

Annual Report 2009

PESIDENT's MESSAGE

The financial crisis that broke out in 2008 gave a severe blow to the world economy, including the European economy. European integration - by definition very dear to the European League for Economic Cooperation - was seriously tested.

ELEC thus had a double preoccupation in 2009. In how far would the biggest crisis since the depression of the 1930's affect the European Union and its endeavour for more integration? And in how far would the crisis affect ELEC, since the crisis was likely to hit the individual and corporate members of our association?

The doomsday scenarios have not materialized, on the contrary. For the first time in many years, ELEC was able to increase the number of its national sections. In both Romania and Portugal new national sections were founded. Their admission to ELEC was approved by the Central Council of December 2009. Once the official registration is completed, both sections are ready for take off in 2010.

I want to express my gratitude towards Carles Gasòliba, President of the Spanish section, who helped us in making the necessary contacts in Portugal and towards former Secretary General Jean-Claude Koeune who helped us in Romania. And of course I want to thank and congratulate the "founding fathers" of the Romanian and the Portuguese section, Radu Deac and Antonio Martins da Cruz, for their achievement.

At the same time, the financial crisis proved to be an unexpected stimulus for some of our commissions' activities. With the world's economy and finances in turmoil, the Economic and Social Commission and even more the Monetary Commission enjoyed renewed interest. The Monetary Commission convened three times in 2009 (after an already very successful meeting in the beginning of November 2008, when the banking crisis was still at his height).

The Monetary Commission meeting of December 2009 will result in the publication a new Cahier Boël on the possibilities of introducing a common market in government bonds in Europe. At the same time the transfer of the Monetary Conference from the traditional "Kronberg" to ING's headquarters in Amsterdam proved to be very successful. A large number of members and guests were able to enter in a direct discussion with personalities such as Jacques de la Rosière, Jean-Claude Trichet and Nout Wellink on a crisis that was still unfolding before our eyes.

This success has not diverted our attention from the problems ELEC still faces. Fundamental measures are necessary to strengthen and keep up-to-date our activities and our organization. A broad internal reflection on our *modus operandi* was put on rails.

After a constructive discussion it resulted in a challenging strategy paper. The plan found broad support at our last Central Council meeting in Brussels and should in the short term lead to concrete decisions.

One of our priorities is to continue the efforts to broaden and rejuvenate our membership. We successfully experimented in December 2009 by linking a commission event to a Central Council meeting, drawing a larger number of participants to both gatherings. Modernizing ELEC's website into an interactive means of communication and

exchanging information between national sections are also high on the list of challenges for the near future.

While I am writing these words, I hear the tragic news of the death of my predecessor, Fred Chaffart, who was international president of ELEC from 2000 to 2005. Fred was an utmost charming person. We will miss the frank but warm hearted advices that he continued to give us until very recently.

I would also like to pay tribute other personalities that passed away last year, each of whom put their distinctive mark on ELEC: Jean Deflassieux, former president of the French section, Giselbert Schmidburg, former president of the Neighborhood Commission, and Yvonne de Wergifosse, who was Secretary General from 1962 to 1988, under René Boël's chairmanship.

Anton van ROSSUM

THE CENTRAL COUNCIL

In 2009, ELEC Central Council met in Bern on June 5th and in Brussels on December 11th.

The **June enlarged Central Council** was generously hosted by the Swiss section. It heard a speech by Michael Ambühl, Secretary of State of the Swiss Federal Department of Foreign Affairs on "Switzerland's relation with the European Union" in which he underlined that although Switzerland may not be a formal EU member, the large network of bilateral agreements has led to close relations with the EU. A very lively debate developed on subjects as the euro, referendums, Schengen, the European *acquis*.

After the traditional reports by the Secretary General, the national sections and the working commissions, the attention focussed on a discussion on the future of ELEC. President van Rossum presented a draft of a memorandum on what ELEC stands for and how it sees its future. All national sections were asked to send in their remarks so they can be included in a final text. A broad discussion started already at the Bern Central Council on a wide range of questions: what is the exact definition of membership of ELEC? Should national sections exchange lists of individual members? Is the press welcome to ELEC meetings?

The **Brussels Central Council** meeting refined the draft memorandum. Although there were still differences of opinion on *how* to proceed, there was a broad consensus on a wide range of principles: exchange of members' information between sections; concentrating commissions' activities on financial and economic topics; meetings in principle closed to the press; modernization of ELEC's website; priority for recruiting new sections; special initiatives to attract young members. President van Rossum announced that he will not seek a renewal of his mandate and that a successor should be found by the next Central Council in June in Wrocław.

On the eve of the Central Council, a meeting of the Monetary Commission was held on the issue of common European bonds. The two meetings were bridged by an official dinner at the Hôtel of the National Bank of Belgium, attended by a large number of participants of the Monetary Commission and the Central Council. At the dinner Governor Guy Quaden delivered the keynote speech on "Policy reactions to the crisis: need for a timely exit from crisis management measures and for fundamental reforms of the financial sector".

ACTIVITIES of the NATIONAL SECTIONS and MEETINGS of the WORKING COMMISSIONS

30 January - Madrid - Monetary Commission

President: Wim BOONSTRA

Topics: Deposit guarantee systems (Bouke de VRIES, Senior Economist Researcher, Rabobank Nederland) - Supervision and regulation (Pedro Pablo VILLASANTE, Secretary General, Spanish Banking Association) - The current financial crisis and new challenges for EMU (Rafael DOMENECH, Head Economist for Spain and Europe, BBVA).

17 February - Vienna - Austrian section

Lunch-debate in collaboration with IVC: "Turkey's accession negotiations to the EU against the backdrop of the current political situation", Selim YENEL, Turkish Ambassador in Austria.

5 March - Amsterdam - Monetary Commission

President: Wim BOONSTRA

Topic: The role of state aid control in the financial crisis (Nicola PESARESI, Head of Unit State Aid, DG Competition, European Commission).

5 & 6 March - Amsterdam - Monetary Conference

"Credit crisis lessons: a supervisor's and banker's view"

Chairman: Jan HOLMEN, Chairman Supervisory Board ING Group

Topics: The Larosière report: How to organize the supervision of financial institutions and markets in the EU (Jacques de LAROSIERE, President of the Larosière Group) - Main lessons to be drawn from the present financial instability (Jean-Claude TRICHET, President of the European Central Bank) - Challenges for banking supervisors in responding to the financial crisis (Kerstin af JOCHNICK, President of the Banking Supervisors' Committee) - Crisis intervention and policies: effectiveness and the need for coordinated lessons (Nout WELLINK, President of the Dutch Central Bank).

18 March - Brussels - Economic & Social Commission

President: Philippe JURGENSEN

Topic: Innovation, recherche et enseignement supérieur dans la perspective de l'agenda de Lisbonne (François DECOSTER, Conseiller diplomatique, Cabinet of the French Minister for Research - Anne GEAY, Director Innovation, Groupe OSEO - Grégoire POSTEL-VINAY, Responsible for Strategy, French Ministry of Economy - Odile QUINTIN, Director General "Education and Culture", European Commission).

Conclusions: "Higher education, research and innovation in Europe".

2 April - Vienna - Austrian section

Lunch-debate in collaboration with IVC: "The financial crisis - causes, support measures, solutions", Wilfried STADLER, CEO Investkredit Bank AG.

2 April - Paris - French section

Lunch-debate: "Bilan d'une présidence française de l'UE et perspectives actuelles de la régulation financière", Jean-Pierre JOUYET, Former State Secretary in charge of European Affairs.

28 April - Brussels - Belgian section

Lunch-debate: "The future of the financial sector in Europe", Olivier HAMOIR, Director McKinsey.

30 April - Brussels - Neighbourhood Commission

President: Bernard SNOY

Topics: Is the EU doing enough for the countries of the Western Balkans? (Erhard BUSEK, Former Special Coordinator of the Stability Pact for South-Eastern Europe) - Recent developments in Bosnia-Herzegovina (Charalambos KONTONIS, Desk Officer Bosnie-Herzegovine, DG Enlargement, European Commission) - Capacity of absorption of the EU (Dirk VERBEKEN, Senior Economist, Desk Officer Turkey, DG ECFIN, European Commission).

22 & 23 May - Barcelona - Mediterranean Conference

"Union for the Mediterranean (UM): economic dimension"

President: Carles GASÓLIBA.

Topics: Infrastructures: autoroutes maritimes et terrestres dans l'UM (Eduard RODES, Director, Port of Barcelona - Akram EL-HOSSEINI, Director, Catalanian Trade Promotion Center Cairo - Lowell LEWIS, Professor, University of California) - Environnement: projets de nettoyage de la Méditerranée et énergie solaire dans l'UM (Senén FLORENSA, Director General, IEMed - Alexander ZAFIRIOU, Secretary General, Middle-East-Mediterranean Unit, Council of the EU - Miquel RIGOLA, Professor of environmental science, University of Gerona) - Croissance économique: les PME comme source de création d'emploi et garantie de croissance économique durable (Alexandre MUNS, Director International Relations, Logistic Centre Barcelona-Catalonia - Josep GONZALEZ, President, Confédération des PME - Khalid Ben JELLOUN, President SME department, Confédération marocaine des entreprises).

26 May - Vienna - Austrian section

Lunch-debate in collaboration with IVC: "Domestic politics", Andreas UNTERBERGER, Editor in Chief 'Wiener Zeitung'.

5 June - Bern - Enlarged Central Council - General Assembly

18 June - Paris - French section

Lunch-debate: "L'euro et l'Europe face à la crise", Yves-Thibault de SILGUY, President VINCI.

19 June - Paris - French section

General Assembly of the French section.

24 June - Brussels - Belgian section

General Assembly of the Belgian section.

20 July - Vienna - Austrian section

Lunch-debate in collaboration with IVC: "The EU - from Prague to Stockholm", Hans-Dietmar SCHWEISGUT, Austrian Representative to the EU.

15 September - Paris - French section

Breakfast-debate for young members "La crise, et après?", Mathilde LEMOINE, Director Economic Studies, HSBC France & Jean-Marc VITTORI, Editorialist at 'Les Echos'.

21 September - Barcelona - Spanish section

Seminar: "Concesiones publicas en la UE".

29 September - Madrid - Spanish section

Lunch-debate: "La presidencia sueca de la UE", Anders RÖNQUIST, Swedish Ambassador in Spain.

13 October - Paris - Economic & Social Commission

President: Philippe JURGENSEN

Topics: Maîtriser les déficits budgétaires résultant de la crise financière (Benoît COEURÉ, Director - Direction générale du Trésor et de la politique économique, France - Servaas

DEROOSE, Director "Macroeconomy euro area and EU", DG ECFIN European Commission - Jacques DELPHA, Conseil d'analyse économique of the French Prime Minister - Valérie PLAGNOL, Co-Director Strategy - CM-CI Securities, France).
Recommendations "Fiscal stimulus, control of the public debt and recovery from the crisis".

15 October - Brussels - Neighbourhood Commission

President: Bernard SNOY

Topics: Rôle de l'UE dans la prévention et la résolution des conflits dans son voisinage oriental (Pierre MOREL, Special Representative of the EU for Central Asia and the conflicts in Georgia - Amanda AKÇAKOCA, Policy Analyst & Programme Executive, European Policy Center).

21 October - Barcelona - Spanish section

Lunch-debate: "Ser competitivos para salir de la crisis, la renovación de la Agenda de Lisboa".

26 October - Brussels - Belgian section

Lunch-debate: "European competition policy and the banking crisis", Thomas DEISENHOFER, Head of Unit DG Competition, European Commission.

12 November - Barcelona - Spanish section

Seminar: "Las relaciones exteriores de la UE. America latina i el Mediterraneo".

16 November - Paris - French section

Lunch-debate: "L'Europe face à la crise financière et économique: sortie de crise, nouvelle régulation?", Pervenche BERES, MEP.

24 November - Vienna - Austrian section

Lunch-debate in collaboration with IVC: "Japan and Europe", Akio TANAKA, Japan Ambassador in Austria.

30 November - Barcelona - Spanish section

Lunch-debate: "Política exterior y de seguridad comun de la UE", Angel BOIXAREY, Director General, European Council.

10 December - Brussels - Monetary Commission

Chairman of the meeting: Jean-Jacques REY

Topic: The creation of a common European bond market (Werner BECKER, Former Senior Economist Deutsche Bank Research - John BERRIGAN, Head of Unit Financial Sector Analysis, DG ECFIN European Commission - Wim BOOSNTRA, Chief Economist Rabobank Utrecht - Jacques DELPLA, Conseil d'analyse économique of the French Prime Minister).

11 December - Brussels - Central Council - General Assembly.

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