

Annual Report 2004

PRESIDENT's MESSAGE

Strengthening ELEC for helping Europe

2004 was a great year for Europe, stamped with the double seal of widening and deepening. The Union was augmented by ten new Member States, and the intergovernmental conference adopted a Constitutional Treaty which, even weakened at several points by comparison with the Convention's draft, should enable the enlarged Union to function better, integration to record fresh progress and Europe to assert itself with greater force on the world stage. Such deepening, however, is still only "virtual", and will remain so for as long as the Treaty does not come into force, which will only happen when it is ratified by all twenty-five Member States after a process which seems full of pitfalls in several of them.

But 2004 was also a difficult year for Europe. The dreadful attack of 11 March in Madrid demonstrated that Europe, much like the United States, was a target for Islamic terrorism. However this shared danger was not enough to protect transatlantic relations from tensions: on the contrary, the dispute caused by the Iraq war worsened following the failure to pacify that country and Europe's consequent fear that a permanent source of instability had been created on its south eastern flank. Others types of tension appeared within the European Union, between large and small States in particular, not least in relation to the reform of the European Institutions that absorbed much of the attention of the Convention and the IGC, but also regarding the proper application of existing rules, as was particularly clear in the travails endured by the Stability and Growth Pact.

Faithful to its mission, ELEC has monitored and played its part in these developments. It expressed its position on several occasions regarding the work of the Convention, and then of the IGC; it reflected on the problems of the transatlantic relationship at its enlarged Central Council; it transformed its Enlargement Commission into a new commission devoted to the relations of the enlarged European Union with neighbouring countries; it dedicated an entire *"Cahier Comte Boël"* to the question of economic governance in Europe. Other important subjects have been tackled by its various commissions and will be echoed in the following pages.

In 2004 ELEC also reflected on its own future, with a view to increasing the relevance of its work and to strengthening its profile and its power to attract. A discussion regarding the modernisation of ELEC and its methods, launched in Amsterdam in June 2004, continued during the second half of the year in the "Europe & Strategy" Study Group, with valuable contributions from several national sections. In December the Brussels Central Council was apprised of the results of these deliberations and established a number of priority areas for action during the current year.

2005 will therefore be a year of change for ELEC. Let us hope it will not be a year of serious crisis for the European project.

Ferdinand CHAFFART

THE CENTRAL COUNCIL

In 2004 ELEC Central Council met on 11 June in Amsterdam, and on 9 December in Brussels.

The enlarged Central Council meeting in June opted to discuss transatlantic relations as its main topic. It was addressed by Alan BLINKEN, former US Ambassador to Belgium. Wim KOK, formerly Prime Minister of the Netherlands, also spoke on the economic situation and the structural weaknesses of Europe, and on the reforms necessary for the restoration of long-term competitiveness and the success of the Lisbon process.

As well as the traditional reports from working commission presidents, the Central Council also debated the Constitution and the state of the Union, based on a report presented by the "Europe & Strategy" Study Group, and adopted a "Statement on the current state of the European Union" which was submitted to the secretariat of the EU's Council of Ministers. It also adopted a resolution presented by the Economic and Social Commission and entitled "Job protection and growth". Finally it was agreed that, as a result of the entry of ten new Member States to the European Union on 1 May 2004, the Enlargement Commission would give way to a new commission responsible for the European Union's relations with neighbouring countries (in short the "Neighbourhood" Commission). Michael PALMER was asked to chair this commission.

The meeting in Brussels took the theme "New challenges for the European project", a subject which was developed by the International President in his introductory message. The Central Council also heard a talk from Viscount Etienne DAVIGNON, former Vice-President of the European Commission, on the subject: "The European Constitution: the challenge of ratification", which was followed by a discussion and the adoption of a resolution on "The ratification of the Constitution".

While hearing the reports from working commission presidents, the Central Council also

- approved the appointment of Klaus MILZ, senior advisor to Bombardier Transportation European Affairs SA, as the new president of the Infrastructures Commission, heard the presentation of his action programme, and took note of a letter drafted by this commission and addressed to the European authorities on trans-European transport networks;
- adopted a resolution presented by the Economic and Social Commission entitled "Budgetary and financial prospects for the European Union";
- took note of two letters drafted by the Monetary Panel and sent to the European authorities, dealing respectively with transatlantic cooperation on financial regulation and the process of the integration of financial markets in Europe.

The Central Council also discussed a report by Luc DELVAUX on Turkey's prospects for membership of the European Union. Finally the Central Council held a debate on the modernisation of ELEC, introduced by Mr Régis MALBOIS' report entitled "Elements of analysis and proposals for the future of ELEC". Among the aspects covered by this debate were the following questions: the nature of and specific missions of ELEC; its action programme; the recruitment of new members; the external visibility of ELEC; and its funding problems.

ACTIVITIES of the NATIONAL SECTIONS and MEETINGS of the WORKING COMMISSIONS

19 January - Vienna - Austrian section

Event in cooperation with the European Club: Ronan Paul MURPHY, Irish Ambassador in Austria: "Ireland's priorities for the EU presidency".

22 January - Brussels - Infrastructures Commission

President: Ottokar HAHN. Topics: relaunching projects from Delors' "White Paper" (Henning CHRISTOPHERSEN) - trans-European networks and GALILEO (Heinz HILBRECHT) - public private partnership (Thomas BARRETT).

2 February - Vienna - Austrian section

Event in cooperation with the European Club: Wolfgang WOSOLSOBE, Head Department for Defense Policy, Austrian Ministry of Defence: "European security and defence policy - outlook for Austria".

6 February - Barcelona - Spanish section

Lunch-debate "Las redes de transporte europeas ante la ampliación de la UE".

11 February - Amsterdam - Dutch section

Meeting with Jean-Claude TRICHET, President of the ECB.

1st March - Vienna - Austrian section

Event in cooperation with the European Club: "Abandoned or postponed? Will the European Constitution come true after all?".

8 March - Vienna - Austrian section

Business lunch in cooperation with IVC: Bernhard SUCHER: "Flashlight on Russia".

9 March - Paris - French section

Lunch-debate with Alexandre LAMFALUSSY, Former President of the European Monetary Institute.

19 March - London - Monetary Panel

President: Jean-Jacques REY. Topic: European financial integration (Philip DAVIS, Alastair CLARK).

22 March - Brussels - Enlargement Commission

President: Michael PALMER. Topics: role of the EIB in relation to enlargement (Philippe MAYSTADT) - work of "Transparency Company Foundation" (Robert WYSZYNSKI, Rafał EILE).

5 April - Vienna - Austrian section

Event in cooperation with the European Club: Herbert TUMPEL, President of the Austrian Federal Chamber of Workers and Employees: "Lisbon strategy failed? Necessary reforms for enhancing growth and employment".

14 April - Vienna - Austrian section

Business lunch in cooperation with IVC: Natalia GHERMAN, Moldavian Ambassador in Austria: "The European option of the Republic of Moldavia".

15 April - Paris - Economic & Social Commission

President: Philippe JURGENSEN. Topics: relation between labour market rigidities and lower potential growth in the eurozone (Jean-Paul BETBEZE, Ekkerhard ERNST, Jérôme

GAUTIE) - role of innovation in economic growth (Ben GIESEN, Michel GUILBAUD). Resolution "Job protection and growth".

16 April - Monaco - Monegasque section

Lunch-debate in presence of H.S.H. Prince Albert, H.E. the American Ambassador Howard LEACH and H.E. the Minister of State Patrick LECLERCQ.

4 May - Vienna - Austrian section

Event in cooperation with the European Club: Reinhold MITTERLEHNER, member of the Austrian Parliament: "How much economic policy does the EU need?".

7 May - Vienna - Austrian section

Business lunch in cooperation with IVC: Hannes ANDROSCH, Former Minister of finances: "China and the world in change".

7 June - Vienna - Austrian section

Event in cooperation with the European Club: Elena KIRTCHEVA, Bulgarian Ambassador in Austria: "Bulgaria - a reliable partner for Europe".

8 June - Bern - Swiss section

General Assembly, in the presence of the Secretary General.

11 June - Amsterdam - Enlarged Central Council and General Assembly

21 June - Andorra - Andorran section

General Assembly. Designation of the new President: Jaume SERRA, Former Minister of Economy.

29 June - Brussels - Mediterranean Commission

President: Carles GASÓLIBA. Preparation of the Naples Conference (October 2004).

29 June - Brussels - Belgian section

General Assembly.

6 September - Vienna - Austrian section

Event in cooperation with the European Club: Justus Jonathan de VISSER, Dutch Ambassador in Austria: "The Dutch EU presidency - prospect and priorities".

15 September - Brussels - Economic & Social Commission

President: Philippe JURGENSEN. Topic: main aspects of the problem of the Community budget (Jean-Pierre BACHÉ, Serge GUILLON, Sylvain PLASSCHAERT). Resolution "Budgetary and financial prospects for the EU".

22 September - Barcelona - Spanish section

Lunch-debate with Jordi PUJOL, Former President of the Catalan Generalitat "La Europa de los pueblos ha dado paso a la Europa de los estados y los ciudadanos".

8 October - Brussels - Monetary Panel

President: Jean-Jacques REY. Topics: process of integration of financial markets in Europe (Jean ALLIX) and transatlantic cooperation on financial regulation (Arnaud PECKER). Messages were sent on both subjects.

11 October - Budapest - Hungarian section

International conference: "Framework and conditions of a successful membership of Hungary in the enlarged EU", in the presence of the International President and the Secretary General.

13 October - Vienna - Austrian section

Event in cooperation with the European Club: Franz ECKERT, Advisor for European integration, Secretariat of the Austrian Bishops' Conference, and Harald FIEGL, Former Austrian trade delegate in Turkey: "The question of Turkey after the report of the European Commission".

18 October - Brussels - Infrastructures Commission

President: Ottokar HAHN. Topics: general trade trends (Albert FREI) - new European regulatory framework for railroads (Jean-Arnold VINOIS) - financing TENs: priorities of van Miert's report (Joachim SCHNEIDER) - GALILEO project (Jacques MIART). Support letter on trans-European networks.

22 & 23 October - Naples - Mediterranean Conference

President: Carles GASÓLIBA. Topic: economic cooperation and social progress around the Mediterranean: "Bilan du développement économique et social dans le Nord de l'Afrique" (Antonello PUGLIESE, Andrea AMATO, Jorge BRAGA de MACEDO, Joan ROSSELLO) - "Coopération Nord/Sud" (Mounir MOUAKHAR, Giuseppe Maria SFLIGIOTTI, Riccardo IOZZO, Andrea MOGNI).

26 October - Barcelona - Spanish section

Lunch-debate with Eugeni BREGOLAT, Former Spanish Ambassador in China "China tiene conciencia de gran potencia, y en cincuenta años pueden volver a serlo".

8 November - Vienna - Austrian section

Event in cooperation with the European Club: Dietmar NICKEL, Chairman of the executive board for external political affairs at the European Parliament: "European cocktail: the role of the European Parliament in appointing the new Commission".

10 November - Brussels - Neighbourhood Commission

President: Michael PALMER. Topic: work of the "Stability Pact for South-East Europe" (Erhard BUSEK).

16 November - Barcelona - Spanish section

Lunch-debate with Jaime Caruana, Governor of the Bank of Spain: "El debate sobre el Plan de Estabilidad genera desconfianza en el empresariado".

26 & 27 November - Kronberg - Monetary Commission

President: Rolf Breuer. Topics: "Global imbalances: challenges for the ECB" (Otmar ISSING) - "Is the Stability and Growth Pact Dead?" (Jürgen STARK) - "When will the euro go East?" (Josef TOSOVSKY) - "The Future of European Supervisory Structures: Tasks and Trends" (Adam RIDLEY).

29 November - Vienna - Austrian section

Business lunch in cooperation with IVC: Markus BEYRER, Secretary General of the Federation of Austrian Industry: "Opening balance sheet for the Austrian economy".

6 December - Vienna - Austrian section

Event in cooperation with the European Club: "EU scepticism in Austria: what are the reasons?".

10 December - Brussels - Central Council and General Assembly

15 December - Vienna - Austrian section

General Assembly. Designation of MM. Erich Hampel as President and Martin EICHTINGER as Secretary General.

And not to forget ...

The publication of a new Cahier Boël n°11 "European Economic Governance Revisited", prepared by members of the Monetary Panel and the Economic and Social Commission. And the contributions of the Belgian, Dutch, Spanish and Swiss sections to the new "Forum" opened on ELEC's website.

* _ *