



The Euro Zone as revealed in Cyprus



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Richard

The expression of the bankruptcy of an economic model mainly centred on financial activities, the Cypriot crisis has resulted, quite logically, in the establishment of a financial assistance plan for the island, which thus becomes the fifth country in the euro zone to benefit from aid. The unusual nature of the bailout plan, which for the first time provides for a contribution from savers towards restructuring of the banking system, has given it an impact completely unrelated to the economic weight of Cyprus at European Union level, at the risk of transforming this financial micro-crisis into a major crisis of euro zone governance. Sébastien Richard, lecturer in economy and public policy draws the lessons of the effects of the Cypriot crisis on the euro zone.

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Contents

Front page! : Television **Elections** : Montenegro **Financial Crisis** : ECB - Tax evasion - Cyprus - UK - Greece **Commission** : Women/Research **Diplomacy** : Serbia/Kosovo - Iran **Germany** : Energy - Show/Hannover **Cyprus** : Government **France** : European law - Serbia **Greece** : Investments **Portugal** : Reduction/Spending - Resignation **Romania** : Justice **UK** : Margaret Thatcher - Finance - Bank **Albania** : Reshuffle **Ukraine** : Liberation **Security** : Google **UN** : Trade/Arms **OECD** : Development **IMF** : Cyprus **Eurostat** : Inflation **Studies/Reports** : End/recession? **Culture** : Culture - Exhibition/The Netherlands - Amsterdam/Museum - Exhibition/Dresden - Exhibition/Water colours - Franco-German

[Agenda](#) | [Other issues](#) | [Contact](#)

Front page! :

Talking Europe hosts Yoannis Kasoulides, Cypriot Foreign Minister



As part of the partnership between the Robert Schuman Foundation and Audiovisuel extérieur de la France (AEF), the Foundation is broadcasting on its site its most recent programme "Talking Europe" whose guest this week is Yoannis Kasoulides, the Cypriot Foreign Minister... [Read more](#)

Elections :

Filip Vujanovic is re-elected for a second mandate as President of Montenegro

Outgoing Head of State Filip Vujanovic (Democratic Socialist Party, DPS) was re-elected as President of Montenegro on 7th April. He won



51.21% of the vote in comparison with 48.79% which went to his only rival, former Foreign Minister Miodrag Lekic. The election was a closely run one with both candidates claiming victory nearly 24 hours after the closure of the polling stations. Only 7000 votes (out of a total 327,000) separated the adversaries, said the head of the electoral commission, Ivan Kalezic... [Read more](#)

Financial Crisis :

The ECB monitors the economic situation closely



After a meeting of the ECB governors on 4th April 2013 the President of the European Central Bank, Mario Draghi, declared that the ECB would continue to monitor all of the European indicators in assessment of their impact on inflation. He recalled that inflation had been controlled to date, noting that the rate had dropped again, "as planned". The ECB is maintaining its main rate at 0.75%. According to Mr Draghi "progressive recovery (of economic activity) is forecast for the second half of the year but that there were dangers of a downturn." He repeated that the ECB's monetary policy would remain flexible as long as it was necessary. Finally he said that the ECB was looking into various instruments, given the experience of other countries, but that it could not replace governments... [Read more](#)

Investigation into tax evasion across the world



A worldwide media investigation has revealed the names of people who are apparently linked to off-shore companies in tax havens, thereby rekindling the polemic over tax evasion. This exploration of the opaque world of tax havens was enabled by research undertaken by the International Consortium of Investigative Journalists (ICIJ) which managed to find information on 122,000 off-shore companies and some 12,000 intermediaries. This has led to "the most extensive source of information about the off-shore company network ever achieved by the media," comments the Guardian, which is one of the forty international press organisations that have had access to confidential data, together with Le Monde, the BBC, the Washington Post and the Süddeutsche Zeitung... [Read more](#)

Cyprus will apply the measures included in the European bail-out plan



"We shall implement the protocol agreement to the full without exception, we shall respect all of the deadlines and achieve all of the goals set by the troika in exchange for a 10 billion euro loan," maintained M. Georgiades, the new Cypriot Finance Minister as he was appointed to office on 3rd April 2013. Cyprus has until 2018 to achieve the goals set by its creditors, notably a primary GDP surplus of 4%... [Read more](#)

The Bank of England maintains its main rate at 0.5%



On 4th April 2013, the Bank of England (BoE) announced the upkeep of its main rate at 0.5% - a record low. The institution also left the total amount of its asset purchase programme at £375 billion. The announcement of this status quo had been expected by most economists. On the same day the publication of the PMI index, devoted to the services sector showed that British growth had been higher than expected, with the index rising from 51.8 in February to 52.4 in March. This indicates that there has been a slight leap forwards in the British economy over the first few months of 2013 thereby pushing back the danger of further recession for the third time in under five years... [Read more](#)

The Troika visits Greece



On 4th April 2013 the representatives of Greece's creditors (EU-ECB and the IMF) resumed talks with the Greek government and their audit of the country's finances in order to come to an agreement in view of releasing a further tranche of aid of 2.8 billion euros and to check that Athens has undertaken the reforms that have been demanded.

Amongst the subjects under discussion were the reduction of the number of civil servants, the review of a controversial tax on real estate and the recapitalisation of the banks. On 7th April after discussions between the Greek Prime Minister Antonis Samaras and the Troika representatives no agreement had been reached. The merger of the National Bank of Greece and Eurobank was suspended, since the Troika was still sceptical about the need to do this. Neither side came to a compromise on the number of civil servants' posts to do away with and Athens' creditors question the government's ability to make good the public deficit with the revenues of a new real estate tax... [Read more](#)

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Commission :

Women are still under-represented in European research



According to the conclusions of the report "She Figures" that the European Commission published on 5th April 2013 women's under-representation in scientific disciplines and careers continues whilst the number of researchers is rising in Europe. Indeed women only represent 33% of researchers and 20% of university professors in Europe whilst 15.5% of higher education establishments are led by women. The Commission is inviting Member States to remove obstacles which prevent recruitment, and maintain and take women forward in research careers... [Read more](#)

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Diplomacy :

Serbia and Kosovo find no common ground



On 3rd April 2013 the Serb and Kosovo Prime Ministers met in Brussels during a meeting organised by Catherine Ashton, the EU's High Representative for Foreign Affairs and Security Policy. It was the 8th and last meeting of its kind under the aegis of the EU. No agreement was found on Kosovo's acknowledgement by Serbia. "The breach between the two sides is close but deep," declared Ms Ashton. On 8th April Serb Prime Minister Ivica Dacic confirmed that he refused to sign an agreement as matters stood, and called for an "urgent resumption of dialogue with EU mediation." Ms Ashton regretted this decision deeming that every condition had been met to reach an agreement and that it was not up to the EU to impose it but that the two parties should come to a compromise... [Read more](#)

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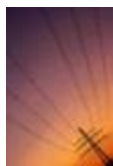
Discussions between the "major powers" and Teheran on the Iranian nuclear programme



On 5th and 6th April 2013 discussions on the controversial Iranian nuclear power between the countries in the 5+1 group (US, France, UK, Russia, China and Germany) and Iran failed in Kazakhstan, with both parties even refusing to announced the date and place of the next meeting. Iran's main negotiator, Sayeed Jalili demanded that the major powers acknowledge Iran's right to enrich uranium. However the Western powers are demanding that Iran close its Fordo enrichment site considered to be the only one in the country that is protected from a military strike and to send 20% of its stock of enriched uranium abroad. The 5+1 group's position and that of Teheran "are still greatly divided at base", deplored the High Representative for Foreign Affairs and Security Policy, Catherine Ashton... [Read more](#)

Germany :

Germany reveals a trade surplus in electricity



On 2nd April 2013 the German statistics office Destatis published Germany's energy export and import results in 2012. According to the figures Germany has exported more electricity than it imported for the sixth year running. In 2012 the energy imports came from France (13.2 TWh), Denmark (8.5 TWh) and the Czech Republic (8.4 TWh). The energy volumes exported were mainly towards the Netherlands, (22.6 TWh), Austria (15.9 TWh) and Switzerland (12.7 TWh)... [Read more](#)

International Industry and Technology Show in Hannover



On 8th April 2013 on the occasion of the inauguration in Hannover of the biggest industrial show in the world, Chancellor Angela Merkel and Russian President Vladimir Putin made speeches. During the opening ceremony of this show, which will bring together some 6,500 exhibitors from 64 countries and 200,000 visitors until 12th April 2013, Ms Merkel spoke of the NGO's in Russia which are the focus of investigations and recalled that "NGO's and many associations in Germany are known to be the engines of innovation a chance." All of the key industrial sectors will be represented in this international industrial and technological show... [Read more](#)

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Cyprus :

One woman in the Cypriot government



Following the resignation of the Cypriot Finance Minister Michalis Sarris, because of his former position as CEO of the Laiki Bank in 2012, that was liquidated as part of the country's rescue plan, former Labour Minister Haris Georgiades was appointed to this post on 3rd April 2013. The latter was replaced by Zeta Emiliandou, an executive civil servant in the Cypriot government. The Robert Schuman Foundation publishes a table representing the ranking of EU Member States in terms of the number of women within governments... [Read more](#)

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France :

The Constitutional Court extends its field of action



For the very first time on 4th April 2013 the French Constitutional Court addressed a question to the European Union's Court of Justice (EUCJ) before answering a "priority preliminary ruling on constitutionality" relating to a technical question about the European Arrest Warrant. Since 1975 "we have never asked the Luxembourg court any questions because we have the legal control in terms of the Constitution and not in terms of European law," explained the Constitutional Court. But the introduction of the PPC has changed this situation... [Read more](#)

Jean-Marc Ayrault host to Serb Prime Minister Ivica Dacic



On 4th April 2013 French Prime Minister Jean-Marc Ayrault was host to Serb Prime Minister Ivica Dacic in Paris. Their meeting mainly focused on bilateral relations between France and Serbia which have been associated since 2011 thanks to a strategic partnership. In this context they spoke of a number of existing cooperation agreements and said that they wanted to strengthen these in various areas such as higher education, the environment, energy and infrastructure development. Moreover in terms of Serbia's accession to the EU Jean-Marc Ayrault encouraged his counterpart to continue discussions with Kosovo in order to come to an agreement which would stabilise the region... [Read more](#)

Greece :

Adoption of a bill to boost investments and tourism



On 4th April the Greek parliament approved a bill designed to boost private investments, in a bid to bring the country out of recession. This bill, which encourages investments, aims to simplify bureaucracy thanks to an acceleration of authorisation procedures in a great number of sectors and the creation of a new one-stop-shop for investors. The bill introduces specific rules for the users of seaplanes whilst Greece, whose economy greatly depends on tourism has hundreds of badly serviced islands. "Theories alone will not give us growth and employment (...) we need new investments," declared the Secretary of State for Development, Notis Mitarachi during a parliamentary debate... [Read more](#)

Portugal :

The Constitutional Court rejects some measures included in the budget 2013

On 5th April 2013 the Portuguese Constitutional Court rejected several



measures included in the State budget 2013 - a key part of the rescue plan negotiated with the country's international creditors. It deems that the suppression of the 14th month paid to civil servants and pensioners, likewise a measure introducing a levy on unemployment and sickness benefits were not in line with the Fundamental Law, announced its President Joaquim Sousa Ribeiro, saying that the Court's decision concerned the entire year and was therefore retroactive. The Portuguese Prime Minister responded to this decision on 7th April by announcing severe cuts in public spending. In a solemn declaration to the nation, he stressed that there would be no further increases in taxes but that measures would be taken to "contain public spending in the areas of social security, healthcare and education.".. [Read more](#)

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Portuguese Deputy Prime Minister resigns



Miguel Relvas, the Portuguese Deputy Prime Minister, Parliamentary Affairs Minister resigned on 4th April 2013. Mr Relvas whose resignation has been planned for some weeks indicated that he no longer felt inclined to continue. The media believe that this decision and a scandal over how he obtained his university degree are linked...

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Romania :

Appointment by Victor Ponta of candidates to key anti-corruption posts



On 3rd April 2013 Romanian Prime Minister, Interim Justice Minister Victor Ponta put forward the candidates for the key positions of General and Anti-Corruption Prosecutors to the Supreme Judiciary Council. Laura Cadruta Kovesi was put forward for the post of National Anti-Corruption Prosecutor and Tiberiu Nitu as Prosecutor General. The SJC will give its opinion about these suggestions which will then be submitted to the Romanian President Traian Basescu. The latter refused the previous proposals put by Victor Ponta due to the lack of transparency in the procedure. According to some experts the present procedure is still marked by a total lack of "transparency and equity." Romania as well as Bulgaria are the focus of a European anti-corruption monitoring mechanism. The Robert Schuman Foundation has published a paper on this issue... [Read more](#)

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UK :

Death of Margaret Thatcher



Margaret Thatcher, former British Prime Minister passed away on 8th April 2013, aged 87 following a stroke. Elected as head of the British government in 1979, and otherwise known as the "Iron Lady" Ms Thatcher occupied this post for two terms until 1990. Hostile to Europe and its integration, Margaret Thatcher spoke out in 1979 demanding "I want my money back" which in 1984 enabled her to achieve a significant rebate on the British participation in the European budget. She also rejected any idea of relinquishing sovereignty such as the Single Currency as put forward by Jacques Delors. Even out of office she continued her battle against European integration regretting that she had signed the Single Act in 1986, advocating regularly the UK's withdrawal from the EU... [Read more](#)

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New financial markets supervisory system



On 1st April 2013 the UK abolished the Financial Services Authority (FSA) and replaced it with a dual system comprising two new financial regulators. The Prudential Regulation Authority is responsible for checking the good health of the banks whilst the Financial Conduct Authority is especially responsible for consumer protection. Moreover these two new organisations, the Financial Policy Committee at the Bank of England will define the guidelines of the supervisory policy and monitor the threats made against the financial stability system. This new system illustrates the government's determination to strengthen the monitoring of the banks. The FSA was severely criticised for not having been able to manage the financial crisis in 2008... [Read more](#)

Report on the bankruptcy of the HBOS bank



The former directors of the British bank HBOS saved by billions of pounds by the State during the financial crisis were severely criticised for their "colossal" mistakes in the report by a parliamentary committee published on 5th April 2013. In this report the banking standards committee denounced the "colossal mistakes made by the management and the board," of HBOS which took the bank to the verge of bankruptcy, resulting in its rescue in September 2008 by its competitor Lloyds TSB with the active support of the British government. 39% of the new entity that resulted from this operation named Lloyds Banking Group is held by the government which injected a total of £20.5 billion (24 billion euros)... [Read more](#)

Albania :

Government reshuffle in Albania



The Albanian parliament approved a government reshuffle on 4th April 2013 after the Socialist Integration Movement quit the coalition led by Prime Minister Sali Berisha; it has joined the opposition in view of the general elections planned for 23rd June next. The reshuffle targeted Foreign Affairs, Healthcare, Economy held since the last elections in 2009 by the LSI... [Read more](#)

Ukraine :

Yuri Lutsenko pardoned



Yuri Lutsenko, former Ukrainian minister and close ally of former imprisoned Prime Minister Yulia Tymoshenko was freed on 7th April 2013 in a gesture designed to calm the crisis with the EU and to alleviate tension with the opposition. Barely out of prison Mr Lutstenko declared "I am very happy to be finally amongst those who dream like I do of a free, democratic, European Ukraine." "Politics are not undertaken by the presidency and its administration nor in Parliament. It happens in the street. We have already won and we shall win again." "I welcome President Yanukovich's decision to pardon Lutsenko. It is a first step but an important one in addressing the problem of selective justice," indicated Stefan Füle, European Commissioner for Enlargement. When will it be Yulia Tymoshenko's turn?... [Read more](#)

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Security :

Six European authorities take action against Google



On 2nd April 2013 the authorities for data protection in six European countries including the CNIL in France decided to take action together against the internet giant Google which did not answer their request to modify its confidentiality rules. Indeed in October 2012 the 27 European data protection authorities demanded that Google make changes to its new confidentiality rules within four months in order to "fall in line" with the European IT and Liberties directive - otherwise they would take "repressive action"... [Read more](#)

UN :

The UN adopts the Treaty on the International Arms Trade



The treaty on the arms trade was adopted on 2nd April 2013 by the General Assembly 154 votes in support, three against (Syria, Iran, North Korea) and 23 abstentions. The treaty adopted aims to "introduce common standards that are as strict as possible in order to improve the regulation of the traditional international arms trade." It also aims to prevent and eliminate the illegal trade of this type of arms and prevent their misuse. UN Secretary General Ban Ki-moon welcomed the adoption of the Treaty which he considers as an "historic diplomatic achievement - the culmination of dreams that date back a long way and of years of work." This international legal instrument will be open for ratification as of 3rd June next... [Read more](#)

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OECD :

When the euro zone crisis affects the poorest third countries



According to the provisional report 2012 published on 3rd April 2013 by the OECD, in 2012 development aid suffered its greatest contraction since 1997 and fell further behind the goals set to abolish poverty. Public development aid decreased by nearly 4% over one year, ie 5,360 billion \$. Although the EU is still the main provider for poor countries the European Commission regretted the reduction in aid and reminded Member States that they had promised to achieve the 0.7% goal by 2015 at the latest. The biggest reductions were indeed recorded by most fund providers which have been sorely hit by the crisis such as Greece (-17%), Spain (-49.7%) and Italy (-34.7%)... [Read more](#)

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IMF :

The IMF will provide 1 billion euros to the Cyprus aid plan



The International Monetary Fund (IMF) will contribute one billion euros over three years to the 10 billion euro bail-out plan granted to Cyprus announced a press release by the IMF General Director Christine Lagarde on 3rd April 2013. The latter added that she was expecting the IMF's Board to approve this decision in May... [Read more](#)

Eurostat :

Euro zone annual inflation rate down to 1.7%



According to an estimate published by Eurostat on 3rd April 2013 the euro zone's annual inflation rate was estimated at 1.7% in March 2013, which is down in comparison with February, when it lay at 1.8%. Regarding the main elements comprising inflation in the euro zone, foodstuffs, alcoholic drinks and tobacco are due to experience the highest annual rate in March (2.7%, stable in comparison with February), followed by services (1.9%, in comparison with 1.5% in February), energy (1.7%, in comparison with 3.9% in February) and industrial goods (energy apart) (1%, in comparison with 0.8% in February)... [Read more](#)

Studies/Reports :

The euro zone will progressively emerge from recession



In a paper published on 5th April 2013 the German, Italian and French economic institutions (IFO, ISTAT and INSEE) stated that the euro zone's economy would slowly emerge from recession, recovering growth in the second and third quarters. In their forecasts the three institutions said that they were forecasting an unchanged GDP rate in the first quarter of 2013, after a contraction of 0.6% in the fourth quarter of 2012. The GDP is due to "increase slightly by 0.1% in the second quarter and by 0.2% in the third quarter." The acceleration of foreign demand together with continued calming in financial turbulence will foster the stabilisation of investment. The report states however that this provisional scenario supposed that financial tension in Europe did not worsen... [Read more](#)

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Culture :

The EU gives the greenlight to Penguin Random House, the new publishing giant



On 5th April the European Commission gave the green light to the creation of a new world publishing giant, Penguin Random House, that was created after a merger between the British company Pearson and German, Bertelsmann. The European institution concluded that the "operation did not comprise a problem in terms of competition notably because the resulting organisation would continue to face the competition of other powerful competitors..." [Read more](#)

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Frans Hals: in the eyes of Rembrandt, Rubens and Titien

The Frans Hals Museum of Haarlem in the Netherlands is devoting an



exhibition to the Dutch Baroque artist Frans Hals until 28th July 2013. For the first time ever paintings by Frans Hals are on show alongside his prestigious contemporaries including Rembrandt, Van Dyck, Jordaens and Rubens. This presentation thereby enables greater understanding of the influence of the predecessors and contemporaries of the artist on his work; at the same time the exhibition reveals the originality and specific features of Frans Hals's work... [Read more](#)

Re-opening of the Rijksmuseum



The re-opening of the Rijksmuseum in Amsterdam will take place on 13th April 2013 after 10 years of renovation, restoration and refurbishment. On this occasion the museum will host visitors all night free of charge and a graphic novel entitled "Rembrandt" by artist Typex will be on show. Hence the entirely renovated Rijksmuseum - a new presentation of the collection - a renovated building, new public furniture and a restored garden - a new Asian pavilion - will relay the history of the Netherlands from the Middle Ages to modern times. Only the "Nightwatchmen", Rembrandt's most famous painting will return to its former place. A countdown on a screen by Maarten Baas will show how many days are left before the doors open, which will fuel the curiosity of future visitors... [Read more](#)

Modern European Art



The Neuen Meister Gallery in Dresden will be showing an exhibition entitled "A shock to the senses" until 14th July 2013, under the patronage of the President of the European Commission, José Manuel Barroso. This exhibition focuses on four artists who influenced modern art in the 18th and 19th century and who are today still a source of inspiration for modern art : Constable, Delacroix, Friedrich and Goya. The exhibition presents more than 200 years of art history in a new light... [Read more](#)

Water colours and prints by Georg Emanuel Opiz at the Carnavalet Museum



On the occasion of the Drawing Show that will take place in Paris from 10th to 15th April 2013 the Carnavalet Museum is devoting an exhibition to painter Georg Emanuel Opiz (1775-1841). The exhibition offers a selection of 45 works that belong to watercolour series including "The Russian Occupation of Paris", "Customs and costumes of Paris" or "Picture of Paris", as well as a series of etchings taken from Parisian scenes... [Read more](#)

De Gaulle and Adenauer : the craftsmen of the Franco-German friendship



As part of the 50th anniversary of the Elysée Treaty and until 16th April 2013 the Charles de Gaulle Foundation and the Konrad Adenauer Foundation are organising an exhibition in Munich on the theme of "De Gaulle and Adenauer : the craftsmen of the Franco-German friendship". This exhibition invites its visitors to think about France and Germany's joint future within Europe. Whilst part of the exhibition shows the path that was followed until the signature of the Elysée Treaty 1963, another part focuses on the effects of the Treaty, notably the regular meetings between the heads of government and State of the two countries... [Read more](#)

Agenda :



10th-11th April
Meeting of G8 Foreign Ministers



14th April

14
Apr

Croatia
European elections - Croatia

15
Apr

15th-18th April
Strasbourg
Plenary Session European Parliament

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