PEOPLE'S NEWS

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CETA to be signed at EU-Canada summit in October

The European Union and Canada are planning to sign the Comprehensive Economic and Trade Agreement at their forthcoming bilateral summit meeting in October, Jean-Luc Demarty, director-general of trade in the EU Commission, told the EU Parliament's International Trade Committee on 14 March.

To meet this goal the Commission has to complete the translation of the agreement into all EU languages by June and to secure an authorisation for signature from the twenty-eight member-states by October.

Demarty expressed confidence that the Commission would conclude all its internal procedures, including translation, by June.

The Commission's request for an authorisation for signature has to include a proposal on the "mixity" of the agreement—a very sensitive issue for the member-states, including Britain, which is going to hold a referendum on 23 June on the future of its EU membership.

According to sources, the Commission does not want to come up with its decision on the mixity of CETA before the referendum, out of fear that the supporters of British withdrawal from the EU could easily misuse it. If it is a mixed agreement, member-states' parliaments will have a say in its ratification; but this suggests that the secretive Commission does not intend to bestow even this modicum of democracy upon us.

Since the coming into force of the Lisbon Treaty in 2009, member-states and the Commission have been at odds about the division of competence concerning international trade issues, namely foreign direct investment, portfolio investment, and investment protection. The treaty stipulates that it is the EU that has exclusive competence on foreign direct investment, but other types of investments are not mentioned.

The Commission considered that the EU-South Korea free trade agreement, concluded shortly before the coming into force of the Lisbon Treaty in 2009, was an EU-only deal; but the member-states disagreed and declared the deal with South Korea a mixed agreement, requiring ratification by all the EU member-states. The whole approval procedure was concluded in the second half of 2015, and the agreement became effective on 13 December 2015.

Disputes between the EU Commission and the Council over the division of competence have already affected and delayed some trade dossiers, including the conclusion of the bilateral negotiations on CETA.

The Council threatened several times to reject the deal should the EU Commission present it as an EU-only agreement. Following the disagreements, the Commission did not initial the agreement with Canada, as expected, after concluding the talks in September 2014.

To put an end to the continuing power struggle with the member-states, in March 2015 the Commission asked the EU Court of Justice to deliver an opinion on the mixity of the EU-Singapore trade and investment agreement.

Some sources suggest that, as the ECJ's ruling on this agreement has not yet been delivered, the Commission might want to stick to its guns and claim that CETA should be treated as an EU-only deal, an option that would exclude the national parliaments from the ratification process.

A decision to this end is likely to spark criticism in member-states, which accuse the Commission of overstepping its competence and of power-grabbing.

Therefore, according to sources, the Commission prefers to delay the publication of its request for authorisation for the signing of CETA until after the British referendum.

The signing ceremony in October will pave the way for the opening of the ratification process by the Council and the EU Parliament, and possibly also by the twenty-eight national parliaments, if the agreement is not regarded as an EU-only deal.

Enda Kenny loves TTIP!

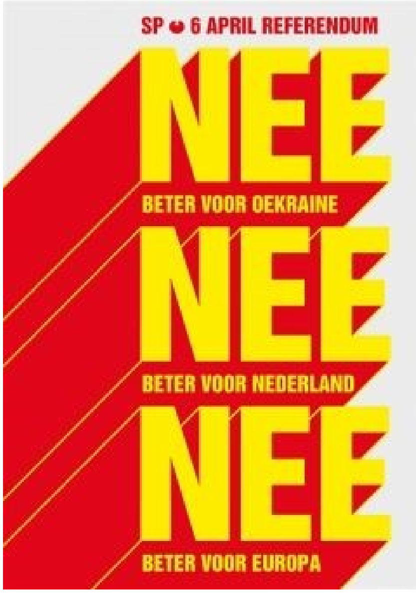
"We're big supporters of TTIP."

The other EU referendum

Britain is not the only member-state in which citizens will have an opportunity to make a decision that could have a significant effect on the future of the European Union. Wednesday 6 April has been designated as the date for a referendum in the Netherlands.

Dutch citizens will be asked: "Are you in favour of or against the law that approves the Association Agreement between the European Union and Ukraine?"

The Ukraine-European Union Association Agreement is a treaty between the EU, Euratom, their twenty-eight member-states, and Ukraine. The parties are committed to co-operating and converging economic policy, legislation and regulation in a broad range of areas, steps towards the visa-free movement of people, the "modernisation" of Ukraine's energy infrastructure, and access to the European Investment Bank.



The agreement furthermore establishes a "deep and comprehensive" free trade area between the parties. Ukraine is committed to gradually conforming to EU technical and consumer standards.

The EU agreed to provide Ukraine with political and financial support, access to research and knowledge, and preferential access to EU markets. The agreement commits both parties to promoting a gradual convergence towards the EU's common security and defence policy and European Defence Agency policies.

The political provisions of the treaty were signed on 21 March 2014 after a series of events that had stalled its ratification, culminating in the ousting of the then president of Ukraine, Viktor Yanukovych. This ousting was sparked by Yanukovych's refusal to sign the agreement.

After this event, matters relating to trade integration were temporarily set aside until the EU and the new Ukrainian president, Petro Poroshenko, signed the economic part of the Ukraine-European Union Association Agreement on 27 June 2014, describing this as

Ukraine's "first but most decisive step" towards membership of the EU.

Up to January 2016 the agreement has been applied provisionally. The provisions will formally come into force upon ratification of the agreement by all signatories.

Those advocating a No vote argue that it would be better for the people of Ukraine, better for the people of the Netherlands, and better for everyone in Europe who wants to see co-operation contributing once more to peace, security and progress for all. Those who want to bring Ukraine totally within the EU sphere of influence act as if Ukraine lies in the Atlantic Ocean, and not between Russia and the EU.

If the Netherlands says No on 6 April there's a good chance that the badly needed negotiations between Ukraine, the European Union and Russia will be renewed. The madness of the present situation is best illustrated by Ukraine's energy problems. In January, Poroshenko congratulated the country on surviving its first winter without buying Russian gas: instead it had bought European gas, which, Poroshenko proudly pointed out, was 30 per cent dearer!

In little over a year, living standards in Ukraine have fallen by half, the value of the currency has slumped by more than two-thirds, and inflation has rocketed to 43 per cent. Yet, even as the economy has collapsed, the government has insisted on economic policies that can only be termed suicidal.

By tearing up contracts with Russia in 2014, Ukraine's arms and aviation industries lost four-fifths of their income. By severing banking links with Russia, Ukraine denied itself investment and a vital economic lifeline: the remittances sent back home by its migrant workers. Up to 7 million Ukrainians have sought work in Russia, sending back $9 billion in 2014—three times the total foreign direct investment Ukraine got last year.

The destruction of Ukraine's industrial base, which is heavily concentrated in the east, shifts the balance of economic and political power to the western regions, permanently marginalising opposing political voices. The advantages are clear: fostering a sense of perpetual crisis allows the present government to argue that it must remain in power to see its policies through. The only uncertainty is whether such a strategy can bear fruit before the country's economy collapses.

Meanwhile, EU rules restrict Ukraine's exports to Europe, which fell by 23 per cent in 2015, despite the preferential tariff regime that existed for most of last year. For example, only 72 Ukrainian companies are allowed to export food of animal origin to the EU; 39 of the licences are for honey. While that may sound like a lot of honey, Ukraine exported its yearly quota in the first six weeks of 2016. A similar story holds for other commodities.

Such policies have led to a steady erosion of the government's popularity, with 70 per cent of Ukrainians saying the country is on the wrong track and 85 per cent saying they do not trust the prime minister. Poroshenko's popularity is now lower than that of his predecessor, Viktor Yanukovich, on the eve of the rebellion that ousted him.

It is well recognised that the referendum is about more than an EU-Ukraine agreement. Pieter Cleppe, head of the Brussels office of Open Europe, wrote in September 2015 that the referendum is not really about Ukraine but rather that it "should first and foremost be seen as a proxy for many Dutch citizens' desire for a broader debate about the EU and the direction it is heading in."

In an interview with *NRC Handelsblad* the president of the EU Commission, Jean-Claude Juncker, urged Dutch citizens not to "change the referendum into a vote about Europe." Dutch voters should not vote No "for reasons that have nothing to do with the treaty itself."

Opinion polls have repeatedly shown that a majority of Dutch people are against the EU-Ukraine Agreement and intend to vote No on 6

April. As the referendum is only consultative, a No vote will have political implications rather than legal consequences. But it will be significant nevertheless.

EU military spending is a crucial factor in the European debt crisis

At a time of harsh cuts in social services, it is morally unjustifiable to spend money on weapons that should be invested in creating jobs and tackling poverty. High levels of EU military spending have played a crucial role in the EU debt crisis, continuing to undermine efforts to resolve that crisis. Military budgets throughout Europe have been largely protected, at a time of severe social cuts.

The EU's military expenditure came to a staggering €194 billion in 2010, equivalent to the combined annual deficits of Greece, Italy, and Spain. The latest data published by the Stockholm International Peace Institute suggests that there is little change in these trends. The report reveals that high levels of military spending in countries at the centre of the euro crisis, such as Greece, Cyprus, and Spain, played a significant role in their debt crisis. Much of the military spending was tied to arms sales by creditor-countries, such as Germany and France.

In Portugal and Greece several major arms deals are being investigated for serious irregularities. Yet creditor-countries continue to hawk new arms deals to debtor-countries, while demanding ever more stringent cuts in social services.

A major step towards resolving the debt crisis would require cancelling the debt tied to corrupt arms deals and redirecting military spending towards social needs. Research shows that spending on education and public transport creates twice as many jobs as investments in defence.

Global military spending was still at a record $1.73 trillion in 2011, and there was even a slight increase, to $1.77 trillion, in 2014, despite the global economic crisis. In the EU, most countries still spend more than they did ten years ago. One must conclude that the only austerity the EU really needs is one imposed on the military and the arms industry.

Irish defence spending is one of the lowest in the EU, at 0.9 per cent in 2005, dropping to 0.6 per cent in 2008 and to 0.56 per cent in 2012. However, 2016 saw an increase in expenditure to €904 million. This is a significant increase over the €677 million allocated in 2014 and the €676 million in 2015.

It is time for Brussels and EU member-states to publicly acknowledge the "elephant in the room" in relation to the EU debt crisis, and that is the major role of military spending. At a time of harsh cuts in social services it is morally unjustifiable to spend money on weapons that should be invested in creating jobs and tackling poverty.

The ESRI—not a reliable guide!

In recent months the state-sponsored Economic and Social Research Institute has produced a lurid report on what might happen if Britain left the EU and Ireland stayed in, with Britain facing significant EU tariffs, customs posts again on the border, alleged danger to the IRA-unionist peace process, etc.

This report, from which other documents have drawn heavily, has presented the very worst case of what might happen, with high tariffs between Britain and a 26-state EU, so much so that even some Irish Europhiles have criticised it as exaggeration.

The ESRI has not got a good record in regard to EU matters. It is substantially dependent on the government for its own funding, and on major policy issues its policy documents normally reflect government policy.

The same ESRI championed the adoption of the EU's currency, the euro, which has been a particular disaster for Ireland. The ESRI had argued in favour of joining the euro zone when it was established in 1998–99, the principal benefit of which was stated to be indefinitely low interest rates!

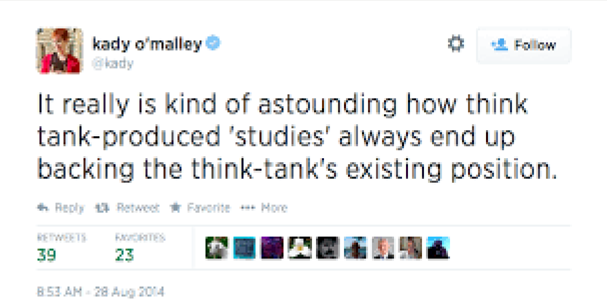
The most prosperous period in modern Irish economic history was the period of the so-called "Celtic Tiger" economy, between 1993 and 1999, when, for the only time in its history, Ireland followed an independent exchange rate policy, in effect floating its currency, which greatly added to its competitiveness, and had annual economic growth rates of some 8 per cent.

At the time Ireland needed higher interest rates to restrain its boom. But euro-zone interest rates in the early 2000s, which were now decided by the EU Central Bank, were set low to suit Germany and France. This made the Irish boom "boomier," as Bertie Ahern put it.

Unsuitably low interest rates inflated the property bubble that followed, as happened also in Spain. Before adopting the euro Ireland's bank borrowings in foreign currency had traditionally been low. They then shot up—from the equivalent of 10 per cent of GDP in 2003 to 60 per cent in 2008

The same ESRI that issues such dire warning against a British withdrawal from the EU saw no dangers in Ireland adopting the currency of an area with which it does only a third of its trade: 37 per cent of exports, 28 per cent of imports.

Even if Ireland remains in the EU when Britain leaves, it is completely open to both governments to maintain the common travel area, something that long antedates the establishment of the EU and is in no way dependent on it.



Scaremongering about passport controls being established along the border or for people travelling between the two countries is just that: scaremongering.

The Anglo-Irish common travel area is a matter for the two governments and is not the EU's business. Free movement between the two states has existed since 1923 and will not be affected when Britain leaves the EU to join the world.

Free trade between Ireland and Britain will continue. Britain imports more from the EU than it exports to it; this makes it the EU's biggest customer, larger than China and the United States. No business, let alone the EU, would want to cut off ties with such a valuable customer.

The Northern peace process has nothing to do with the EU and is a matter solely for the British and Irish governments and the leaders of the unionist and nationalist communities. In so far as the EU gives money towards various north-south schemes that are notionally linked to the peace process, this is mostly British money, which British taxpayers have already paid to Brussels, that is being recycled. The British government should have more money available for such purposes outside the EU than inside it, for it would no longer be the major net contributor to the EU budget, as it is at present.

There is no reason, therefore, why Northern Ireland should suffer from any diminution in funding as a result of changes to the single farm payment, the rural development fund, structural funds, or peace funds. Outside the EU the British exchequer should have more money, not less, to finance the objectives of these schemes.

In so far as Northern farmers get funds from Brussels under the common agricultural policy, to which Britain is a major net contributor, there should in principle be more such funds available outside the EU than inside. The same goes for various regional and community funds that at present come to Northern Ireland from the EU.

Criminal justice experts say EU arrest warrant compromises fundamental human rights

Experts in criminal justice from throughout the EU have united in expressing their concerns about the protection of human rights in the fast-track extradition system of the European arrest warrant, as well as about the poor and inhumane prison conditions in EU member-states.

The EU-wide Legal Expert Network expressed "grave concerns" regarding the recent EU advocate-general's opinion, which, if adopted, would place the EU legal order out of line with the "overwhelming global consensus" that people should not be extradited to countries where there is a real risk of torture or of inhuman or degrading treatment.

The opinion suggests that if issues of detention conditions are raised in the state requesting extradition, the holding judicial authority cannot ask for more information to assess whether there is a risk of the person being detained in "inhumane" conditions. However, it does not specify that the judicial authority can refuse the European arrest warrant even if it confirms that there will be a risk of inhuman or degrading treatment. The opinion invites the court to find that article 1 (3) of the European Arrest Warrant Framework Decision does not provide implicit grounds for refusing the warrant—in fact it goes on to state that if that had indeed been the intention it would have been made clear.

Therefore, if the court were to follow the opinion it would mean that the human rights grounds for refusing European arrest warrants applied in national implementing laws are incompatible with the European Arrest Warrant Framework Decision.

The letter, co-ordinated by the Brussels office of Fair Trials Europe, explains that, should the ECJ adopt the opinion, it would be deeply significant for the protection of fundamental human rights in EU extradition cases but would also have implications for the public perception of the EU's area of justice. Put simply, it would result in the EU legal order "being responsible for removing EU citizens' fundamental human rights in the name of increased police and judicial co-operation."

It stressed that mutual recognition should not operate to undermine human rights, and that measures such as the Arrest Warrant Framework Decision must be subject to proper protection for fundamental rights, in line with the recommendations of the EU Parliament.

The experts urged the EU to commit itself to effective EU-wide legislation to tackle the unjustified use of pre-trial detention.

Statement from the Campaign against Euro-Federalism on the occasion of the centenary of the 1916 Rising

John Boyd, Secretary, Campaign against Euro-federalism (Britain)

This Easter the 100-year celebration of the 1916 Dublin revolt against the British Empire takes place. The Irish cocked a snook at the imperialists: "We serve neither King nor Kaiser but Ireland," and set the example for other resistance and revolutions, failed and successful during and after WW1. James Connolly worked with all classes in this revolt, and his principles are the basis of CAEF (Campaign against Euro-Federalism).

Those who want socialism should heed his advice that you cannot have socialism without national independence and democracy. This referendum is about retrieving independence and the right to develop democracy further in Britain to stop the broadside attack via TTIP and ISDS on democracy and the powers of government in Westminster.

CAEF salutes and thanks the Irish for their examples and their current struggle in the euro zone and against austerity. As an act of solidarity we in Britain must all work extremely hard for a massive vote to leave the EU, the prison house of nation-states.

"Defence" spending to the fore in the EU

The report "NeoConOpticon: The EU Security-Industrial Complex" contains new research showing how the European security research programme continues to be shaped by prominent transnational defence and security corporations and other vested interests.

Though technically a research and development programme, the European security research programme is heavily focused on the application of security technologies (rather than objective research), and is increasingly aligned with EU policy in the fields of justice and home affairs (the "third pillar") and security and external defence (the "second pillar").

Aligned with the EU's policy objectives, the corporate-led research under the ESRP favours the public procurement of new security technologies and EU security policies that mandate their implementation. This largely hidden influence is now exerting a tremendous influence on the EU policy agenda in an expanding cycle of largely unaccountable and highly technocratic decision-making.

■ Read the report: *NeoConOpticon: The EU Security-Industrial Complex*.

Lobbyists' delight: Draft EU Parliament report calls for full-blown EU military research budget

Jean-Pierre Audy, a French Christian Democrat member of the EU Parliament and of the conservative PPE block, has drafted a report on the "*mid-term review of the 7th Framework Programme for Research*" for the EU Parliament's Committee on Industry, Research and Energy.

The draft report proposes (paragraph 14) *"that an ambitious European research plan for technology and defence be adopted between the Union and the Member States and receive significant initial financing from FP7 and the European Defence Agency on the basis of Article 45 (d) of the EU Treaty, with a view to enhancing the industrial and technological base of the defence sector while at the same time improving the efficiency of military public spending."*

The report also suggests that the participation of industry does not appear to be any greater than in previous framework programmes, particular under the "co-operation" chapter (paragraph 15).

This is patently not the case with the EU's Security Research Programme, which so far has been dominated by large transnational corporations in the defence industry. (See the report commissioned by the EU Parliament's Citizens' Rights and Constitutional Affairs policy department, published last October.)

The new draft committee report reveals a worrying potential shift in the position of the EU Parliament, which has traditionally opposed the outright militarisation of the EU.

The report also goes much further than what the EU Commission apparently envisages for the next EU Framework Research Programme, namely limited co-operation between the European Defence Agency and the ESRP, which is already taking place in FP7, for example in respect of drones.

In contrast, the draft Audy report is much more closely aligned with the repeated demands of lobbyists for the European defence industry.

The EU Parliament's Committee on Industry, Research and Energy is expected to adopt the report at "first reading" on 12 April 2011 (see EP procedure file).

The Commission is determined that member-states' military spending will increase!

From 2006 to 2013 EU member-states' spending on military R&T dropped by 28 per cent. As a consequence, defence companies are surviving on the benefits of past R&T investments and are dependent on replacing falling domestic demand with exports. The Commission is determined to do all it can to reverse this trend.

The proposal for the preparatory action is an essential part of its strategy for achieving this. Concentrating additional funds on priorities can have a significant leverage effect. It should be a catalyst for national R&T efforts. If it succeeds it can pave the way for a long-term EU defence-related programme.

The member-states, including Ireland, have agreed that 20 per cent of defence R&T expenditure should be devoted to collaborative research. This is a boon for dual-use production by transnational firms, particularly in the electronics hardware industry in Ireland.

"This work on research in defence is part of a broader policy goal to strengthen European defence co-operation. To that effect, the Commission will present an Action Plan on defence this year." We'll be watching out for it!

■ *The case for an EU-funded defence R&T programme*.

IBEC: A tool of the Commission?

Since 2010 the Irish Business and Employers' Confederation has received more than €10½ million from the EU—and this excludes 2012, for which no records are available. The information is available from the web site of the EU's financial transparency system.

No wonder they were so enthusiastic about the Lisbon Treaty! But what are they doing with all this money? Answers on the back of a postage stamp …