priority to the family. By assuming our responsibilities. By serving others," he listed. His speech follows announcements made on 8th October by the British Finance Minister, George Osborne; these measures apply to further drastic cuts of 10 billion £ in social spending... Read more

## Council of Europe:

### States should do more to protect women from violence

Between one fifth and a quarter of women in the Member States of the Council of Europe fall victim to physical violence at least once in their adult life and more than one tenth of them suffer sexual abuse involving the use of force. In an article on 9th October 2012 the Commissioner at the Council of Europe for human rights, Nils Muiznieks quoted these figures in denunciation of the States' inertia in the face of violence perpetrated against women. He notably encourages the States to ratify and implement the Convention of the Council of Europe on the prevention and the fight to counter violence against women and domestic violence. Adopted in 2011 it is a concrete tool that demands the adoption of measures (prevention, protection and prosecution)... Read more

#### UN:

# Romano Prodi - Special Envoy for the Sahel and decision of the Security Council on Mali



On 9th October 2012 the UN Secretary General Ban Ki-moon appointed former Italian government head, Romano Prodi as the Special Envoy for the Sahel. Moreover on 12th October the Security Council declared that it was ready to put an international force together to help the armed forces in Mali to take back regions occupied in the north of its territory in line with the request made by the Malian transition authorities. The

Economic Community of West African States (ECOWAS), is notably being asked to communicate how this operation can take place within 45 days... Read more

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#### NATO:

### Meeting of NATO Defence Ministers



The Defence Ministers of the NATO member countries met on 9th and 10th October 2012 and discussed improving the Alliance's defence capabilities and developing its missions in a context of economic austerity. The Allies re-iterated their attachment to the "intelligent defence" principle, adopted at the Chicago Summit in May 2012. They

welcomed the strengthening of inter-allied cooperation and they also looked at the situation in Kosovo. The multinational armed KFOR troops are cooperating there with the EU mission EULEX as part of the European Security and Defence Policy (ESDP) ensuring security and promoting the rule of law. Moreover the American Defence Secretary, Leon Panetta announced on 10th October that General Joseph Dunford would take over command of the NATO forces in Afghanistan... Read more

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# Eurostat:

# A slight rise in industrial prodcution



Industrial production increased in August in comparison with July with a growth rate of 0.6% in the euro zone and 0.3% in the EU. However over one year the figure has decreased by 2.9% in the euro zone and 1.8% in the EU. Over one year industrial production increased by over

10% in Slovakia and Lithuania, whilst it decreased by over 5% in Italy and by more than 3% in Spain and the Czech Republic... Read more

#### Studies/Reports:

# "Europe for the Citizens" Programme



The European Commission has published a report on the "Europe for the Citizens" programme designed to stimulate European citizenship. The Commission funded projects that have brought together more than 5 million citizens since 2007. Around one thousand organisations including for example NGO's and local authorities, take part in this

programme every year. 25 projects have been granted a specific place, notably the one undertaken by the Robert Schuman Foundation in 2011 "Women and Europe & the European Citizens' Initiative" that aims to strengthen women's place in Europe in all areas, notably in the political and economic domains, thanks to this new tool for participatory democracy... Read more

### The place of the SME's in the Single Market



The Lisbon Council has published a study on the place of SMEs in the Single Market. The authors, Michel Barnier, European Commissioner for the Single Market and Services puts forward several ideas so that SMEs can take full advantage of the single market and take part in the economic growth of the EU whilst supporting employment... Read more

#### Publications:

# Council of Europe's Publication on Democracy



The Council of Europe has published a report entitled "Democracy on the Precipice", a report on eight debates that took place from April 2011 to June 2012 in Strasbourg on the theme of democracy. These eight debates that each focused on a specific aspect of modern democracy are placed in their political and also their historical and

technological context. The authors also make proposals to improve democratic governance and open up ways towards the development of democracy in Europe... Read more

#### Culture:

# The Russians and the Germans, 1000 years of history, art and culture



The Neues Museum in Berlin is devoting an exhibition to German-Russian relations throughout history until 13th January: from the first medieval trade relations to the 20th century - not forgetting the 18th and 19th centuries. The exhibition is presenting objects from museums of both countries... Read more

# Edward Hopper Exhibition at the Grand Palais



The Grand Palais in Paris is putting on an exhibition on Edward Hopper until 28th January 2013 (1882-1967). His paintings illustrate a condensed version of an America that is dreamed or imaginary. The complexity of his work, the style of which is sometimes romantic, realistic, symbolist, or formalist is at the heart of the exhibition which comprises two main parts. The chronological organisation of the work

on show reveals to visitors a developing style then one which is more mature and emblematic of the artist's work, such as the famous "Nighthawks" dated 1942... Read more

# International Contemporary Art Fair



From 18th to 21st October 2012 come and discover a panorama of modern and contemporary art in Paris. The Grand Palais is opening up an area of 1200m2 to the public this year - the "Salon d'Honneur" which is the historic centre of this building. Art amateurs will be able to go to the Jardin des Plantes or the Tuileries to admire works of art

outdoors. Work is also on show at the Place Vendôme and the Esplanade des Invalides... Read more

# Paul Klee and Italy



Until 27th January 2013 the National Gallery of Modern and Contemporary Art in Rome is devoting an exhibition to Swiss-German artist Paul Klee and his relationship with Italy. Following a structured trajectory focusing on around 100 works of art the exhibition analyses the influence of Italian culture and landscapes on the artist's work from the start of Bauhaus until his last years in Bern... Read more

# Agenda:



15th October Luxembourg Foreign Affairs Council



16th October Luxembourg General Affairs Council



18th and 19th October Brussels European Council



22nd-23rd October Agriculture and Fisheries Council

Strasbourg Plenary session of the European Union









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