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MORE OR LESS EUROPE?

CEPS IDEAS LAB

26 - 27 February 2015 / The Egg, Brussels

Rue Bara/Barastraat 175

Programme & Agenda



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Prime Talks

19 - 20

Productivity and competitiveness: Is digital Europe the answer?

Towards innovative market leadership: China's 13th five year plan *

Has the EU fostered inequality?

EU-China view on 2015 commitments *

Rule of law in the EU

The future of EU-Russia relations

In the margins

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Breakfast Session - Green, Pink and Grey? - The future of labour in Europe (Launch of a new NeuJobs book)

Annual Journal of Common Market Studies Lecture: EU – China Relations

Sponsors and Supporters

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* EU-China Reform Agendas



11:30 - 13:10	Registration, Light Lunch and Networking
13:10 - 13:15	Welcome and Introduction: Edmond Alphandéry, Chairman of the CEPS Board of Directors
13:15 - 13:30	Welcome Address from Laimdota Straujuma, Prime Minister of Latvia
13:30 - 14:30	Opening Plenary: The Future of European Defence Federica Mogherini, EU High Representative for Foreign Policy and Security Policy

Session 1 14:30 - 15:45

Research Area	Session Title	Session Speakers
Digital Economy	Big data, big hope, big fear?	Sophie Mestchersky Michal Boni Markus Löning
Regulation & Innovation	Disruptive service innovation: What's coming next?	Patrick Robinson Brigitte Grouwels
TTIP & Global Trade	TPP and TTIP: Where is China in the picture?	Jeffrey J. Schott Cao Yuanzheng
Economy	Monetary policy in times of depression: Is the ECB the fiscal agent for the euro area?	Hans-Werner Sinn Fabrizio Saccomanni Jakob von Weizsäcker
Jobs & Skills	Will this Commission succeed in implementing European unemployment insurance?	Renaud Lassus Mark Roscam Abbing
Finance	Have we solved the too-big-to-fail problem?	Erkki Liikanen Gunnar Hökmark
Energy	Is there still a market with 50% renewables in the electricity sector?	Patrick Graichen (tbc)
Climate Change	Global climate change policy: Why EU leadership?	Tosi Mpanu-Mpanu Marcin Korolec
Rights & Security	The future of Frontex: Challenges towards a European borders service?	Ska Keller Nils Muižnieks Representative of Frontex (tba)
Institutions	A more political European Commission?	Margaritis Schinas Sylvie Goulard
Europe in the world	The future of the Eastern Partnership	Juris Poikāns Nicu Popescu Elena Korosteleva

15:45 - 16:15 Chill-Out

Session 2 16:15 - 17:30

Research Area	Session Title	Session Speakers
Digital Economy	Regulation in the new digital ecosystem	William H. Melody Eli Noam
Regulation & Innovation	Better science for better EU regulation	The RT Hon Sir Dick Taverne QC Paul Whaley
TTIP & Global Trade	An analytical (non-emotional) approach to ISDS	Judith Kirton-Darling Jacques Bourgeois
Economy	Is investment the silver bullet for growth?	Poul Thomsen Debora Revoltella
Jobs & Skills	Is higher education in trouble globally and is Europe falling behind?	Xavier Prats Monné Werner Eichhorst Johannes Heinlein Juraj Draxler
Finance	Which Union for Europe's capital markets	Fabrice Demarigny Sirpa Pietikäinen
Energy	Does Europe need a gas purchasing agency?	Sami Andoura Suman Bery (tbc)
Climate Change	Competitiveness and climate change	Carolyn Fischer Vincent Magès Bas Eickhout
Rights & Security	Data protection and privacy in times of large-scale surveillance	Mark Lange Mona Rishmawi Jens Jeppesen
Institutions	What kind of treaty reform does the EU need?	Danuta Hübner Kristalina Georgieva (tbc) Amy Verdun
Europe in the world	The EU and crisis management in the Maghreb	Emma Bonino Noman Benotman Bernard Savage

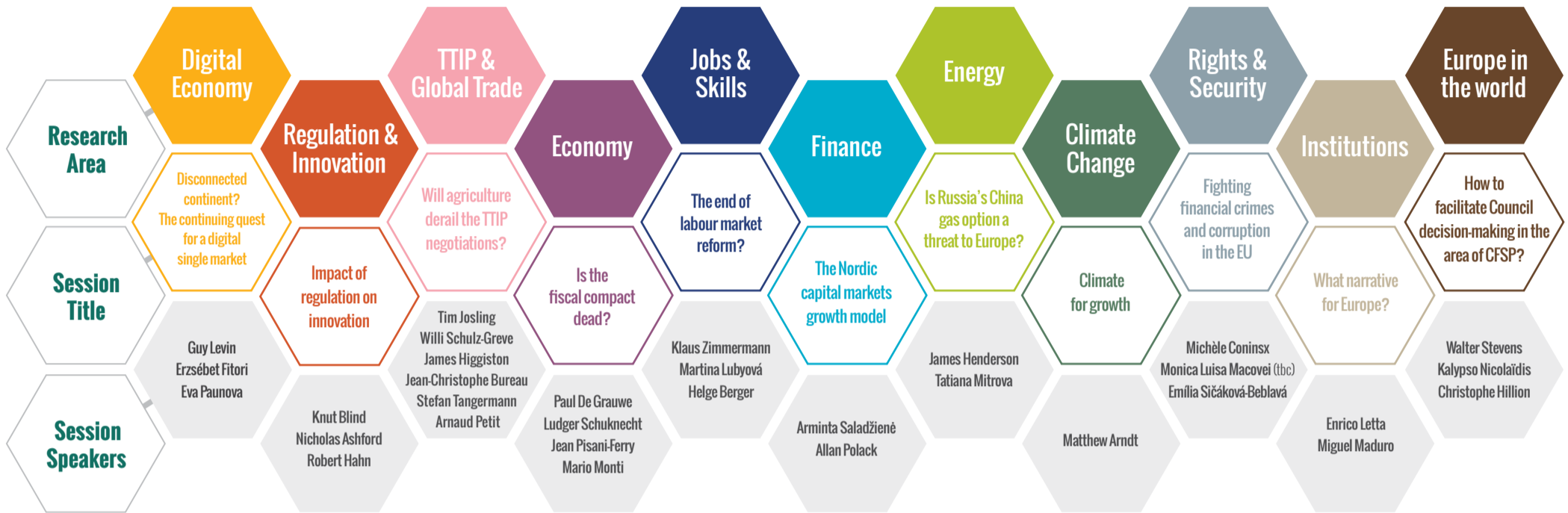
17:30 - 17:40	Closing Words
17:45 - 19:00	Cheese and wine



08:00 - 08:45 Breakfast Session: Green, Pink and Grey? - The future of labour in Europe (Launch of a new NeuJobs book) Marco Annuziata, Chief Economist, General Electrics / László Andor, Former EU Commissioner for Employment, Social Affairs and Inclusion

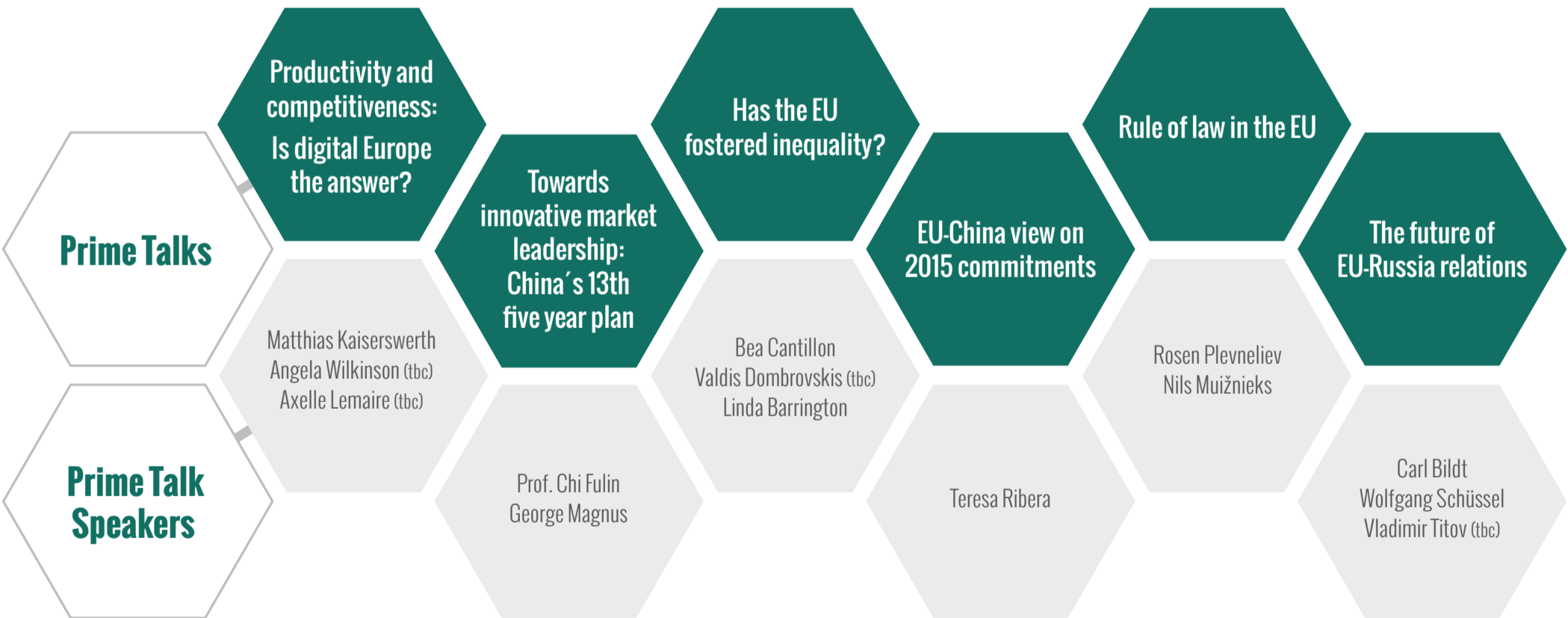
08:30 - 09:00 Registration & Review of Day 1

Session 3 09:00 - 10:15



10:15 - 10:40 Chill-Out

Prime Talks 10:40 - 12:10



12:10 - 13:00 Closing plenary: New Ideas for the New Commission
Maroš Šefčovič, Vice-President in charge of the Energy Union

Food Lab

14:00 - 16:00 Annual Journal of Common Market Studies Lecture: EU – China Relations: Prof. Chen Zhimin, Dean, School of International Relations and Public Affairs, Fudan University



A stroll through the CEPS Ideas Lab

Venue

The Egg, Rue Bara/Barastraat 175, 1070 Brussels

www.eggbrussels.eu

Tel: 0032 2 560 21 60 / 0032 2 229 3911

Two plenary sessions

The CEPS Ideas Lab 2015 will kick off in the afternoon of February 26th with an Opening Plenary, presented by Federica Mogherini, EU High Representative for Foreign Policy and Security Policy.

The CEPS Ideas Lab will be concluded on the second day, February 27th, by the 2nd Plenary Session in which “New Ideas for the New Commission” will be discussed.

Eleven parallel labs

In between these two plenary sessions, eleven parallel labs will be organised along key dimensions of European integration:

Digital Economy, Regulation & Innovation, TTIP & Global Trade, Economy, Jobs & Skills, Finance, Energy, Climate Change, Rights & Security, Institutions, Europe in the World.

Each lab meets three times for 75-minute discussions over the two days - twice on the first day and once on the second. There will be 33 sessions in total. An experienced moderator will chair the discussion rounds, and a rapporteur will be present during each lab to capture key ideas and perspectives emerging from the debate.

Each session will be attended by a maximum of 35 people, with a balanced mix of opinion leaders, policy-makers and experts from the private sector. All participants are encouraged to actively participate in the debates.



Prime Talks

After the third round of discussions in the labs, the number of parallel sessions will be reduced from eleven to six to encourage synergies to emerge across issues. In each session, rapporteurs from the lab rounds will challenge a senior figure by putting on the table the policy proposal that emerged from their discussion.

Special sessions

CEPS and China Institute for Reform and Development (CIRD) jointly launched a Policy Initiative on “EU-China Reform Agendas” within the framework of the Economic Policy Forum - Emerging Economies Think Tank Alliance for High Quality Growth (EPF). The cooperation will be kicked off with one lab session and two Prime Talks as special sessions on selected hot issues of high relevance to both, the EU and China.

Chill-Outs

These two half-hour breaks are intended to give participants the opportunity to stroll through various presentations of different think tanks and organisations that support the CEPS Ideas Lab.



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Plenary Sessions

Opening Plenary: The Future of European Defence

***Federica Mogherini**, EU High Representative for Foreign Policy and Security Policy*

Closing plenary: New Ideas for the New Commission

***Maroš Šefčovič**, Vice-President in charge of the Energy Union*

Digital Economy

CEPS Anchor: Colin Blackman

► Big data, big hope, big fear?

Discussion Leaders

Sophie Mestchersky, *App Developers Alliance* / **Michał Boni**, *MEP*

Markus Löning, *Director, Privacy Project*

The astounding amount of data presently being generated reflects our ability to measure activity and to capture and analyse data like never before. This phenomenon promises social and economic benefits with new applications and services in all sectors from health and energy to transport and others through more efficient use of resources, improved productivity and services. Big data is expected to create hundreds of thousands of jobs and to add billions of euros to the EU economy. The digital footprint we leave behind, however, raises questions for cybersecurity, privacy and data protection. How can we enable innovation while building trust and empowering consumers and citizens?

Moderator: **John Midgley**, *Intuit*

► Regulation in the new digital ecosystem

Discussion Leaders

William H. Melody, *University of Aalborg Copenhagen*

Eli Noam, *Director, Columbia Institute for Tele-Information, Columbia University*

Electronic communications lie at the heart of Europe's economy and society, but investment in new generation networks is lagging behind other regions. At the same time, the digital landscape is evolving with the emergence of new platforms, over-the-top (OTT) players and intermediaries, cloud computing, and the prospect of the Internet of Things, to mention just a few. The aim of this session is to explore how regulation should be adapted in the face of the evolving digital ecosystem to ensure that Europe reaps the benefits of the digital economy.

► Disconnected continent? The continuing quest for a digital single market

Discussion Leaders

Guy Levin, *Executive Director, Coalition for a Digital Economy (COADEC)*

Erzsébet Fitori, *Director, European Competitive Telecommunications Association (ECTA)*

Eva Paunova, *Member of the European Parliament*

Despite projections that the Digital single market could bring an additional 4.1% to the EU's GDP by 2020, it is proving extremely difficult to create. With the digital economy now at the heart of the EU economy, an integrated and competitive single market should be the key driver to promote European productivity and growth. A digital single market would address the fragmented telecoms market as well as e-commerce, harmonisation of the radio spectrum, as well as the myriad differences in regulation and business practices across the EU. With the new European Commission putting the completion of the digital single market at the top of its agenda, what are the main challenges and practical solutions?



Regulation and Innovation

CEPS Anchors: Lorna Schrefler / Jacques Pelkmans / Andrea Renda

► Disruptive service innovation: What's coming next?

Discussion Leaders

Patrick Robinson, Head of Public Policy Europe & Canada, airBnB / **Brigitte Grouwels**, Minister of the Government of the Brussels-Capital Region responsible for Transport, Regional and Communal IT

Disruptive innovation is spreading well beyond the digital world and is now affecting various services that had remained relatively untouched until a few years ago. Think of travel arrangements and online booking sites, taxi rides, Uber, or AirBnB, which allows travellers to completely bypass traditional services. On the other hand, some argue that disruptive innovation is not a business model and that a lot of the disruption simply stems from the fact that the 'innovators' are regulated less than or differently from their competitors. This also poses challenges for the EU Internal Market, depending on the sector where the innovation occurs. Some sectors are under tight national control, with the result that disruptive new services flourish in some member states, but not in others. Is this the type of innovation that Europe should strive for? What is the right balance between regulation and innovation? Does the Internal Market provide a real opportunity for disruptive service innovations to flourish and if so, under what conditions?

► Better science for better EU regulation

Discussion Leaders

The Rt Hon Sir Dick Taverne QC, Member of the House of Lords

Paul Whaley, Researcher on Systematic review methods for chemical Risk Assessment

Science, technology and innovation are essential to address the challenges posed by an ageing population, climate change and food security, and in order to maintain and improve well-being in Europe and beyond. Science underpins many EU rules, particularly when it comes to regulating risks, yet, science and its potential impact on policy decisions are, at times, viewed with suspicion, with some arguing that science has gone too far. In this context, there seems to be a lack of clear rules on how to channel scientific findings in EU policy-making, which leads to polarised debates or a perceived lack of transparency in decision-making. What is the role of science EU decision-making? How can divergent views and positions on science and technology be reconciled? How can we make better use of science to improve the quality of EU rules?

► Impact of regulation on innovation

Discussion Leaders

Knut Blind, Technische Universität Berlin / **Nicholas Ashford**, Technology and Law Program, Massachusetts Institute of Technology / **Robert Hahn**, Oxford Smith School

Does regulation stifle or promote innovation? Can EU regulation be made more innovation-friendly? This session explores the ambiguous, multifaceted and ever-changing relationship between regulation, regulatory governance and innovation at the global and EU level. Participants will discuss the tools available to policymakers to create a better innovation ecosystem. These include actions to foster entrepreneurship, reduce administrative burdens, stimulate investment, improve education and skills, create better conditions for access to credit, protect intellectual property (where appropriate), and establish a level playing field through forward-looking competition policy. Areas such as intellectual property law, competition law, public procurement, sectoral regulation, education policy, regulatory reform and better regulation, among others, will be discussed in this session.

TTIP & Global Trade

Supported by the Friedrich Ebert Foundation

CEPS Anchor: Jacques Pelkmans

▶ TPP and TTIP: Where is China in the picture? EU-China Reform Agendas

Discussion Leaders

Jeffrey J. Schott, *Senior Fellow, Peterson Institute* / **Cao Yuanzheng**, *Chief Economist, Bank of China*

Although TPP and TTIP are not fully comparable, the critical component in both is the emphasis on regulatory cooperation with a view to facilitate market access. This may refer to TBTs, SPS and other regulatory barriers in goods and services markets and possibly in other domains. In order to render these approaches effective at world level, it would seem imperative to involve China sooner rather than later. There is a serious risk that TPP might be regarded as 'isolating China', whether intended or not. TTIP is not directly related to China, but it is quite possible that the interconnections between these large-scale negotiations (e.g. the US presence in both; Canada now having agreed a deep FTA with the EU, much alike TTIP) as well as the links between the EU and Japan (negotiating a comprehensive FTA as well) and between the EU and Malaysia and with Mexico – all partners in TPP – create far-reaching similarities between TTIP and TPP.

Moderator: Jacques Pelkmans, *Senior Research Fellow, CEPS*

▶ An analytical (non-emotional) approach to ISDS

Discussion Leaders

Judith Kirton-Darling, *MEP and Member of the INTA Committee*

Jacques Bourgeois, *Professor, College of Europe and Counsel, WilmerHale*

This session will identify the pros and cons of a possible inclusion of investor-to-state dispute settlement (ISDS) in the TTIP negotiations, and transcend the often emotional rather than analytical debates or positioning in 'Brussels' and in some parts of public opinion. Could textual and legal clauses be included that would render a negative effect on national regulatory autonomy? In fact, this issue applies equally to CETA and TTIP, and hence can be discussed together. Would the exclusion of ISDS significantly reduce investment protection in the North Atlantic?

Moderator: Uwe Optenhögel, *Director, FES*

▶ Will agriculture derail the TTIP negotiations?

Discussion Leaders

Tim Josling, *Stanford University* / **Willi Schulz-Greve**, *DG Agriculture and Rural Development,*

European Commission / **James Higgiston**, *United States Mission to the EU* / **Jean-Christophe**

Bureau, *Paris Institute of Technology* / **Stefan Tangermann**, *Organisation for Economic Co-operation and Development (OECD)* / **Arnaud Petit**, *Copa-Cogeca*

Agriculture is likely to play a crucial role in the TTIP negotiations between the US and the EU. In the last 20 years, there have been significant disagreements between the US and the EU over food regulation, and in particular food safety standards. In some areas, there has been convergence of standards, whereas in others, differences appear unbridgeable. An agreement is, therefore, likely to have major implications for the EU food market due to its impact on food regulations, including genetically modified food products, geographical indications and the use of hormones in meat production. However, an FTA between two major global players is also a step forward in facing the pressing global food and environmental challenges of today and tomorrow, such as food security and climate change.

Moderator: Johan F.M. Swinnen, *Associate Senior Research Fellow, CEPS*



Economy

In cooperation with the LUISS School of European Political Economy

CEPS Anchors: Daniel Gros

► Monetary policy in times of depression: Is the ECB the fiscal agent for the euro area?

Discussion Leaders

Hans-Werner Sinn, *President, IFO Institute* / **Fabrizio Saccomanni**, *LUISS-SEP* / **Jakob von Weizsäcker**, *MEP*

In the EMU, because of its institutional set-up, the balance sheet of the central bank represents the only direct link between fiscal and monetary policies and thus the potential tool for fiscal transfers across member states. While it is generally accepted that in a depressed environment the divide between fiscal and monetary policy becomes blurred, considerable controversy still exists on which unconventional specific measures actually cross the line.

Has the ECB crossed this line? Does it need to cross the line to save the euro from deflation?

The ECB has bought only limited amounts of assets outright, preferring to operate through the balance sheets of the banking sector. Do fiscal risks exist? What are the potential (e.g. fiscal) costs of such operations?

► Is investment the silver bullet for growth?

Discussion Leaders

Poul Thomsen, *Director of the European Department, IMF*

Debora Revoltella, *Director of the Economics Department, European Investment Bank*

Investment seems to hold the key to the recovery of the euro area: the strategy of the new Commission is to launch an investment programme of €300 billion. Similar arguments are prominent in the public debate in many member countries. While higher investment may always seem desirable, at least superficially and especially in a low-demand environment, the main challenge is mobilising 'good' investment and financing without incurring large deficits.

Moreover, the experience in Japan, which for many years spent between two to three times more than EU states on infrastructure, shows that higher investment does not always lead to more growth.

► Is the fiscal compact dead?

Discussion Leaders

Paul De Grauwe, *Associate Senior Fellow, CEPS* / **Ludger Schuknecht**, *Ministry of Finance, Germany*

Jean Pisani-Ferry, *Commissioner-General, Policy Planning Office, France*

The Fiscal Compact, with its strict limits on deficits, entered into force, and signatory countries have been expected to comply with the balanced budget rule since January 2014. It seems, however, that several countries will not be able to meet the target. It was introduced at a time when the source of the euro crisis appeared (at least in the eyes of policy-makers in Germany) to have been the fiscal irresponsibility of Greece, and there was certain consensus that the response of many countries to the crisis was constrained by the lack of fiscal space. The more fundamental strategic justification for the Fiscal Compact was based on the generally shared experience that large public deficits and debts have a negative impact on growth and unemployment over the long run. However, there may be times when larger deficits improve growth and employment, such as now. The Fiscal Compact might thus have been created at exactly the time when the intellectual justification for tight fiscal policy is weakest. The result is that a balanced budget rule has now been put into the constitutions of most member states, but these rules tend to be ignored.

Job & Skills

CEPS Anchor: Miroslav Beblavý

► Will this Commission succeed in implementing European unemployment insurance?

Discussion Leaders

Renaud Lassus, *Head of Macroeconomic Policy and European Affairs, Treasury, Economic and Finance Ministry, France* / **Mark Roscam Abbing**, *Deputy director-general participation and income security, Ministry of Social Affairs and Employment, Netherlands*

This session will be devoted to the politics of European unemployment insurance. During the last Commission, there was extensive discussion about whether the EU/eurozone needed a shock absorption mechanism and whether this should take the form of European unemployment insurance. Now that the policy options are relatively clear, there needs to be a political decision whether to move forward and which of the many options to pursue.

► Is higher education in trouble globally and is Europe falling behind?

Discussion Leaders

Xavier Prats Monné, *Director-General of DG Education and Culture, European Commission*
Werner Eichhorst, *Director, Labor Policy Europe, IZA*
Johannes Heinlein, *Vice President of Strategic Partnerships, edX*
Juraj Draxler, *Minister of Education, Science, Research and Sport of the Slovak Republic*

For many decades, higher education has been a growth industry and a gateway to a better future for both individuals and societies. However, high participation rates, high and rising price tags, potentially disruptive technological change and difficult labour markets for graduates induced by the global financial and economic crisis brewed a perfect storm where higher education became a subject of anxious discussions on both sides of the Atlantic. At the same time as China is massively expanding and upgrading its higher education system and the US is witnessing a massive wave of innovation, Europe appears to be stagnating. Is this an accurate picture and if so, what can be done about it?

► The end of labour market reform?

Discussion Leaders

Klaus Zimmermann, *Director, IZA – Institute for the Study of Labour*
Martina Lubyová, *Director, The Institute for Forecasting of the Slovak Academy of Sciences*
Helge Berger, *Senior Advisor, IMF European department*

Since the beginning of the global financial and economic crisis, European countries, particularly those in the south, experienced an unprecedented wave of labour market reform. Has this wave come to an end? Which reforms have worked? Is it a question of design or implementation?



Finance

CEPS Anchor: Karel Lannoo

▶ Have we solved the too-big-to-fail problem?

Discussion Leaders

Erkki Liikanen, Governor, Central Bank of Finland / **Gunnar Hökmark**, MEP

Europe has adopted a raft of measures to ensure that banks can be resolved or liquidated in an orderly way and no longer need to be bailed out with taxpayers' money. But scepticism remains that these initiatives will be enough to overcome the TBTF problem. This is also one of the motivations behind one of the few post-crisis measures remaining on the 'to do' list – the Barnier (or Liikanen) proposal to separate commercial and investment banking. Is such a measure still needed, however, after all the re-regulation in the financial sector? Who will decide on derogations from the proposed separation? And finally, is there a risk that separation, and the different approaches, will further contribute to market fragmentation and render banks more fragile?

▶ Which Union for Europe's capital markets

Discussion Leaders

Fabrice Demarigny, Global Head of Capital Markets, MAZARS / **Sirpa Pietikäinen**, MEP

Europe has struggled for years to create a very liquid capital market as an alternative to the predominant bank-based model of financing. As an analogy to banking union, the European Commission has now set Capital Markets Union as an objective for the years to come. But what is Capital Markets Union? Would its creation entail a new wave of harmonising regulation? Or would it be preferable to undertake a series of initiatives to support and interconnect the fragmented markets in Europe?

▶ The Nordic capital markets growth model

Discussion Leaders

Arminta Saladžienė, Nasdaq / **Allan Polack**, CEO, Nordea

Nordic capital markets provide an interesting example of creating conditions conducive to the start-up of new ventures. Nordic banks are highly involved in investment banking activities, and the local exchanges have worked hard in recent years to improve the environment for IPOs and venture capital. In addition, the Nordic countries have a very peculiar corporate control model. This session will discuss what lessons their experience might offer to the EU to improve the functioning of its capital markets.

Energy

CEPS Anchor: Christian Egenhofer

► Is there still a market with 50% renewables in the electricity sector?

Discussion Leaders

Patrick Graichen, *Executive Director, Agora Energiewende (tbc)*

Europe has embarked on an energy transition, moving away from fossil fuels to renewable energy sources. This is most pronounced in the electricity sector, where some 35% of power is expected to be generated from renewable sources by 2020. This achievement has been the result of subsidies to the electricity sector in various forms. However, existing electricity generators are losing money as they are not able to recuperate their costs and are forced to write off assets. Electricity prices for households are rising to finance renewables subsidies via charges and levies. Flexible sources such as gas become uneconomical and plants are forced to close, causing fears of blackouts. Some governments are toying with the idea of creating special markets for capacity. Others are paying feed-in tariffs to new capacity, such as for nuclear. Does Europe need a gas purchasing agency?

► Does Europe need a gas purchasing agency in Europe?

Discussion Leaders

Sami Andoura, *Notre Europe and Alcoa Chair, College of Europe* / **Suman Bery**, *Chief Economist, Shell (tbc)*

For many years, Gazprom has been negotiating gas contracts with individual companies in the EU. This meant that different member states faced different import prices. In a functioning gas market, price differences would erode over time, allowing for the emergence of a single European import price. But this has not happened and member states in Central and Eastern Europe claim that their gas importers are at a disadvantage, also because of 'political' prices set by Gazprom and Russia. The former Polish PM Tusk and now Council President has therefore proposed the formation of an Energy Union and a gas aggregation mechanism, i.e. a gas purchasing agency. Others responded that such an agency would disrupt the existing gas market. Should Europe wait until the internal market and infrastructure are completed or should we provide solidarity and security via the creation of a purchasing agency now?

► Is Russia's China gas option a threat to Europe?

Discussion Leaders

James Henderson, *Senior Research Fellow, Oxford Institute for Energy Studies*

Tatiana Mitrova, *Head of Oil and Gas Department at Energy Research Institute RAS*

Think Tank Representative (security & gas specialist) from China

For many years the EU has been by far the largest and most profitable market for Russian gas. Now that the EU is developing more renewable sources and actively looking for diversification, Russia is equally exploring new outlets for its gas. In September 2014, it Gazprom negotiated a 30-year contract with the China National Petroleum Corporation (CNPC), which will directly link Russia's huge gas fields to Asia's booming market. This agreement follows on the heels of a \$400 billion gas deal with China in May 2014. Has Europe put its (near) monopsony at risk needlessly and provided a launch pad for Russia to penetrate the Chinese market?



Climate Change

In cooperation with the MISTRA Foundation

CEPS Anchor: Andrei Marcu

► Global climate change policy: Why EU leadership?

Discussion Leaders

Tosi Mpanu-Mpanu, Director, CDM Designated National Authority, Democratic Republic of Congo

Marcin Korolec, former Minister of the Environment of Poland

EU policy-makers insist that the EU has to offer leadership in climate change negotiations. This was tried in Copenhagen, was offered as a rationale for successive EU energy and climate packages and continues to be the credo in the run-up to Paris. Before continuing in this vein, however, a few questions need to be answered:

- Is this approach good for the EU, and is this a good negotiating stance?
- What is the perception outside the EU and how does it compare to the approach of other countries?
- Why is Paris 2015 important for the EU?
- What would the consequences be if there is no agreement or a very weak agreement?

► Competitiveness and climate change

Discussion Leaders

Carolyn Fischer, Senior fellow at Resources for the Future and Associate Director, Center for Climate and Electricity Policy / **Vincent Mages**, Director Climate Change, Lafarge / **Bas Eickhout**, MEP

Carbon leakage is on the EU 2030 agenda. Like other jurisdictions, the EU is pursuing free allocation, but is there a limit to how far and how long we can go in that direction, given the 80% reduction target from 1990 by 2050? What other approaches would need to be considered in the long term? Perhaps some additional questions:

- What is the relative importance of carbon leakage compared to other factors driving production and companies away from Europe?
- Can sectors facing carbon leakage be compensated by other means if/when free allocation will be phased out?
- How can innovation (to reduce greenhouse gases emissions) be stimulated if allocation continues to be free?

► Climate for growth

Discussion Leaders

Matthew Arndt, EIB

Climate change is a challenge that needs to be urgently addressed in the context of meeting the 2° goal as well as ensuring a balance between the three pillars of sustainability: environmental protection, economic growth and social inclusion and solidarity. What lessons can be drawn from the EU climate and energy package –by the individual member states and internationally? Are these lessons being implemented in the 2030 package and the Paris international agreement? Will the results from the Montreal Carbon Pledge for investors play a role in Paris and what do decarbonised portfolios mean for growth?

Rights & Security

CEPS Anchor: Sergio Carrera

► The future of Frontex: Challenges towards a European borders service?

Discussion Leaders

Ska Keller, MEP / **Nils Muiznieks**, Commissioner for Human Rights, Council of Europe

Representative of Frontex (tba)

The challenges posed by the growing human mobility in the Mediterranean have become increasingly visible in media and political debates. This issue is particularly of concern for those EU member states situated on the EU's external borders, especially in southern Europe. Frontex, the EU's External Borders Agency, supports and coordinates member state actions in border control and surveillance, but its competences and powers are limited. Calls for better implementation of the principle of solidarity and fair sharing of responsibility on border controls now include the strengthening of Frontex and studying the feasibility of establishing a common European border guard service. This session will examine the future of Frontex and the main challenges and concrete issues related to a future European borders service.

► Data protection and privacy in times of large-scale surveillance

Discussion Leaders

Mark Lange, Director, EU Institutional Relations, Microsoft

Mona Rishmawi, Chief of Rule of Law, Equality and Non-Discrimination Branch, Office of the High Commissioner for Human Rights

Jens Jeppesen, Director European Affairs, Center for Democracy & Technology

Data protection and privacy have recently come under strong pressure. Negotiations of a new EU General Data Protection Framework are underway, but they face a number of obstacles. The EU and the US are also proceeding to negotiate an umbrella data protection agreement. The revelations by Edward Snowden in 2013 and ongoing mass-surveillance systems in the US and the EU pose key challenges for citizens' trust as well as rule of law in the EU. The implementation of the results and recommendations from the European Parliament's Inquiry Committee on mass surveillance will be also a critical issue to follow closely. This Lab will examine the feasibility of establishing an EU charter of digital rights and explore ways to ensure more democratic and judicial accountability of law enforcement authorities.

► Fighting financial crimes and corruption in the EU

Discussion Leaders

Michèle Coninsx, President, Eurojust / **Monica Luisa Macovei**, MEP (tbc)

Emília Sičáková-Beblavá, President, Transparency International Slovakia

Questions related to anti-corruption and the fight against financial crime are increasingly calling for common European policy responses. The EU is expected to play a more active role in tackling corruption both at EU member states and European levels, as well as combating tax fraud. The European Council has also expressed its determination to fight fraudulent behaviour to prevent losses to the EU budget, a key priority being to advance negotiations on the European Public Prosecutor's Office (EPPO). This Lab will examine the challenges for more EU intervention in the fight against financial crime and corruption. Particular attention will be paid to ensuring EU enforcement and compliance with common standards and rules.



Institutions

In cooperation with the Centro Studi sul Federalismo

CEPS Anchors: Sonia Piedrafita

► A more political European Commission?

Discussion Leaders

Margaritis Schinas, *Chief Spokesperson, European Commission* / **Sylvie Goulard**, *MEP*

The European elections and the formation of the new Commission sparked a heated debate on the efficiency and democratic legitimacy of this institution. Recent developments in the process of electing the Commission President have been hailed by many as the emergence of a new institutional order that reflects the classical division of powers in nation states. But changes in this direction are controversial due to their serious implications for the so-called 'community' or 'EU method'. This session will examine the recent re-organisation of the Commission and its new political mandate. How is the new structure in project teams working in practice? Is it contributing to a more efficient and less bureaucratic EU? Has the relationship between the Commission and the European Parliament changed? Is it contributing to a more democratic EU? What would the politicisation of the Commission involve and what would be the consequences?

Moderator: Quentin Peel, *Mercator Senior Fellow, Chatham House*

► What kind of treaty reform does the EU need?

Discussion Leaders

Danuta Hübner, *MEP, Chair of the AFCO Committee, European Parliament, and Member of the CEPS Board of Directors* / **Kristalina Georgieva**, *Vice-President for Budget & Human Resources, European Commission (tbc)* / **Amy Verdun**, *Director of the Jean Monnet Centre of Excellence, University of Victoria*

In the coming years, it is likely that the Committee on Constitutional Affairs (AFCO) in the European Parliament will closely examine the question of a treaty revision, and might even consider the submission of a proposal on the basis of a new Art. 48.2 TEU. The commitment to incorporate the Treaty on Stability, Coordination and Governance (TSCG) into the legal framework of the EU by 2018 and the UK government's efforts to reform the EU institutions and to hold a referendum on the new arrangements in 2017 are pushing the debate to the forefront. However, political elites and –most importantly – EU citizens do not seem to be ready yet for a new round of reform. This session will discuss the scope, timeframe, desirability and feasibility of a treaty revision. Precisely what elements need to be reformed and why? Would a convention be able to reach consensus on a new agreement?

► What narrative for Europe?

Discussion Leaders

Enrico Letta, *former Prime Minister of Italy*

Miguel Maduro, *Minister in the Cabinet of the Prime Minister and for Regional Development of Portugal*

Citizens' support for the EU is waning and dissatisfaction with the way democracy works in the EU is growing, especially in the countries hardest hit by the sovereign debt crisis. According to the last Eurobarometer, citizens generally find the EU bureaucratic, inefficient and remote. This translated into a new historic low in voter turnout in the last elections to the European Parliament in May and an increased support for Eurosceptic or Eurocritical parties of various kinds. At the same time, national democracies and institutions also show telling signs of 'fatigue', with some cases reaching crisis levels. The need to identify a new narrative on the EU and the euro is evident. This session will analyse the growing dissatisfaction with the EU and identify common features and the likely consequences of growing polarisation, while attempting to define a new 'national' and European narrative for the emerging multi-level (and multi-speed) EU.

Moderator: Anna Diamantopoulou, *President, TO DIKTIO*

Europe in the World

In cooperation with the Istituto Affari Internazionali

CEPS Anchor: Steven Blockmans

► The future of the Eastern Partnership

Discussion Leaders

Juris Poikāns, *Latvian Ambassador at large for the EaP* / **Nicu Popescu**, *Senior Analyst, EU Institute for Security Studies* / **Elena Korosteleva**, *Jean Monnet Chair in European Politics, Kent University*

Five years after its launch, the Eastern Partnership has experienced both achievements and serious set-backs. Some observers point to a crystallizing two-tier system, with Georgia, Moldova and Ukraine forging ahead – albeit at considerable cost – and Armenia, Azerbaijan and Belarus lagging behind. Others point out that there are considerable differences even within these two groups. Either way, does this mean that the eastern dimension of the ENP and the Eastern partnership should be abandoned? Is a degree of unity in the eastern neighbourhood still possible? Which instruments can be used to pursue a merit-based approach to differentiation while keeping a platform for inter-regional relations? And how can a redefined EU policy towards the eastern neighbours confront the challenges posed by Russia?

► The EU and crisis management in the Maghreb

Discussion Leaders

Emma Bonino, *former Minister of Foreign Affairs of Italy* / **Noman Benotman**, *President, Quilliam Foundation* / **Bernard Savage**, *Head of Division - Maghreb, European External Action Service (EEAS)*

The European Union's southern neighbourhood is more troubled and unpredictable now than it has been for decades. Air strikes by Egypt and the United Arab Emirates in Libya are symptomatic of this turmoil. Whereas terrorist groups and criminal syndicates specialised in all kinds of trafficking seem to operate freely across the Maghreb, the grave security deterioration and pending collapse of the state in Libya multiply the risks that such groups pose to the entire coastal area. This situation gives the impression that the events of the past four years explain the failure of the EU and NATO's approach to achieving stability in the region. What should be the EU's approach to crisis management in the Maghreb?

► How to facilitate Council decision-making in the area of CFSP?

Discussion Leaders

Walter Stevens, *Chair of the PSC* / **Kalypso Nicolaidis**, *Director, Centre for International Studies, University of Oxford* / **Christophe Hillion**, *Senior Researcher, Swedish Institute for European Policy Studies*

The EU does not have a strong Common Foreign and Security Policy (CFSP) because the member states have not allowed one to emerge. In the case of Ukraine and Russia, it has been possible to agree on a common line. Typically, however, the cost of keeping all member states on board has been a policy that often appeared timid and based on the smallest common denominator. Neither the High Representative, supported by the EEAS, nor the Commission, can change the forces underlying the formation of EU foreign policy. With the gradual shift of CFSP decision-making to the European Council, the question is how much can its President achieve.



Prime Talks

► Productivity and competitiveness: Is digital Europe the answer?

Speakers

Matthias Kaiserswerth, Director and Vice-President, IBM Research / **Angela Wilkinson**, Counselor for Strategic Foresight, Organisation for Economic Co-operation and Development, OECD (tbc)

Axelle Lemaire, Minister of State for the Digital Sector, France (tbc)

Productivity growth in Europe has been falling behind the US, which itself has been slowing down. Is this general slowdown due to a general trend common to all advanced economies or is Europe special? Is there a transatlantic 'digital gap' and what could the EU do to digitise the European economy?

► Towards innovative market leadership: China 's 13th five year plan EU-China Reform Agendas

Speakers

Prof. Chi Fulin, President, China Institute for Reform and Development

George Magnus, Former Chief Economist, UBS

China is embarking on a profound overhaul of its economy in the context of the 13th 5-year plan, which has established daunting targets not only for the re-balancing of the economy, but also for the modernisation of the administration and the role of the market in guiding the economy. What are the implications for the global economy and Europe of the new China that is now emerging?

► Has the EU fostered inequality?

Speakers

Bea Cantillon, Professor of Social Policy, Director, Herman Deleeck Centre for Social Policy, University of Antwerp

Valdis Dombrovskis, Vice-President for the Euro and Social Dialogue, European Commission (tbc)

Linda Barrington, Executive Director, ILR School of Cornell University

There is growing evidence in recent decades that most OECD member states have experienced increased inequality. There is no consensus, however, on the forces behind this trend (globalisation, technological change and shift in values and political preferences have all been fingered). What is the role of European integration? Does it magnify or slow this trend in inequality? If the latter, what can one do about it?

► EU-China view on 2015 commitments EU-China Reform Agendas

Speakers

Teresa Ribera, Director, IDDRI

The UNFCCC process has been gridlocked by the need to reach agreement between 180 countries. Should the G-3 take charge? The G-2 (US and China), accounts for about 44% of global emissions. But could they act without the EU, which currently accounts for approximately 10% of global emissions, and remains the largest market trading block? Could the G3 deliver an agreement in 2015?

Prime Talks

► Rule of law in the EU

Speaker

Rosen Plevneliev, *President of Bulgaria*

Nils Muiznieks, *Commissioner for Human Rights, Council of Europe*

What role can the EU play in addressing the challenges posed by failing governance systems of selective member states? How can the Union exercise more influence on rule of law, anti-corruption and the fight against financial crimes? On the basis of the discussions and ideas emerging from the Lab sessions, this Prime Talk session will explore priorities for the EU to tackle rule of law and fundamental rights challenges. The European Commission has proposed a new rule of law framework to address some of these issues: What are the challenges ahead? What are the deficiencies of the current system and how can it be improved?

► The future of EU-Russia relations

Speakers

Carl Bildt, *former Minister of Foreign Affairs of Sweden*

Wolfgang Schüssel, *former Chancellor, Austria, Member of the Board, Dialog-Europe-Russia*

Vladimir Titov, *Deputy Foreign Minister, Russian Federation (tbc)*

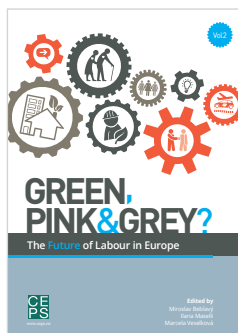
Seen from Brussels, Russia has not turned out to be the 'strategic partner' the EU had hoped for. Russia is viewed as having decidedly positioned itself as a strategic competitor, pushing its agenda in the shared neighbourhood through the use of armed force and by coercing countries into its regional integration model of the Eurasian Economic Union. Seen from Moscow, the EU's strategic ambitions with post-Soviet countries in its near abroad impinge on Russia's vital interests. What will the future of EU-Russia relations look like? A common agenda exists, based on basic interests in energy, economic cooperation and the fight against Islamic extremists. Is there more? Can the two neighbouring blocs cooperate in earnest while they confront each other in other domains?



In the margins

► Breakfast Session

Green, Pink and Grey? - The future of labour in Europe (Launch of a new NeuJobs book)



Marco Annunziata, Chief Economist, General Electrics

László Andor, Former EU Commissioner for Employment, Social Affairs and Inclusion

Work is both an essential part of our daily lives and one of the major policy concerns across Europe. In this second volume of The Future of Labour in Europe, the authors explain, in accessible language, the findings of the NEUJOBS project on the job prospects of key industries and groups of people. They use three colours – green, pink and grey – to pinpoint areas with the biggest challenges as well as potential. The conclusions are addressed to policy-makers, the business world, journalists and fellow academics, and to anyone interested in the shape, size and character of the labour markets of tomorrow.

► Annual Journal of Common Market Studies Lecture:

EU – China Relations

Prof. Chen Zhimin, Dean, School of International Relations and Public Affairs, Fudan University

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