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How to consolidate the euro zone?

Author: Dominique Perrut



Faced with two challenges, that of the convergence of atomised national economies and the reinforcing of the internal cohesion of its structures, the eurozone has to evolve. On the eve of the European Council, leaders have to discuss two series of measures, put forward by the Commission. One focuses on the Economic and Monetary Union (EMU), which governs the euro zone and the other, on the Union's budget. After reviewing the situation in the euro zone, this paper will analyse the proposed reform of the EMU.

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Foundation :

Schuman Report on Europe, State of the Union 2018



The Schuman Report on Europe, State of the Union 2018 is available in both French and English. This year analysis focuses on the challenges faced by Europe. There is an exclusive interview with French President Emmanuel Macron, commented maps and statistics, offering a full view of the European Union. You can order your copy on line from our site, find it in digital or in paper format in bookshops... [Read more](#)

Commission :

State of progress in negotiations between the EU and the UK



The European Commission and the UK published a joint declaration on 19th June presenting the state of progress achieved regarding the terms of the draft withdrawal agreement. Brussels and London agreed to move forward on several technical chapters in the talks on the UK's withdrawal from the EU, but "serious differences" continue over the Irish issue in the wake of the most recent round of discussions prior to the European Council... [Read more](#)

Launch of negotiations with Australia and New Zealand



On 18th June in Canberra the Commissioner for Trade Cecilia Malmström officially launched negotiations in view of a global, ambitious trade agreement between the EU and Australia. She did the same with New Zealand on 21st. The aim of the negotiations is to do away with trade barriers in terms of goods and services, as well as to define trade rules to facilitate commerce and to guarantee the long term... [Read more](#)

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Rebalancing measures against Washington will come into force as of 22nd June



European rebalancing measures against certain American products, like jeans, bourbon and motorbikes in response to Washington's taxes on steel and aluminium will enter into force as of 22nd June announced the European Commission on 20th June. "The unilateral and unjustified decision of the US to impose steel and aluminium tariffs on the EU means that we are left with no other choice," said European Trade Commissioner Cecilia Malmström... [Read more](#)

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120 million € in tax benefits granted to Engie to be recovered



On 20th June the European Commission deemed that the energy group Engie had benefited from illegal tax rulings in Luxembourg, which is to recover 120 million € from the company, of whom the French State is the main shareholder. "As a result, Engie paid an effective corporate tax rate of 0.3% on certain profits in Luxembourg for about a decade. This selective tax treatment is illegal," stressed European Commissioner for Competition, Margrethe Vestager... [Read more](#)

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Territorial Cohesion Initiatives



On 19th June the Commission renewed the "Stairway to Excellence" to continue providing tailor-made support and expertise to the regions which are lagging behind in terms of innovation. The initiative will help the regions to lay out, update and refine their regional innovation strategies... [Read more](#)

Meeting on Migration



Sixteen European countries met on the invitation of J-C Juncker on 24th June in Brussels to discuss the migratory issue. This meeting aimed to prepare the European Council on 28th and 29th June and to find a structural response to the arrive of migrants in Europe... [Read more](#)

Parliament :

Agreement to strengthen the Eurodac database



Negotiators at the European Parliament and the Council came to agreement on 19th June to strengthen Eurodac, the migrant database, which notably provides to reduce the age in terms of taking fingerprints of minors down to 6 years of age... [Read more](#)

Copyright: adaptation to digital



On 21st June the MEPs of the Legal Affairs Committee at the Parliament adopted the project to update the rules governing copyright to adapt them to a digital world and to guarantee the fair payment of artists and journalists. They also adopted the decision to start negotiations with the Council... [Read more](#)

Council :

Relief of Greek Debt



Finance Ministers came to agreement to relieve Greek debt and to protect the euro zone's economy from future shocks. They debated updating Spain's draft budget for 2018... [Read more](#)

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Maritime Funds and CAP Reform 2020



The Agriculture and Fisheries Ministers presented a draft European Maritime Funds for Fisheries on 18th June with the aim of protecting endangered species. They also discussed the reform of the CAP post-2020... [Read more](#)

Adoption of directive on posted workers



On 21st June Ministers adopted a revision of the posted workers directive. They also discussed healthcare and the coordination of social security systems... [Read more](#)

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Reform of the Schengen Code and the Visa Policy



On 19th June the Council adopted its negotiation mandates regarding the modifications to make to the Schengen Code and the Visa Policy. Proposals for the Schengen code reform aim to increase the system's flexibility in response to security problems. The modification of the visa policy aims to accelerate the granting of these documents to "legitimate travellers" and to increase cooperation in terms of readmission into third countries... [Read more](#)

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For a more effective Eurojust



On 20th June the Council confirmed the agreement concluded on 19th June between the Bulgarian Presidency and the Parliament regarding rules to modify the Eurojust regulation. The latter establishes a new governance model with the aim to improve the Agency's operational effectiveness... [Read more](#)

Guaranteeing the effective freeze of criminal assets



On 20th June, following a temporary agreement with the European Parliament, the Council decided on new rules, regarding the mutual acknowledgement of decisions to freeze and confiscate assets. The new regulation aims to guarantee the effective freezing and confiscation of assets of criminal origin in the Union, to help make Europe safer, via the fight to counter the financing of crime including criminal activities... [Read more](#)

Fight to counter VAT fraud



On 22nd June the Economy and Finance Ministers closed the excessive deficit procedures regarding France, addressed recommendations to Hungary and Romania as part of a significant deviation procedure and approved measures aiming to strengthen administrative cooperation in the fight to counter VAT fraud, which yearly leads to a 50 billion € loss for Member States' national budgets... [Read more](#)

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Conclusions of the Environment Council



The Environment Council met on 25th June in Brussels. Conclusions were adopted in terms of the circular economy, a method that will enable the introduction of sustainable, renewable energy based growth. The regulation of doses of potentially toxic products in drinking water and CO2 emissions by cars was also discussed... [Read more](#)

Diplomacy :

Defence: 9 Member States sign "A European Intervention Initiative"



9 country (Germany, Belgium, Denmark, Netherlands, Estonia, France, Portugal, Spain and the UK) signed a new enhanced European Cooperation Mechanism for Defence, named the "European Intervention Initiative (EII)"... [Read more](#)

First meeting of the comprehensive, enhanced EU-Armenia Partnership Council

On 21st June the European Union and Armenia held the first meeting of the EU-Armenia Partnership Council (CEPA), which entered into temporary application on 1st June. Both sides stressed the progress



made and re-iterated the priorities in a common declaration (economic cooperation, trade, dialogue over the deregulation of the visa regime)...

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Future Partnership between the European Union and the ACP countries



MEPs and their counterparts from Africa, the Caribbean and the Pacific agreed on the future of their partnership during the 35th Joint Parliamentary Assembly from 18th to 20th June in Brussels. Moreover, the Council adopted the negotiation mandate for the future agreement between the EU and the ACP group (Africa, Caribbean and Pacific) on

22nd June. Negotiations will start between the two sides at the end of August... [Read more](#)

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Meeting with the G5 Sahel



The military force comprising the five Sahel countries to counter jihadists and organised crime won some ground over the smugglers. "The G5 Sahel force (Burkina Faso, Mali, Mauritania, Niger and Chad) has become a reality even though all of the funding has not yet been paid." "The European Union has disbursed its participation of 100 million € out of the 414 that have been promised" stressed Ms Mogherini,

regretting that the other donors are taking their time to turn the donations into a reality... [Read more](#)

Conclusions of the Foreign Affairs Council



The EU's Foreign Affairs Ministers met on 25th June in Brussels to discuss the new European strategy in terms of security and defence. This will be based on own funds and will enable greater military mobility. A multi-annual financing plan was also discussed with the aim of countering hybrid threats... [Read more](#)

European Agencies :

The number of jihadist attacks doubled in 2017 in Europe



The number of jihadist attacks more than doubled in Europe in 2017 declared the police agency Europol on 20th June as it warned of the "acuity of the danger" of less sophisticated acts claimed by the group Islamic State. Last year 33 "terrorist" attacks were noted by Europol.

Amongst these attacks that were either accomplished, foiled or aborted in Europe, 10 led to the death of 62 people said the agency in its annual report... [Read more](#)

Report on asylum requests in Europe in 2017



Asylum requests across the Europe fell by 44% in 2017. This is the observation made by the European Asylum Support Office (EASO) in its annual report published on 18th June. And the trend continued for the first four months of this year. Most of the arrivals focused on the

Central and Eastern Mediterranean routes, with an "unprecedented rise" in the Western Mediterranean... [Read more](#)

Germany :

Meseberg Declaration



On 19th June the German Chancellor Angela Merkel and French President Emmanuel Macron insisted on the importance of reviving the European project. On the occasion of this Franco-German Summit they both called for a European response to the migratory issue as well as

for the establishment of a euro zone... [Read more](#)

Angela Merkel hosts Giuseppe Conte

German Chancellor Angela Merkel hosted Giuseppe Conte on 18th June in Berlin. She said she supported Italy in its work to reduce the number of migrants reaching its shores by managing asylum requests for



Europe outside of the EU itself... [Read more](#)

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Spain :

Meeting between Pedro Sanchez and Emmanuel Macron



On 23rd June in Paris, French President Emmanuel Macron hosted the Spanish head of government Pedro Sanchez. The two men addressed European issues, notably migration and the economy... [Read more](#)

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France :

Edouard Philippe in Brussels



French Prime Minister Edouard Philippe met the President of the European Commission Jean-Claude Juncker in Brussels on 20th June to discuss migration and the new asylum procedure regulations... [Read more](#)

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Ireland :

Prime Minister Leo Varadkar hosts Jean-Claude Juncker



On 21st June Irish Prime Minister Leo Varadkar hosted the President of the European Commission Jean-Claude Juncker in Dublin notably to discuss the state of the Brexit negotiations. J-C Juncker also delivered a speech to parliament... [Read more](#)

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Lithuania :

Nine Member States are to create rapid response cyber forces



On 21st June in an interview with the AFP the Lithuanian Defence Minister Raimundas Karoblis announced that 9 EU Member States are to create "rapid response teams" to counter possible cyberthreats. Estonia, Croatia, the Netherlands, Romania, France, Spain, Poland and Finland will join Lithuania in this initiative which is one of the 17 projects in the Permanent Structured Cooperation (PESCO) launched on 11th December last... [Read more](#)

The Netherlands :

Brexit: Dutch courts reject a request on the part of some British expats



The Amsterdam Court of Appeal supported the Dutch government deeming on 19th June that the requests by five British expats in the Netherlands, who are concerned about the protection of their European rights post-Brexit, were "too vague" for a case to be brought before the European Court of Justice... [Read more](#)

Romania :

Three and a half years in prison for the leading of the party in office



On 21st June the Romanian High Court of Cassation sentenced the leader of the Social-Democratic Party (PSD) in office and the leader of the House of Deputies Liviu Dragnea to three and a half years in prison for corruption, abuse of power and embezzlement. This judgement still has to be confirmed on appeal. Several thousand people demonstrated at the end of the day to demand Mr. Dragnea's resignation in an extremely tense situation linked to the fight to counter corruption... [Read more](#)

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UK :

Brexit: the British government wins a vital vote in the House of Commons



The government just managed to beat a rebellion by pro-Europe MPs in its own camp on 20th June in the House of Commons, after a last minute compromise was found on the role to be played by Parliament in the Brexit process. MPs rejected an amendment to the draft withdrawal

bill by 319 votes, which provided greater powers on the part of Parliament if there was no agreement with Brussels prior to Brexit - prior to March 2019. 303 voted in support... [Read more](#)

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30th British-Irish Council



On 22nd June the 30th session of the British-Irish Council took place in Guernsey. Discussions focused on the impact of Brexit, particularly regarding relations between the two islands, the common travel zone, relations with the EU and the means of transition and its implementation. Irish Prime Minister Leo Varadkar notably declared that Ireland must step up preparatory work in view of a "no-deal"... [Read more](#)

Airbus: the freezing of investments in the UK



On 21st June Airbus said "it is increasingly concerned by the lack of progress" in the Brexit negotiations and announced a severe slowing of its investments in the UK. The company mentioned potential losses of several billion € in the event of a no-deal. Even in the case of an orderly Brexit Airbus has spoken of "significant risks". Two criteria will be decisive for its post-Brexit policy: Customs Union and a harmonised aviation framework with the Union... [Read more](#)

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Macedonia :

Parliament ratifies the agreement with Greece



On 20th June the Parliament of North Macedonia ratified the agreement with Greece, signed on 15th June last. The Macedonian opposition refused to participate in the vote. For North Macedonia this agreement could speed up the membership process for NATO and the EU... [Read more](#)

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Turkey :

The OSCE denounces candidates' lack of "equal chance"



In the opinion of international observers who followed the Turkish Presidential election on 24th June, won by Recep Tayyip Erdogan and his party AKP, candidates did not have an "equal chance" before the Turkish electorate... [Read more](#)

UN :

The UN demands the departure of Russian troops from Moldova



The UN's General Assembly adopted a resolution on 22nd June demanding the withdrawal of Russian troops stationed for more than 26 years in Moldova. The resolution was adopted by 64 votes, whilst 15 countries voted against and 83 abstained... [Read more](#)

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OECD :

Studies to support reform of the euro zone's structure



On 19th June the OECD said it supported the reform of the euro zone's structure. The organisation bases itself on two of its most recent studies presented in Brussels by Angel Gurría, the OECD's Secretary General: they highlight the need to reform the EU's budget, to implement more effective policies to reduce regional fractures and to continue work to deepen the European Single Market... [Read more](#)

Fakes cost the Italian economy billions of euros



Global trade in fake Italian goods deprive Italy's economy of the equivalent of 1-2% of GDP in terms of lost sales, according to a new OECD report. This resulted in over 25 billion euros in lost sales by Italian companies in a year when Italy's GDP was 1.6 trillion euros... [Read more](#)

Culture :

Jazz Festival Montreux



From 29th June to 14th July the Montreux Jazz Festival will be taking place for the 52nd time and is inviting the public to a programme that brings together jazz, folk, new R&B, hip-hop and electro performances... [Read more](#)

"Europe, all or nothing" Marseilles



On 29th and 30th June the MUSEUM OF EUROPEAN HISTORY IN EXILE is offering two evenings and a day of round tables, performances, shows, music and workshops, as it explores the idea of what Europe really is. Until 13th July the museum is hosting "the House of European History in Exile" designed by Thomas Bellinck, in partnership with the Festival of Marseilles. This international exhibition looks into the historic foundations of Europe, present challenges and also the future models of Europe... [Read more](#)

London Impressionists



Until 14th October the Petit Palais in Paris is running an exhibition entitled "Impressionists in London-French Artists in Exile, 1870-1904" co-organised with the Tate Britain of London. This exhibition brings together around 100 masterpieces that were created on the banks of the Thames of Victorian London... [Read more](#)

Agenda :



25th June
Luxembourg
"Foreign Affairs" Council
Luxembourg
"Environment" Council



26th June
Luxembourg
"General Affairs" Council



28th June
Brussels
European Council

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