

Signatory List by Name

AURENCHE Guy,
 BASSANINI Franco,
 BILLOUT Michel,
 BITTERLICH Joachim,
 BRUN Henri-Georges,
 BUEB Francis,
 CHENU Georges-Marie,
 CHEMILLIER-GENDREAU Monique,
 DAOULAS Jean-François,
 FAIVRE D'ARCIER Bernard,
 FISCHER Claude,
 FONTAINE Nicole,
 FORTASSIN François,
 FOURNIER Bernard,
 FRECON Jean-Claude,
 GARAPON Antoine,
 GIL-ROBLES Jose-Maria,
 GIULIANI Jean-Dominique,
 GUGGENHEIM Antoine,
 HARTMANN Florence,
 HERZOG Philippe,
 JOINET Louis,
 JOXE Alain,
 LACLAVETINE Jean-Marie,
 LAGAUCHE Serge,
 LALUMIERE Catherine,
 LAMASSOURE Alain,
 LE HYARIC Patrick,
 LE ROCH Jean-François,
 MONGIN Olivier,
 NAHOUM-GRAPPE Véronique,
 NAJMAN Boris,
 NOËL Bernard,
 PACK Doris,
 PILLET François,
 PROCHASSON André,
 PY Olivier,
 RALITE Jack,
 RENAR Ivan,
 ROCARD Michel,
 TANGUY François,
 VIGNON Jérôme,
 WALLON Emmanuel

For an immediate release of Jovan Divjak

Forty key figures ask the President of the European Parliament and to the MEP to urgently intervene towards the Austrian authorities and the OSCE

Although his name did not appear on the lists of the ICTY or those of Interpol, the Austrian police arrested Jovan Divjak on the basis of a “black list” drawn up after the Bosnian War by Milosevic’s Serbia, where his name appeared along with 17 other people who, like Divjak, opposed the war of ethnic cleansing.

Accused of a “war crime”, he is awaiting a court decision on his possible extradition to Sarajevo or Belgrade. **Jovan Divjak, a symbol of the defence of Sarajevo, has been waiting for more than 120 days to prove his innocence**, which must be intolerable for this fighter for peace and for a multi-ethnic Bosnia and Herzegovina.

The Austrian court was waiting for an agreement between the prosecutors in charge of war crimes in Bosnia and Herzegovina and in Serbia, and therefore didn't want to decide the fate of Jovan Divjak. Now, we are learning that this agreement will not happen: Jovan has been waiting three months for nothing. The Austrian court will have to stay its judgment on the merits, and **it is urgent to act towards the Austrian authorities and the OSCE to demand a full and immediate release.**

Jovan Divjak became a soldier in the Yugoslav Army in 1984. He was posted to Bosnia and Herzegovina, and in 1992 he witnessed the attack on the then defenceless Bosnian people in Sarajevo. It is to his credit that he decided to stay to free Sarajevo. Since the end of the war, Divjak and his association have fought for the reconstruction of Bosnia and Herzegovina through education.

Jovan Divjak is an ardent European, and a firm believer that the salvation of the peoples of the Western Balkans lies within the European Union. But for this the European Union has to welcome them and be brave enough to help establish accountability for war, which, we are certain, would lead to truth, justice and reconciliation. Yet this work has not yet truly begun.

The Dayton agreement endorsed the ethnic partition of Bosnia and Herzegovina and, since Mladic’s arrest, tensions have increased. The government of the Republika Srpska called a referendum for the “peaceful dissolution” of Bosnia and Herzegovina, thus defying all agreements and conditions for accession to the European Union. It threatens to hand Jovan Divjak over to the Serbian justice system if he “sets foot in the RS”, and today regards Mladic as a hero and is financing his defence. The complacent attitude of Serbia’s leadership is creating a dangerous and explosive situation in the region, particularly in Bosnia and Herzegovina.

The European Commission has intervened, and Baroness Ashton travelled to Banja Luka, thereby preventing the referendum. At the same time, however, she gave credit to Dodik as a political authority in Bosnia and Herzegovina by meeting with him, at a time when the country is still unable to form its government and this eight months after the elections. High Representative Valentin Inzko, an Austrian diplomat, meanwhile recognises his inability to put a stop to the funding of the defence of criminals accused of crimes against humanity.

Although this country is going through the worst crisis it has seen since the war, **we cannot allow even the slightest confusion to be made between Jovan Divjak and Ratko Mladic**, whose defenders deny the genocide and the disappearance of more than 15,000 Bosnians during the war, in addition to 96,895 deaths reported.

As we are about to commemorate Srebrenica and the 8,372 murders committed by Milosevic’s army under the command of Mladic, **the European Parliament – which has recognised 11 July as a day of remembrance for the Srebrenica genocide throughout the European Union – could be proud of itself were it to intervene and meet with the Austrian government to urge it to lift the house arrest and demand the full and immediate release of Jovan Divjak**, thereby enabling him to return to Sarajevo with his head held high and allowing Bosnia and Herzegovina to rebuild itself.

For more details on this topic, please consult our website www.confrontations.org

Contents

For an immediate release of Jovan Divjak	p.1
A real budget for Europe?	p. 2
The economic government cannot be despotic	p. 3
A Single Market for Intellectual Property Rights: Comments	p. 4

A press conference will be held on Friday 8th, from 11.00 a.m to 1.00 p.m, at the Hôtel de France, in Vienna.

Some reactions to the Commission's proposals

The reaction from the Member States was relatively cold, not to say bluntly negative. London immediately qualified the proposals as “unrealistic” in the present austerity context. The German Ministry of Foreign Affairs, Guido Wersterwelle, stated that the volume of the EU budget asked for the 2014-2020 period was “well above a level that would be acceptable for the German government” and reasserted that Germany and most of the EU Member States were against a European tax, such as the ones described by the Commission. France never ceased to ask for a stable contribution to the EU budget.

The President of the European Parliament, Jerzy Buzek welcomed the Commission's proposals as “an excellent starting point for the negotiations”. The MEP particularly welcomed the financial transaction tax proposal. As for Mercedes Bresso, she confirmed that the Commission “could count on the Committee of the Regions to support it and to promote the coherence and ambition of its proposals towards the national governments.

Jean-Claude Trichet, president of the European Central Bank (ECB) considered the implementation of a financial transaction tax restricted to the European area would result in important activities losses in the region.

Carole Ulmer
Confrontations Europe

Letters to the Editor

Please send your message to:
Carole Ulmer,
culmer@confrontations.org

A real budget for Europe?

Finally, a patch of blue sky in the stormy landscape that Europe has been struggling to move away from for months: on 29 June, the European Commission presented its formal proposals for the financial framework for the end of the decade (2014 - 2020). They are courageous indeed, and for two reasons.

Regarding expenditure, and refusing to be intimidated by the five main net contributor countries, including France and Germany, who had loudly demanded a budget freeze until 2020, the Commission followed the recommendation of the Parliament, proposing a limited but steady increase of 5%. This is a modest leap, as the EU budget would rise from 1.05% to 1.11% of GDP. But in today's context of generalised escalation in fiscal austerity measures, and the underlying euroscepticism sustained in the major capitals, the gesture is commendable.

Yet it is in terms of revenue that we saw the most significant innovation. Launched five years ago by the Parliament, and strongly supported by *Confrontations Europe*, the political initiative designed to free the EU budget from the shackles of national contributions and find new own resources for financing European spending has finally resulted in a set of concrete proposals. The Commission has proposed the gradual replacement of national contributions with the allocation to the EU of one VAT point plus the resources generated by a financial transaction tax. Very clever. While it's true that the finance ministers will grimace, no head of government can be indignant at the suggestion of these taxes since all the Member States had already accepted them in principle (the European Council has recently welcomed the idea of a FTT). Nor can they balk at the allocation to the Community budget (even Thatcher didn't refuse a VAT resource).

If a consensus is reached on the basis of these principles, the EU will finally get a real budget, in terms of both expenditure and revenue!

And so we enter the negotiation phase. To succeed, it must be unanimously voted by 27 governments and, regarding revenue, unanimously ratified by the 27 national parliaments. This will require the casting of yet another magic spell, that of converting 27 hostile ministers into 27 favourably disposed countries. Hence the idea of preparing for this formidable exercise by opening up public debate to as wide an audience as possible. And by holding a European financial conference involving all the political forces of our Member States, representing national parliaments. Such was the objective of the European Convention, held nearly 10 years ago, which successfully transformed the strongest ministerial protests into a European consensus. The Polish Presidency has accepted the principle. And so we are faced with a new challenge – one that will greatly benefit from the added value brought by *Confrontations Europe*! Quite clearly, there is more to the weather in Europe than Greek storms.

Alain Lamassoure,
MEP, President of the Budget Committee, European Parliament

Key points of the debate

Whereas the European Parliament reasserted its position on the economic governance package (see article) before the European Council of 23-24 June, some issues are still under debate with the Member States. The first reading has not yet been concluded. Short overview of key points:

-A reversed qualified majority voting would enable an increased automaticity for the recommendations of the Commission, already from the preventive arm of the Pact. It would oblige Member States to find a qualified majority to reject them, instead of just ignoring them. The Council rejects this idea and considers that it will jeopardize the ability of a state to recover growth. It proposes only public explanations when a state wants to reject the recommendations. Small Member States, like the Benelux, back the almost unanimous EP's position on this issue.

-Both reports on fiscal frameworks were voted with small majorities (rejected by socialists, Greens and the GUE). Left-wing parties consider it does not take into account the necessity to return to growth, or the possibility of decision-making on the revenue side of national budgets. Socialists propose a differentiated treatment for productive and long-term investments instead.

-Creating a true « economic dialogue » which, on top of the hearings of Finance Ministers, would involve national parliaments. Debates of the Council, especially when rejections of recommendations are at stake, should be published, and the Commission should be able to conduct field investigations.

-The European Semester should be codified into legal texts to insure it would be binding in the future.

-Guaranteeing the respect of social and salary negotiations procedures.

Yan Dupas,
Confrontations Europe

The economic government cannot be despotic

Given the gravity of the Eurozone crisis, the six “rapporteurs” (myself included) and many of our colleagues would have liked to see a more radical reform of the economic governance framework, along with the adoption of more ambitious joint policies to accompany it, such as the creation of a European Monetary Fund, a binding EU 2020 strategy, the reinforcement of the Single Market, tax harmonisation and long-term investments. Many ideas have been put forward by all the political families, but often without any real awareness of the difficulties involved. Although the Parliament does have room to manoeuvre – and it has taken advantage of this in the past – it shares its legislative powers with the Council on the basis of the Commission’s proposals. It does not decide alone. In the summer of 2010, the Commission opted for a reform which does not affect the treaties with 3 goals in mind: to increase budgetary discipline, monitor macro-economic imbalances more closely, strengthen national budgetary frameworks.

Generally speaking, **the majority of the EP is convinced of the need to increase budgetary discipline.** Too many Member States (including France, as the Court of Auditors has recently pointed out) have built up unsustainable burdens of deficit and debt. Some have managed to clean up their public finances without sacrificing their social model. Finland and Germany, for example, are doing better than France and Italy. We just have to look at Greece to see where excessive indebtedness leads.

The “rapporteurs” have fought hard to improve the proposals on the table. Hence, in the future, **the indicators used in macro-economic surveillance** will be defined and revised in a transparent manner, with the participation of the European Parliament. The EP has also requested that the new macro-economic procedure apply to **all Member States, regardless of whether they have a deficit or a surplus.** So far, the Council has rejected this proposal. Further EP suggestions include making national statistics offices independent, imposing sanctions for falsifying data and adopting additional “relevant factors” for the assessment of debt reduction.

We have also introduced a number of innovative measures. In my own report, a small step forward towards **unifying the European debt market** has been voted. The joint issue of Eurobonds, under carefully monitored conditions, would enable us to benefit from the liquidity of a global market. With this in mind, Commissioner Rehn committed during the last plenary session to developing a set of proposals by the end of the year.

In addition, the Council has finally agreed to set up an **“economic dialogue” designed to open up economic and social debate.** Despite the fact that we have a single currency and a single market, our policy discussions are far too nationally oriented. When the Commission sees a budget running out of control, the EP’s economic committee will be able to invite the Minister of Finance concerned to discuss the matter. National governments will be free to turn down this invitation, but the social partners and NGOs will be able to jump at the opportunity to intervene. Without a European public debate, the “automatic” sanctions proposed by the Commission and the ECB, and the injunctions provided for in the European Council’s “Euro +” pact, regarding salaries and pensions in particular, are dangerous indeed.

Despite the plenary vote on 23 June, any evaluation of this “package” can only be provisional, as there are still some areas of disagreement with the Council (and the first reading has not been formally concluded). The issue remains open to discussion. Nevertheless, we should bear in mind that economic governance cannot encompass everything. It must be accompanied by sector-based policies. It will never be successful unless national governments change their attitude; their responsibilities at home should not prevent them from recognising their interdependence and the need to create a supranational democracy. The “economic government” that the French dream of cannot be despotic.

Sylvie Goulard, Member of the European Parliament,
Member and coordinator ALDE of the ECON Committee

**Entretiens Economiques
Européens 2011**
« A Single Market for Intellectual Property Rights »: Comments

On November 23rd and 24th, Confrontations Europe, with Bertelsmann Stiftung and the Astrid Foundation, in partnership with DemosEuropa, CER and the European Institute of Romania, organise the *Entretiens Economiques Européens*.

Ministers and MEPs, CEOs, experts, social actors and representatives from the civil society will participate to 5 roundtables and two lunch-debates. A special morning session will be dedicated to the economic actors and a diner will be devoted to the UE-China relationship. We will debate about the major initiatives launched in Europe since one year to face the economic and financial crisis as well as the sovereign debt one: **“Towards a social market economy for Europe - social dialogue and industrial relations to solve the competitiveness/solidarity equation.**

The notion of social market economy, a concept of German origin, can only be thought in Europe in a common perspective: that of a new sustainable growth and a new social welfare. The renewal of the Internal market should be the vector of such a change, and the second step of the Single Market Act should be prepared. Investments in human capital (employment, qualifications), investments in productive infrastructures and infrastructure of services and the development of natural capital are key long-term challenges.

In a context of budgetary austerity, both financial regulation and the prevention of macroeconomic unbalances should occur while taking into consideration the need for **economic and social long-term investments in the field of public goods.** Social acceptability is at stake. Finally, it is time for the Union to equip itself with a strategic vision of its economic and strategic interests. That is why we give the floor to actors in the field of energy, digital economy, aeronautics, agriculture, SGI-SSGI, SMEs and social economy to define together the investments needs in the long term and the conditions to create a base camp for European industries and firms in a global world.

The Commission’s communication on intellectual property (IP) rights, released on 24 May, is no doubt intended to quell criticism voiced by businesses, among others, about the European legislator’s disorganised approach to IP rights. Certainly prior to this, and regardless of the intrinsic value of each piece of legislation, the Commission proceeded in a piecemeal fashion, implementing successive but independent projects that were very often managed by different general directorates without any real coordination or attempt at consistency. The result was often a mishmash of incomplete texts that sometimes tied in with each other and sometimes didn’t, and were thus very difficult to reconcile.

It is therefore commendable that Commissioner Barnier has taken the initiative to incorporate all of the Commission’s IP projects into a single communication, and has endeavoured to bring them into line with the requirements of the Single Market. We can only approve of his objective to develop a pan-European strategy, given how crucial it is that the Union adopts clear and effective IP policies both within its borders and in its relations with the rest of the world.

The section of the communication relating to the harmonisation of rights within the Union is by far the most developed. The creation of unitary patent protection in the majority of the EU (Spain and Italy do not wish to join the scheme at present) and the establishment of a single jurisdiction for European patent disputes are a reflection of the progress made in this area, and of the strong momentum towards reforming the European patent system. Over thirty years of hard work are about to pay off, and we should be congratulating ourselves wholeheartedly on this achievement. The other major step forward is the planned creation of a comprehensive copyright framework, encompassing the digital sector too. This will not be an easy task, but it must be done if the Union wishes to tap into the full potential of new communication technologies. The modernisation of the European trademark system is also a worthwhile goal, even if the stakes are not as high.

The Commission also mentions another area of intellectual property, i.e. the protection of know-how and trade secrets. We are delighted that this IP issue is finally being addressed, but regret that it is regarded as the poor relation of the Commission’s strategy. Not only has it been placed on a par with piracy, which, although important, is not at all comparable with trade secret protection and no doubt does not have the same effect on the economy, but it also seems to have been pushed to the bottom of the Union’s list of priorities. This is a serious mistake, as know-how and trade secrets have a huge economic impact.

The latest developments in the EU’s external policy on intellectual property are described much more succinctly. The Commission’s strategy regarding its relations with third countries, whether involving bilateral agreements or multilateral negotiations, is not explained in any depth in the document. Yet such a strategy is essential if the EU is to assume its rightful role in the numerous arenas where issues likely to impact IP protection are debated: negotiations on climate change, with the emphasis on technology transfer, negotiations on biodiversity, renewal of harmonisation efforts and discussion of the development agenda at the World Intellectual Property Organisation, completion of the Doha Round at the WTO, etc. This strategy must be clearly defined.

Lastly, it is to be hoped that Europe will recognise, as other important competition authorities across the world have done, that intellectual property essentially stimulates competition and promotes economic development, and that abusive restrictions on free competition are an exception. We can but hope...

Thierry Sueur,

Director, European Affairs, Air Liquide

In order to take part to our meetings and receive our various publications, we invite you to subscribe at: confrontations@confrontations.org

Copyright : all rights reserved without the consent of Confrontations Europe.

Confrontations Europe : 227, bd Saint-Germain – F-75007 Paris - Tél. : +33 (0)1 43 17 32 83 – Président et publication director: Claude Fischer (cfischer@confrontations.org)

Editor in chief: Carole Ulmer (culmer@confrontations.org) - Tel : +33 (0)1 43 17 32 90

Brussels Office: Véronique Ollivier, Head of Brussels Office (vollivier@confrontations.org), Hélène Zwick, PHD Student.

Rue du Luxembourg, 19-21. B – 1000 Bruxelles - Tél. : +32 (0)2 213 62 70 - Fax : +32 (0)2 213 62 79

See our website: www.confrontations.org