



60 good reasons

for the EU

Why we need
the European Union

IT IS
YOUR
EUROPE

60
ROME



**60
good
reasons**

for the EU

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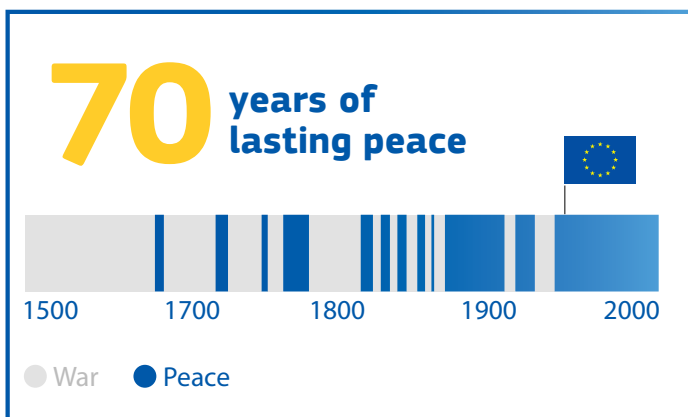
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Part 1: What Europe can be proud of

The EU has been keeping the peace for 70 years

Our fathers and grandfathers went to war. Today we have the luxury of being able to trust our European neighbours. War within the EU is unthinkable; eastern and western Europe are united. Our common European home safeguards peace. We should be extremely thankful.



For centuries war was part of the European landscape. In the 20th century, at least 55 million people lost their lives in the Second World War, and the old Europe broke apart. A united Europe — an age-old utopia dating back to the Greeks and Romans — was an idea whose time had come. Today more than half a billion Europeans live in peace and freedom — thanks to the EU.

The European idea was put into words on 9 May 1950 by the French Foreign Minister Robert Schuman. The aim was to

bind European nations together with such strong economic ties in the service of peace that war between them would no longer be possible. The founding of the European Coal and Steel Community in 1952 was the first step and was followed by the Treaties of Rome in 1957, which marked the beginning of Europe's peace project.

Never before in its history has Europe witnessed such a long period of peace — now 70 years and counting. And that in a world where more than 40 armed conflicts rumble on around us, claiming the lives of at least 170 000 people each year.

Today's disputes are resolved differently, as Jean-Claude Juncker, European Commission President, says: 'Sometimes we fight. But we use words. And we settle our differences at the negotiating table, not in the trenches.'

In 2012 the EU was awarded the Nobel Peace Prize for spreading peace, reconciliation, democracy and human rights. Of course many people questioned whether the EU really deserves such a distinction, while refugees are dying in the Mediterranean and many EU countries are exporting weapons. But it does. Because its contribution to peace is undeniable.

[State of the Union Address by President Juncker on 14 September 2016](#)

[European Commission statement on the Nobel Peace Prize](#)

[Statement by the Nobel Committee on the award of the prize to the EU, 12 October 2012](#)

We are Europe: We have Europe Day, a European flag and the Ode to Joy

Since 2000 the EU has had a motto: Unity in diversity. It reflects the fact that the EU respects Europe's many different cultures, traditions and languages. The European flag, Europe Day and the European anthem are the EU's common symbols.

What do you do on 9 May? Each year on that day the European Union celebrates Europe Day. It is actually the EU's public holiday — even if Europeans unfortunately have to work. The date has special significance for Europe: On 9 May 1950, the then French Foreign Minister Robert Schuman first proposed the gradual unification of the continent as an essential precondition for peace, democracy and prosperity in post-war Europe. The Schuman declaration was the cornerstone of today's European Union. It has been commemorated every year since 1985. The European Commission's representations, ministries and citizens' associations organise events, such as open days.

But where does the name 'Europe' actually come from? In Greek mythology Europa was the beautiful daughter of a Phoenician king. Legend has it that Zeus, the father of the gods, who had fallen hopelessly in love with her, took her to Crete and seduced her. The name Europa actually dates back to antiquity. As early as the 5th century BC Herodotus, the Greek author and geographer, referred to the land mass north of the Mediterranean as Europa.

Incidentally, the European Union is not a building in Brussels, but an idea. Its symbol is the European flag, which stands for the unity and identity of Europe. The circle of golden stars symbolises solidarity and harmony between European peoples. The number 12 traditionally represents perfection and unity — like the 12 months of the year or the 12 hours on the clock face. Europe is also striving for this unity. Contrary to popular belief, the number of stars has nothing to do with the number of Member States, which has now risen to 28.

The EU also has an anthem: the Ode to Joy from the 9th Symphony of German composer Ludwig van Beethoven. It is part of Europe's cultural heritage. The European anthem does not replace the national anthems of the Member States, but epitomises Europe's unity in diversity — with wonderful lyrics: 'Joy, beautiful spark of divinity, Daughter from Elysium, We enter, drunk with fire, Heavenly One, thy sanctuary!' What more can be said?

[EU website on the EU symbols](#)

[Europa language portal](#)

Only together can Europe be a force in a globalised world

Over the coming decades Europe might see its standing in the world decline. How is this possible? The reason is demographic change. The birth rate on other continents is much higher. For example, according to UN estimates, Africa's population will increase four-fold by 2100, and it will replace Asia as the most populous continent.

and assert our values. Only the EU as a whole can do that. 'There are two types of Member States', says Dutchman Frans Timmermans, First Vice-President of the Commission, 'The small ones and those which haven't yet realised they are small.' The international affairs the EU has to deal with are not restricted to foreign and security policy, but also relate to development cooperation, foreign trade, the global economy, migration, climate protection and energy policy.

The biggest internal market in the world

30 million businesses generate the EU's GDP of €14 trillion



Europe's share of the world's population is decreasing

Source: Statistical Service of the UN and Eurostat EU-27

1900		25 %
1960		11 %
2015		6 %
2060		4 %

Today 500 million people live in the EU — more than the combined population of the United States and Japan. This means Europeans currently make up 8 % of the world population — by 2050 it will only be 5 %. 'The situation is simple: the world is growing, and we are shrinking', says Jean-Claude Juncker, European Commission President. The consequence is an ageing population in Europe and a shortage of workers. At the same time Europe's global influence — economically, militarily and socially — is waning. By 2050 EU countries will no longer be among the seven leading industrial nations. But what about the EU acting together? We would still be a front-runner. President Juncker says: 'Only a united EU is strong enough to make itself heard.'

In a globalised world with its myriad challenges no EU country is now big enough on its own to make its influence felt

It is self-evident, therefore, that Europe must succeed. Despite numerous disputes and crises the countries must pull together in their own interest. President Juncker warns: 'Our enemies would like us to fragment. Our competitors would benefit from our division'. Today's EU covers a Europe stretching from Lisbon to Helsinki, from Dublin to Sofia, from the Atlantic to the Black Sea, from the North Sea and the Baltic to the Mediterranean. It has monarchies and republics, members and non-members of NATO. The EU can offer protection to its citizens — from external threats or the consequences of globalisation, for example — where the nation state is no longer able to. No better alternative to European cooperation in the EU is on the horizon.

[State of the Union Address by President Juncker on 14 September 2016](#)

We argue and we rally round -- just like one big family

All families argue, even happy ones. The EU as the family of European States is no exception. There are often heated discussions on many issues — but in the end a compromise is always reached.

Imagine sitting around a table with 28 family members. Sparks fly. One wants a quick decision, another wants nothing to do with it and a third wants money. That is exactly how it is in the EU. When it comes to important issues and legislative initiatives, arguments often rumble on for more than a year in the European Parliament or the Council of Ministers, where national governments are represented.

It reminds many people of a bazaar, where everything is negotiable. But it is the only way that agreement can be reached among what are often completely different interests. The arguments reflect the liveliness of political debate. They are a necessary and reasonable means to charting the right path ahead for Europe. 'Brussels' certainly doesn't get everything right. But it does get a lot of things right that national governments would get wrong without it.

Whenever a particular country doesn't want to play by the rules, we have a referee: the European Court of Justice. The judges in Luxembourg settle disputes and deliver a judgment — e.g. when a government challenges EU decisions or the European Commission brings an action against a Member State which is not complying with the EU Treaties.

Since all members of the EU family are adults, they are also entitled to divorce. The EU is a voluntary coalition of European states, and so any Member State is free to leave (Article 50). In June 2016 the UK decided by referendum to do just that. If the exit goes ahead as planned, the EU will lose its third biggest economy, second biggest net payer and a diplomatic heavyweight in the UN Security Council. It will therefore become smaller and weaker.

Many people are saying the EU is going through an existential crisis. It seems unlikely that European unity will crumble. As an island, the UK always had a special status within the EU. As things stand, it is not to be expected that other countries will follow suit. As a result of the Brexit vote, support for the EU in countries like the Netherlands and France has clearly gone back up again. There are too many advantages to the internal market, freedom of movement and the political influence of an alliance of 27 countries. One thing is certain; the EU will continue to change in the future.

[Article 50 of the EU Treaty](#)

[European Court of Justice website](#)

European values are in our genes: The EU inspires others in the world

70 years of peace based on democracy and the rule of law. With its values and way of life Europe is a global model for change and democratic evolution.

The history of the European Union started after the Second World War, with the creation of the Coal and Steel Community in 1951. In 1957, 60 years ago, the Treaties of Rome — considered to be the founding document — were signed by six countries: Belgium, Germany, France, Italy, Luxembourg and the Netherlands. The aim from the outset was to promote peace and prosperity on the continent — to some extent this is in the EU's genes. Jean-Claude Juncker, European Commission President, describes it as follows: 'An integral part of our European way of life is our values. The values of freedom, democracy, the rule of law. Values fought for on battlefields and soapboxes over centuries.'

Since 2000 the EU has deployed more than 120 electoral missions involving the participation of over 11 000 observers



The EU is open to all democratic countries in Europe wishing to join. With its successful market economy and stable democracy, the EU has attracted more and more countries over the years. It has grown from six to now 28 countries and stretches from the Atlantic to the Black Sea. More than 500 million people now live in the EU.

After the fall of the Iron Curtain in 1989, the EU helped to heal the division between East and West. Many former communist countries in central and eastern Europe joined in 2004 and 2007. The EU strengthened democratic forces and promoted economic growth. Croatia became the 28th member in 2013. If the UK leaves — as decided by referendum in 2016 — as planned, the EU will have one member fewer for the first time; a painful break.

In contrast, five more candidate countries are hoping to join — in particular, the countries of the western Balkans: Albania, the former Yugoslav Republic of Macedonia, Montenegro and Serbia. Turkey's accession continues to be negotiated but has been pushed back further because of the current democratic deficit. With its neighbourhood policy, the EU supports stability, security and prosperity in the countries directly outside its borders.

There is no doubt that the EU continues to serve as a model for many regions of the world. No other continent has developed such forms of cooperation. Together, we are the biggest economic bloc in the world and the most important trading partner for China and the United States. We are the biggest donor of humanitarian aid and invest in a sustainable future, in climate protection and conflict prevention. 'Today's world needs a power which has peace and conflict prevention in its DNA', says Federica Mogherini, EU High Representative.

[European Commission website on enlargement](#)

[European Commission website on potential candidate countries](#)

[Speech by Federica Mogherini in Berlin on 7 February 2016](#)

The EU is a Europe of participation

Do you want to have your say as an EU citizen? You don't have to wait for the next European elections in 2019 to do so. Everybody can bring influence to bear through initiatives, proposals and complaints.



If a particular issue is close to your heart and you think it should be regulated by European law, you can start a European citizens' initiative. This new form of participation outside elections and political parties has been possible since 2012, and there is strong demand for it. More than 5 million citizens have signed over 20 initiatives so far.

The initiatives must be signed by at least 1 million citizens from seven of the 28 Member States. The European Commission can then be called on to make proposals for EU legal acts. Of course the issues must be within the remit of the Commission. There is no obligation to change laws if the initiative is successful, but the Commission must properly justify its action.

So far three citizens' initiatives have been successful. They were about water as a human right, the protection of embryos and the banning of animal testing. Six other initiatives are under way, e.g. on reducing plastic in the sea, protecting marriage and the family, and banning the weed-killer glyphosate.

Before making laws the European Commission usually asks the public for its opinion in consultations. Private individuals, companies and associations can then provide useful advice

based on their specialist knowledge. At citizens' dialogues throughout the EU, Europeans can hold discussions with European Commissioners, often via Facebook as well. Every citizen can submit a petition to the European Parliament. The European Ombudsman accepts complaints about administrative errors and legal infringements by EU institutions.

Many citizens think that the EU suffers from a democratic deficit. One reason often given for this is that the European Commission as the executive is not directly elected by the people. Instead the Commissioners are nominated by the elected governments in their countries and then attend a hearing in the European Parliament, which confirms or rejects their appointment. Europeans now have more of a say in this area. In the 2014 European elections for the first time the parties presented a lead candidate for the office of Commission President. The Christian Democrats put forward Luxembourgish Jean-Claude Juncker, the Social Democrats German Martin Schulz and the European Left Greek Alexis Tsipras. Voters therefore had a say in electing the person primarily responsible for shaping and implementing EU policy. As the European People's Party (EPP) won the most seats, Juncker was appointed President of the European Commission. This move towards more European democracy should continue in the next elections in 2019.

The EU is part of our parliamentary democracy. EU directives and regulations are not made by unelected bureaucrats. The Commission proposes laws, but they are then decided by the directly elected European Parliament and elected governments in the Council of Ministers. No EU law is thus passed without the involvement of elected politicians from Cyprus.

[Opportunities to have your say in the EU](#)

[European citizens' initiative](#)

[European Commission consultations](#)

[European Commission Citizens' Dialogue](#)

[European elections](#)

Europe is the world's most popular holiday region

The Parthenon in Athens, the Eiffel Tower in Paris, the Brandenburg Gate in Berlin and the Vatican in Rome — Europe has many unique sights to offer. It attracts more tourists than any other region in the world.

2016 was another record year for tourism in Europe — despite terrorist attacks and security concerns. According to the World Tourism Organisation (UNWTO) around 620 million people visited Europe. This means half of the 1.2 billion holidaymakers and business travellers worldwide had Europe as their destination or stayed overnight there. No other continent is so popular. The Asia–Pacific region was far behind in second place, with one in four travellers (24 %) stopping there, followed by America (16 %). One reason for the increasing popularity of Europe is the favourable exchange rate of the euro — against the US dollar and other major currencies — which makes travelling cheaper for overseas visitors.

Cyprus is popular among tourists and business travellers. It has supported greatly the Cyprus economy throughout the years. The importance of tourism for the economy of Cyprus is confirmed by the fact that, in 2014, the ratio of travel receipts to GDP was among the highest among EU Mem-

ber States, at 12.3 %. Looking at the figures for overnight stays in hotels and guest houses, Cyprus welcomed almost 3.2 million visitors from throughout the world in 2016, according to the statistical office Eurostat. This number accounts for about four times the population of Cyprus. Most tourists came from other Member States, with about 1.2 million arriving from the UK, according to Eurostat.

Europe is also a very popular destination for Europeans themselves: EU citizens make up three quarters of all foreign visitors to other EU countries. According to Eurostat, in 2014 for every tourist from a non-EU country there were five from the EU.

International tourism is an enormous economic stimulus for Europe. According to the UNWTO in 2015 Europe earned USD 451 billion from international tourism (around EUR 428 billion).

[UNWTO press release, 17 January 2017](#)

[UNWTO report 2016](#)

[Eurostat tourism statistics](#)

Part 2: The EU strengthens the economy and fosters prosperity

Europe is not the Wild West, but a social market economy

We are all aware of the achievements of the social market economy. In the EU, employees cannot be sacked overnight, mothers-to-be enjoy special protection and firms are not allowed to form cartels to dictate prices. All this is guaranteed.

The Lisbon Treaty established that the EU should work to achieve a 'competitive social market economy'. The aim is to achieve prosperity and full employment while at the same time guaranteeing social protection for workers. To make this happen, the state actively intervenes in economic life, for example through consumer protection or by upholding fair competition.

Over the decades, the social market economy has proved its worth throughout Europe. It is the reason why wide swathes of the population could achieve increasing prosperity and at the same time rely on their social welfare rights. This is why many people from outside Europe associate our continent with the promise of prosperity.

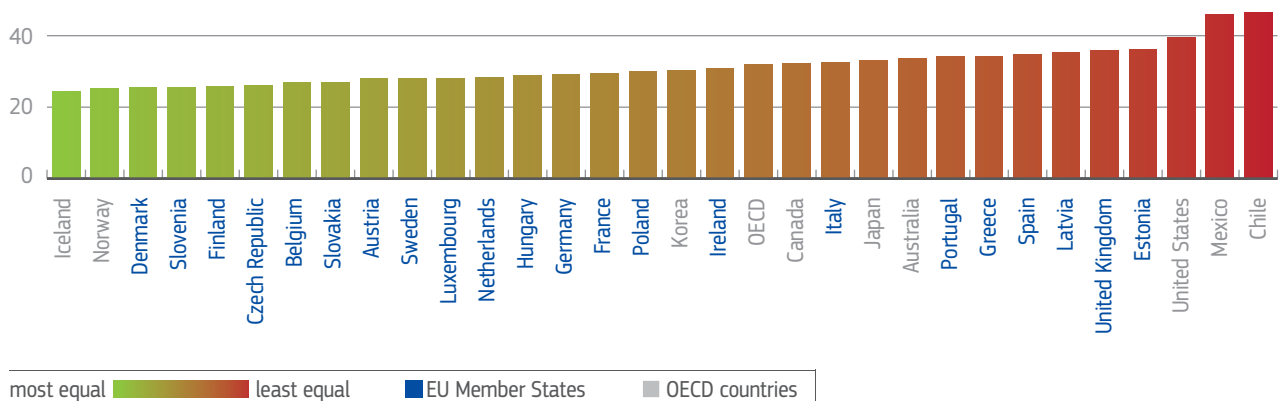
Of course, the social market economy will always have to be negotiated and fought for. Here is a case in point: The European Commission is taking action against wage dumping and wants to upgrade the pay of eastern European workers employed in harvesting, fruit-picking and building in other EU countries (reform of the posting of workers directive). Hitherto, these workers have only been entitled to the minimum wage in the host country, but now they are to be given the

right to the same bonuses and allowances as national workers, and are to be treated on a par with them after 2 years. Critical voices are sometimes heard from eastern Europe on this score, as businesses there pay lower wages and fear for this advantage. However, Jean-Claude Juncker, President of the EU Commission, has stressed that 'This is a question of social justice. Europe is not the Wild West, but a social market economy.'

For President Juncker, a social Europe, with fair working conditions, well-functioning labour markets and effective dialogue between workers and industry, takes priority. The EU promotes worker participation in company decisions throughout Europe, assures health and safety in the workplace, enhances the rights of part-time workers and guarantees minimum standards of annual leave and free time. The European Commission is combatting not only wage dumping, but also tax evasion, and is working for an active European labour market policy and new job creation. We also have the EU to thank for Europe-wide standards for the recognition of university degrees and other qualifications, making it far easier for EU job seekers to find work in other Member States.

[Article 3 of the Lisbon Treaty](#)

[President Juncker's State of the Union speech of 14 September 2016](#)



The EU fosters growth, employment and prosperity

The economic and financial crisis has left deep traces. Unemployment stubbornly persists, including in Cyprus, and many countries are heavily burdened with debt. This has led to falling investment. The European Commission is taking countermeasures with EU-wide coordination of economic policy and an investment offensive.



In many EU countries the crisis has revealed fundamental problems and unacceptable trends. It has also made clear how interdependent the EU's national economies are. Better EU-wide coordination of economic policy can help us to address these issues and increase growth and employment. The Commission, drawing on the lessons learnt from the crisis, presents annual country-specific recommendations for reform, which feed into Member States' budgetary and economic planning.

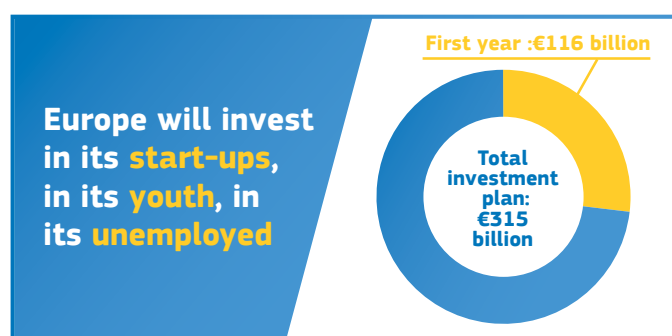
The Juncker Commission has prescribed another antidote to the crisis: the EU investment offensive launched in 2014, also known as the Juncker Plan. Improved investment conditions and a guarantees programme will, within 3 years, kick-start future-oriented investment of EUR 15 billion in the entire EU.

The underlying principle is this: the EU provides credit for the modernisation of SMEs, or for major, often cross-border, projects such as the development of road, data and energy networks. The ideal beneficiaries are firms that would like to invest in the future, but find it hard to raise the money. The EU takes on part of the investment risk, including by means of guarantees, and so makes it easier for private investors to put money into projects.

In the face of initial scepticism, implementation of the European Fund for Strategic Investments (EFSI) has got off to a good start. In January 2017 EFSI financing had already mobilised additional investment of EUR 68 billion, more than half of the target total. More than 100 000 people are expected to find jobs linked to the projects already approved. More than 380 000 SMEs are benefitting from the favourable credit terms.

Particularly in Cyprus, where most SMEs and investors have difficulty in finding capital, there is a need for EFSI funds. Access to finance has been limited and credit conditions are still tight, given the deleveraging of banks to correct their balance sheets. This is particularly valid for riskier strategic projects. As at the end of 2016, only one agreement has been authorised in Cyprus, and is expected to generate investments, through covering the credit risk involved in lending to small firms, that would otherwise not receive lending. Overall, there are several financial instruments that would facilitate the access to finance of SMEs. Apart from EFSI, JEREMIE is another example. JEREMIE was absorbed through two financial products — (a) Funded Risk Sharing Product (i.e. soft loans) that distributed in total EUR 35 million of loans (to 439 SMEs) and (b) First Loss Portfolio Guarantees, through which EUR 3.6 million loans were given (to 70 SMEs).

Following the positive interim results, the plan is to be extended and allocated additional resources. Within 6 years — i.e. by 2020 — the EFSI is expected to have generated at least EUR 500 billion of additional investment and by 2022 this figure could be as high as EUR 630 billion. The intended focus is on health, education and the integration of migrants.



At the same time, the EU single market is itself a giant stimulus package. Duty-free cross-border trade saves firms money and makes goods cheaper for consumers. It is easy for businesses to invest in other EU countries. People can look for work in whatever EU country they choose. Over the last few decades all this has increased competitiveness, helped the economy grow and created prosperity. This is also how the European Union has become the biggest economy in the world, ahead even of the USA and China.

[European Commission on the investment offensive](#)

[Economic coordination in the European Semester](#)

[Cyprus Investment Plan Factsheet](#)

The EU supports economic growth through Regional and Structural Funds

The EU is using the Regional and Structural Funds to prevent disparities between regions becoming too great.

Poorer regions, and particularly those affected by structural change in the EU, receive support to help them keep pace with development and to offset local disadvantages. The EU is helping them to catch up. The Funds help people find work and achieve a better standard of living in their towns and villages. They support not only urban development and employment, but also agriculture and rural development, as well as research and innovation.

Under the current financial framework 2014-2020, the total allocation of the European Structural and Investment Funds (ESIF) in Cyprus amounts to EUR 874 million, for investments. This is equivalent to around 0.9 % of GDP annually (at 2014-2017) and 24 % of national public investment. The largest share of the money that Cyprus receives from the EU budget goes to regional policy. EU regional policy aims to reduce the economic, social and territorial disparities between Europe's regions and countries. Regional funds invest in projects supporting job creation, competitiveness, economic growth, improved quality of life and sustainable development. Transport infrastructure and the environment are top priorities for Cyprus. For example, the EU is helping the country mitigate climate change by co-financing the installation of solar panels on public buildings.

Moreover the Commission is active in aiding Turkish Cypriots, based on the approved aid regulation 389/2006. Particularly, it aims to promote social and economic development of Turkish Cypriots, develop and refurbish infrastructure and help the Turkish Cypriots prepare for the implementation of EU law once a comprehensive reunification settlement in Cyprus is agreed. From 2011 on, assistance has continued in the form of annual allocations of EUR 30 million, to build on the results achieved and support the ongoing UN process.

Regional policy is the second largest EU budget item after agricultural policy. Because of the economic crisis, the primary objectives of regional policy in many Member States are job creation and economic growth, further digitalisation, road and rail construction and improved living standards. For projects to receive EU funding, the Member States concerned must also make a financial contribution from public funds ('co-financing').

Looking back over the 2007-2013 programming period, there are clear successes to be seen. Every euro of EU funding has added almost EUR 3 to economic performance. Everyone benefits from this. In Cyprus alone, more than 1 500 new jobs have been created.

It is often alleged that funding drains away in the regions without any appreciable effect, spent for instance on bridges that no one drives over or airports that no one uses. There have been such cases, but the European Court of Auditors keeps an eye on spending. If the auditors find that money has been wrongly used, it has to be paid back.

[European Commission on funds for individual EU countries](#)

[European structural and investment funds — data for Cyprus](#)

[Cyprus Funding Programmes Portal](#)

The EU promotes fair trade with other parts of the world

Prosperity in the European Union is based on free and open global trade. In the EU alone, 31 million jobs — almost every seventh job in Europe — depend on exports. Our trade agreements lay the foundations for fair trade relations with other parts of the world.

Trade agreements help businesses to find new markets, increase profits and create jobs. Consumers benefit too. Being able to buy cheap goods online from all over the world from the comfort of our sofas and choose from a wide range of goods in shopping centres are achievements of free trade that we need to protect in this era of resurgent protectionism. The EU is firmly resolved to stand by its open-market policy and counter the trend towards isolationism. If the USA, for example, withdraws from multilateral trade agreements, Europe is a potential new partner.

same extent from opening up markets. But when jobs are lost in the processing industries, this often has more to do with computerisation and automation than with free trade. In such cases it is up to policymakers and industry to come up with alternatives and contingency plans.

Despite frequent assertions to the contrary, it is not the multinationals, but above all SMEs that benefit most from the removal of customs duties and other trade barriers. Multinationals generally have the resources to deal with complex regulatory systems in different markets or to set up their own production facilities in the target markets. SMEs do not.

A sound trade policy also involves trade defence instruments, since only fair trade is free trade. The EU has a set of instruments, compatible with WTO rules, for dealing with dumping and unfair competition resulting from state investment, and it wields these instruments firmly, for instance to counter dumping prices for steel and steel products from China. For their part, developing countries have the option of protecting their agriculture and agri-businesses by imposing import duties on agricultural products.

In autumn 2015 the European Commission presented the new 'Trade for all' strategy. With its values-based trade policy, the EU aims to combine economic growth with social justice and human rights and with standards of labour, health and environmental protection, as well as to promote the rule of law and good governance. To this end, it is stepping up its dialogue with its trade partners and including provisions on combating corruption in future trade deals. It is also establishing standards for labour, environmental and health protection and supporting fair and ethical trading systems and responsible supply chains.

[European Commission website on trade](#)



For every **€1 billion** we get in exports, **14 000 extra jobs** are created across the EU

Many governments have already asked the EU to step up free trade talks, the most recent example being Mexico. A lot is at stake. Forecasts say that in the next 10 to 15 years, 90 per cent of global economic growth will take place outside the EU. In this situation, EU trade agreements with other countries offer great market opportunities for the EU. It is also true that not all parts of the economy benefit to the

The euro is a stable currency that offers many advantages

The euro has not had it easy. First it was accused of causing price rises, then it lent its name to the sovereign debt crisis. And yet it offers citizens many practical advantages. Furthermore, it is a stable currency and is defended by European governments.

Every day, around 338 million Europeans use this common currency, which has been adopted by 19 of the 28 EU countries. The euro has made travelling easier for Europeans, as they no longer have to exchange their money. This saves over EUR 30 billion a year in currency exchange fees. Now that prices can be compared directly, many purchases abroad are cheaper for consumers.

After the euro was introduced in cash form, there were complaints that it was leading to higher prices. However, the statistics have proved them wrong. The euro did not drive prices up in Cyprus, although many consumers thought it did. They got this impression because many bars, restaurants and cinemas raised their prices considerably at the time.

The euro is a stable currency. Inflation has been lower since it was introduced than in the preceding decades. Average inflation in the 20 years before the euro (1997 to 2007) was 2.6 %. After the euro came in, inflation in Cyprus from 2008 to 2016 was 1.2 % on average. And in all the euro countries taken together, average inflation from 2010 to 2016 was 1.26 %.

Throughout the crisis, its exchange rate remained remarkably stable. If the euro had not been in place when the financial crisis hit, we would have seen huge currency fluctuations in Europe and rising interest rates, as we did in the early 1990s. In our rose-coloured memories of 'the good old days' we often forget that Europe before the euro was repeatedly hit by currency crises.

The euro has by now established itself as the second most important reserve currency in the world after the US dollar. This gives the euro-area countries and the EU as a whole more political and economic weight on the international stage. Taxpayers also benefit from the common currency. According to European Commission calculations, in 2016 alone the euro-area countries saved approximately EUR 50 billion in interest, thanks to the low-interest policy of the European Central Bank (ECB).

It is true that the euro came into the world with a birth defect: there was no common budgetary and economic policy. At that point Member States were not ready to give up national sovereignty in these matters. The irresponsible budgetary policy of certain governments was one of the reasons for the debt crisis that followed. Another was excessive private borrowing, in Ireland and Spain, for example. In 2010 public

debt got completely out of hand in Greece, then the crisis hit in Ireland, Spain, Cyprus and Portugal.

In response, Europe's governments showed exemplary solidarity and created a safety net for euro countries in difficulties in the form of the EFSF and (later) ESM rescue funds.

**Euro-area countries saved
€50 billion this year**



**thanks to
the European Central
Bank's monetary policy**

For their part, the debtor countries committed themselves to thoroughgoing reforms. A 'Grexit' of Greece from the euro area, which would have destroyed confidence in the irreversibility of the common currency, was averted.

The hard euro also had a great advantage for the countries hit by the crisis: it prevented them taking the easy way out. They can no longer cushion themselves against the effects of their home-grown problems through depreciation of their national currency. Instead, they are forced by the euro to face up to their real problems. They need to become more competitive instead of using depreciation to mask the symptoms. This is painful, but healthy.

The euro area countries have also set to work on removing the euro's birth defect. Between 2011 and 2013 the EU adopted new, stricter rules to keep a tighter check on public debt and deficits — making sure that governments don't spend beyond their means. This has made the Stability and Growth Pact more rigorous. Every country now has to present its annual budget to Brussels and can expect more severe penalties if it breaks the rules. Economic policy is more closely coordinated.

All this is having an effect: while the average national deficit in the euro area in 2009 was 6.3 %, it is now under 2 %. Economic recovery is now entering its fifth year and unemployment is falling. The discipline applied to the common currency is curbing public debt in the euro area, while in the USA and Japan, for example, it continues to grow apace. The euro is doing well for itself!

[European Commission website on the euro](#)

Europe stands by its farmers

The common agricultural policy was born partly from the memory of the hungry post-war period. When the EU agricultural policy began in 1962, the objective was to achieve higher yields by using more technology and practising greater efficiency. To this day, farmers' ability to feed the population is still a central concern of agricultural policy. Over time, new key aims have been added, first amongst which are sustainability and ensuring the survival of agricultural smallholdings in the countryside.

Europe will always
stand by its farmers



This year, our dairy sector
received an exceptional
€1 billion of EU support

The EU supports its farmers on a grand scale: in total, 40 per cent of the EU budget, or just under EUR 60 billion a year, goes to agriculture. This is the equivalent, on average, of EUR 112 per EU citizen per year.

Over the framework programme 2005-2013, the common agricultural policy provided to Cyprus over EUR 500 million. Farmers received over EUR 300 million in direct aid and market measures to support farm income and over EUR 200 mil-

lion were spent modernising agriculture, making it more sustainable and developing rural areas.

The debate over a further reform of agricultural policy in the new programming period beginning in 2020 is already in full flow, given impetus by the public consultation paper just published by the European Commission. Critics claim that the agricultural sector does too little for climate protection and the preservation of species diversity. They say that the environmental ('greening') requirements introduced by the last, 2013, reform did not do enough for the environment.

Nevertheless, since then a third of all direct payments have already become subject to environmental requirements. Another frequent criticism concerns agricultural exports to other countries. However, this fails to take account of the fact that there are no longer any EU export subsidies for agricultural products. Between 1991 and 2012 they were reduced from over EUR 5 billion to under EUR 150 million annually, and since then they have been abolished completely.

When, in 2015, Russia imposed a unilateral import ban on agricultural products from the EU, the European Commission mobilised EUR 1 billion to help dairy, fruit and pig farmers. The President of the European Commission, Jean-Claude Juncker, said: 'I will not accept that milk is cheaper than water.' He promised farmers that 'the Commission will always stand by our farmers.'

[FAQ about the common agricultural policy \(CAP\) and agriculture in Europe](#)

[State of the Union Address by President Juncker on 14 September 2016](#)

From screens to lorries: The EU takes action against cartels

Whether screens, lifts or lorries — the European Commission regularly imposes heavy fines on European and international businesses that fix the prices of such products or manipulate the market. Because that distorts free competition — and is banned.

The European Commission is the top anti-cartel authority in the common internal market. It has to ensure that competition really does work. So it sees to it that competitors do not fix prices among themselves and keep them artificially high, or divide up the European market among themselves, for example. Big companies are also not allowed to exploit their leading market position to undermine competition. Because all that hinders competition and so harms consumers.

If there are complaints or reports, the EU Commission launches antitrust investigations. To do so, it has extensive powers. For example, it can order raids on the companies concerned. If the accusations are corroborated, the EU authorities can fine a company up to 10 % of its annual turnover.

This happens quite regularly. To give a couple of examples from the list of the heaviest fines: In 2016, the European Commission imposed a record fine of EUR 2.93 billion on a lorry cartel. MAN, Volvo/Renault, Daimler, Iveco and DAF had been fixing the sales prices of lorries over a period of 14 years and passing the cost of complying with stricter emissions

rules on to their customers in a coordinated way. In 2012, the European Commission imposed a fine of EUR 1.4 billion on leading producers of screens for televisions and computers. Several banks had to pay EUR 824 million in 2013 because they had manipulated interest rates, such as the LIBOR rate. In 2007, the European Commission made the 'lift cartel' pay up. Between 1995 and 2004, leading corporations divided up the market in Belgium, Germany, Luxembourg and the Netherlands and agreed who should get a contract.

Cartel fines flow into the EU budget and reduce the contributions of taxpayers. In addition, anyone who has suffered harm because of a cartel can seek damages.

Even big foreign companies that are active in the European market have to obey the rules. For example, the European Commission has taken action against the US company Microsoft several times, and in 2009 it got Microsoft to make it easier to choose other web browsers instead of its own Internet Explorer. The same is true of the US giant Google. The EU authorities are currently investigating the accusation that the search engine provider manipulates search results to favour its own services, such as Google Shopping for shopping.

[European Commission on cartel policy](#)

[European Commission on anti-competitive agreements](#)

Europe fights for fair taxation

Tax fraud, tax evasion and tax havens — many companies are very resourceful when it comes to saving money by avoiding tax. It is estimated that the EU Member States lose around EUR 1 trillion every year because of legal and illegal tax dodges. Europe has made a lot of headway in recent years in the fight against tax evasion. The Apple case shows what the EU can achieve when it acts together.

The EU is taking resolute action in the fight against tax evasion. Because many big companies in Europe are still using tax loopholes; a number of European States lure big companies to the country even at the taxpayer's expense. A single country will not achieve much if it takes action against this alone. The EU offers the Member States tools to help them fight tax evasion more effectively.

Using state aid law, the European Commission is keeping close tabs on many tax deals that EU Member States have with big companies. In August 2016, the European Commission obliged Ireland to claim back around EUR 13 billion in under-paid tax from the iPhone business Apple.

According to Commission President Juncker, the goal is that, 'every company, no matter how big or small, has to pay its taxes where it makes its profits'. This goes for giants like Apple too. 'In Europe we do not accept powerful companies getting illegal backroom deals on their taxes.' Especially as, in these difficult times, the States do not have this revenue

for hospitals or schools. This is the social side of competition law, 'And this is what Europe stands for', as President Juncker emphasised.

President Juncker gives the competition Commissioner, Margrethe Vestager, free rein to go after tax deals that may be forbidden, even those in his home country of Luxembourg for big companies like Amazon and McDonalds. The new momentum in public and political debate has also encouraged the Commission to make a fresh attempt at radical reform of company taxation in the EU. A common consolidated corporate tax base should ensure that companies do not artificially understate their profits or shift them to other EU countries to reduce their tax burden. From this year, using the 'country-by-country reporting' already adopted by the EU, big companies must disclose to the tax authorities how much tax they pay and in which country.

EU-wide tax legislation is always a difficult undertaking because the EU Member States must adopt tax policy decisions unanimously.

[EU agenda on taxation](#)

[European Commission on the action plan on corporate taxation](#)

[President Juncker's State of the Union speech of 14 September 2016](#)

The EU supervises the banks

During the financial crisis, the banks took Europe to the brink of disaster. The EU has learned from this and established a banking union that makes financial institutions safer and protects savers and taxpayers. It is based on three pillars.

In 2012, there were fears of a collapse of monetary union. So the European Commission introduced the European Banking Union. Its most important goal: The states and their taxpayers should no longer have to step in if banks have problems. In an emergency, the banks' owners and creditors should pay, and if that is not sufficient, the entire sector should pay through bank levies paid in advance.

An important pillar of the banking union is European banking supervision, which has been monitoring the euro area's 130 leading financial institutions centrally so as to ensure that national supervisors can no longer turn a blind eye in the case of their own institutions, which was sometimes the case before. Responsibility for supervision lies with the European Central Bank (ECB). That is now working well: According to ECB data, the European banks are stable, as shown by the most recent stress tests conducted by the European banking supervisor, the EBA. Under EU pressure, the banks have improved their capitalisation considerably.

The second pillar of the banking union is the new bank resolution rules. If a bank goes bust, it will be wound up by the competent EU authorities centrally and according to a precise set of rules. This will prevent panic. The state must not intervene because it is the bank's shareholders and creditors who are liable first; and if that is not sufficient, it is the entire sector. Completion of banking union also includes, thirdly, a common deposit insurance. This is a guarantee for the savings deposits of customers if a bank goes bust. Throughout the EU, savings deposits of up to EUR 100 000 are guaranteed, albeit backed by national funds. A European deposit security system is still under discussion and still to be created.

The new requirements have made banks in Europe safer and Europe's financial sector more crisis-proof. The Commission will also ensure that the Italian State's precautionary recapitalisation of the Italian bank Monte dei Paschi complies with Banking Union rules and shareholders and creditors participate in a fair bail-in.

[European Commission on the Banking Union](#)

[EU Parliament on Banking Union](#)

Part 4: The European Union protects consumers

The EU secures the rights of passengers on journeys — by air and by rail

If a flight is overbooked or cancelled, or if a suitcase disappears, the passenger is entitled to financial compensation. Uniform EU rules ensure this. The same applies for journeys by rail.

In a Europe without borders, ever more people are travelling; air travel in particular is becoming more popular. If there was a problem with a flight in the past, many passengers went away empty-handed. The EU has put a stop to that: In 2005 the European Union laid down a series of air passenger rights in a regulation. The rules apply for passengers flying on scheduled and charter flights departing from an airport in the EU or with a destination within the EU.

For example, if a flight is postponed until the following day, the airline must normally pay for an overnight hotel stay. If a flight lands considerably later, is cancelled at short notice or if there are no more seats left despite a booking, the passenger is entitled to financial compensation. The amount of money depends on the route: the passenger receives EUR 250, EUR 400 or EUR 600, depending on the distance. However, this only applies if there are no exceptional circumstances such as bad weather or a strike by air traffic controllers.

If a flight is cancelled, passengers can demand compensation or reimbursement of the air fare. And likewise if a suitcase gets lost or is damaged, the airline must make good the damage.

However, the money is not given automatically; the air passenger must first claim it. If the airline refuses, the passenger

can make a complaint to the appropriate national aviation authorities. In the event of a dispute, the conciliation body of the European Consumer Centre is available.

In 2007, the EU also improved consumer protection for rail travellers. An EU regulation now governs the rights of rail travellers in a uniform manner throughout Europe. If a train is late or cancelled or in the event of an accident, rail travellers receive compensation, regardless of whether they are travelling within one country or across borders. Rail travellers receive 25 % of the rail fare back if the train is more than 60 minutes late. If the train is more than 120 minutes late, they receive half of the rail fare.

Once a delay of at least 60 minutes is foreseeable, rail passengers have the option of either obtaining a refund of the rail fare or demanding to be taken, free of charge, to their destination by a replacement train or by bus. At night, passengers are entitled to use a taxi and have the cost reimbursed up to a maximum of EUR 80. If they have to stay somewhere overnight because of a cancellation, the rail company pays for the hotel.

There are also similar rules for travel by bus and ship.

[EU information on air passenger rights](#)

[EU Regulation on air passenger rights](#)

[EU Regulation on the rights of rail travellers](#)

The EU reduces the number of road deaths

One drink too many, one quick glance at the mobile or pressing down hard on the accelerator — and an accident has already happened. While it is true that ever fewer people are dying on Europe's roads, the EU wants to reduce the number of road deaths even further. Strict pan-European rules will put the brake on reckless drivers.

The European Union has set itself an ambitious goal: by 2020 it wants to halve the number of road deaths compared to 2010. Major successes have already been achieved in this regard. While there were still 54 000 deaths on European roads in 2001, in 2010 there were only 31 500 and in 2015, according to an EU report, there were only 26 000.

In Cyprus, there were 57 fatalities in 2015 — 27 % more than in 2014. However, for the 2010–2015 period, there has been a decrease of 5 % in road deaths.

With Europe-wide rules, the EU is seeking to ensure greater safety on the roads in all states. Excessive speed is often the cause of an accident. In order to punish drivers exceeding the speed limit, the EU is taking steps to ensure that tickets for speeding are enforced throughout Europe. So anyone on holiday in Italy caught speeding by a camera will have the fine sent to his or her home. The authorities now have a system for exchanging tickets for speeding. While the system does not always work, according to the European Commission, the number of traffic offences enforced across borders increased fourfold between 2013 and 2015. The offences concerned include excessive speed, crossing a red traffic light and driving without a safety belt.

Moreover, the EU supports the Member States in maintaining roads in good condition. The European Union also supports campaigns to raise drivers' awareness of dangers. Because when there is an accident, alcohol is often involved, and sometimes even drugs.

The EU has provided a total of EUR 2.4 million in funds and technical assistance for the improvement of traffic infrastructure and traffic safety in the Turkish Cypriot community. The programme helped improve the standards of vehicle inspection, the collection and treatment of data in case of collision and the operational management of traffic. It also enabled the development of a highway plan to address current and future mobility needs and to eliminate some of the traffic accident 'black spots'. As part of this action the European Union also financed a successful awareness campaign for the use of safety belts by the members of the Turkish Cypriot community.

The EU has also drawn up common first-aid rules. The e-Call system introduced throughout the EU in 2015, which automatically dials the 112 emergency number in the event of an accident, can reduce the number of road deaths by around 4 %, according to estimates.

[Survey of EU legislation on transport](#)

[European Commission fact sheet of 31 March 2016 on road traffic safety](#)

The EU helps consumers to exercise their rights

Have you ever bought something on a promotional trip, online or on the doorstep that you did not even need? For example, a magazine subscription or a mobile phone contract? Consumers often feel they have been taken unawares and after the event wonder whether they can afford it at all.

To protect consumers from hasty purchase decisions, the EU has allowed them to withdraw in the case of doorstep selling — the ‘right of withdrawal’. So everyone can decide calmly whether or not they want to enter into the contract. However, this does not apply to flight tickets or hotel bookings, but package contracts concluded on promotional trips are definitely something that consumers can withdraw from.

The right of withdrawal as newly formulated in 2014 applies not only to sales on the doorstep, in the street, on a promotional trip or at, for example, Tupperware parties, but also to orders placed online, by telephone and by traditional mail order, and also, for example, for online auctioneers such as eBay.

In all those cases, customers can withdraw from the sale within 14 days without justification. The time-limit for with-

drawal starts to run on the day on which the customer takes delivery of the goods. If the vendor does not clearly point out the right of withdrawal to the customer, the time-limit is extended to 1 year.

However, it is not sufficient merely to return the ordered goods. The withdrawal must be expressly stated, preferably in writing. In doing so, the customer must give the customer number, order number and date. But the consumer does not need to justify the withdrawal.

The EU also wants to help consumers to exercise their rights across national borders, and has therefore established the European Consumer Centres Network. There is a European Consumer Centre office in every EU Member State, including Cyprus, as well as in Norway and Iceland, which provide assistance.

[EU website on the right of withdrawal](#)

[European Consumer Centre Cyprus](#)

Europe makes buying online safer

Ordering a pair of shoes or some clothes online and trying them on calmly at home, ordering books and CDs at the click of a mouse — a growing number of customers of online traders are using these stress-free purchase possibilities. Because e-commerce is booming, the EU has adopted new rules on the right of withdrawal.

The EU guarantees greater legal certainty in online purchasing. For contracts that a customer concludes with a trader online, by catalogue or on the telephone, there is a uniform level of protection. It does not matter whether the company is based in Cyprus or in another EU country.

To prevent rip-offs and make online purchasing safer, a 'button solution' was introduced. This means that customers must now expressly agree to the purchase by mouse click. The online trader must firstly point out that a cost is incurred and secondly must obtain confirmation that the consumer has taken note of this. This is possible with a pushbutton. If the provider infringes the button solution, the order is not binding on the consumer.

If the online trader has a hotline for inquiries, the consumer can be asked to pay only the basic tariff. Traders may require customers to pay certain surcharges, such as for the use of a credit card, only if they themselves incur higher costs for it. If companies charge freight or postage, they must clearly inform consumers of this. They must also send confirmation of the order as soon as they receive the order by mail.

Traders must supply the goods within 30 days, and if they fail to do so, the consumer can withdraw from the contract on day 31.

An EU directive guarantees consumers the right to contact online consumer dispute resolution bodies in the event of a dispute.

[European Consumer Centre Network](#)

[Realities of the European Online Marketplace](#)

The EU guarantees the rights of buyers if a product is defective

Bought a hairdryer with a 6-month guarantee — and after 8 months it no longer works? In such cases, consumers in the EU have guaranteed rights that no trader can evade.

If a product is defective, the trader is liable. Under EU law, a trader must repair or replace the goods, reduce the price or reimburse the purchase price if the goods turn out to be defective or if they do not appear or function as advertised. The customer enjoys a guarantee at no cost for at least 2 years. One example: If you buy a hairdryer on which the seller gives a 6-month guarantee, and it stops working after 8 months, under EU consumer protection law you still have the 2-year guarantee at no extra cost. The 6-month guarantee offered by the seller is an additional service.

Second example: you buy a laptop and everything appears to be fine with it at first. But after a year, you notice that the laptop's memory is smaller than advertised. This gives you the right to demand a partial reimbursement of the cost from the trader.

If customers are not satisfied by the conduct and the answer of traders, they can contact the European Consumer Centre in their country or a consumer centre in the country in which they purchased the goods. Traders must also point out that an out-of-court resolution of the dispute is possible.

[European Commission on guarantees and returns](#)

Europe protects the savings of its citizens

If a bank fails, the savings of its customers are not lost. The EU ensures that every customer of a bank in the EU gets their money back, laying down standards for the 'deposit guarantee'. The rules were tightened up during the financial crisis.

This guarantee applies for savings deposits of up to EUR 100 000 per customer and per bank. This includes savings in fixed-term and instant savings accounts, savings books and money on a current account. The EU raised the ceiling for this guaranteed amount in 2009 because of diminished confidence in the banks during the financial crisis.

A European deposit insurance scheme: an additional safety net for savers across Europe



So far these sums have been guaranteed by national states. The problem with this: If a number of financial institutions become insolvent in one country, the national guarantee system may no longer be sufficient. In 2015 the European Com-

mission therefore proposed that a Europe-wide guarantee system for savings be developed by 2024.

The European deposit guarantee system is intended to be a sort of common insurance fund into which the national deposit systems will gradually merge. This fund is financed by contributions from the banks, which pay in the money over a number of years, and it is intended to grow to EUR 55 billion. This fund would then guarantee deposits throughout Europe of up to EUR 100 000 per customer, but only if the national guarantee fund of a country is not sufficient. The guarantee is also intended to prevent bank runs if customers fear that a financial institution is about to collapse and their deposits will be lost. The European deposit guarantee is the third and final pillar of the banking union, which is intended to make the banking sector more secure. At present, the plans are still being discussed by the legislators — the European Parliament and the Council.

The common deposit guarantee system will not be financed by savers but by the banks. All banks in the banking union will pay contributions that will then be used to support all participating banks. Cypriot financial institutions will therefore not only pay in, but also receive support from the European system. Strict safety clauses are also planned to prevent misuse of European resources. For example, if a Member State fails to top up its compensation fund, in accordance with the deposit guarantee directive, that country's deposit guarantee systems cannot take advantage of the European system.

[European Commission proposal on deposit protection](#)

Part 5: The EU lowers the cost of living

The single market brings down prices

Since the European single market came into being in 1993, the range and diversity of products on offer has grown. As a result of increased competition and the end of national monopolies, many goods and services are cheaper than before.

For example, the price of phone calls, electricity and air travel has fallen significantly. The single market — a border-free area for 510 million Europeans — is Europe's most ambitious project and the keystone of economic integration between the 28 Member States. The single market ranks as one of Europe's most important achievements.

The EU's aim is to create a European area without internal borders in which goods, people, services and capital can move freely. This liberalisation of the internal market helps boost prosperity and contributes to the sustainable growth of the economy.

While the EU standardises the law for all countries, it also protects the rights and interests of consumers across Europe. The European single market is not a market that has been introduced at any price, as demonstrated by the high level

of consumer and environmental protection in the EU. The absence of borders certainly does not mean that market forces are given free rein. In fact, the European institutions are obliged by the Treaties to guarantee high levels of protection for health, safety, consumers and the environment.

At a time of increasing globalisation, the single market is Europe's greatest asset. Freedom of movement ensures that skilled workers can work anywhere in the EU and firms can open branches and do business in other Member States. This creates the jobs that Europe urgently needs and drives growth.

However, the potential of the single market cannot always be unleashed, because the rules governing it are not widely known, not implemented or quite simply undermined by various unjustified barriers. Moreover, the single market has to face up to the demands of today's realities. It must also offer room for innovative ideas and new business models. The European Commission has therefore made it a top priority to create a 'deeper and fairer single market'.

[A deeper and fairer single market](#)

Europe cuts the cost of telephone calls

It's something we've all experienced. You sit on your holiday beach happily calling home, reading your emails and uploading photographs. And then a few weeks later you get a shock on opening your mobile phone bill. For years the EU has been working to change this — and it's achieved results. From 15 June 2017 all Europeans will be able to travel in the EU without having to pay roaming charges.

Telecom prices have been falling sharply for years both for landlines and for mobiles. One reason for this, alongside technological progress and more efficient networks, is that the EU had abolished all national telephone monopolies by 1998. An open market means competition and hence lower prices.

Roaming charges for calling or surfing on mobile phones while abroad have also fallen sharply under pressure from the European Commission. By roaming we mean the possibility of calling, sending texts or using data services over foreign telephone networks. The service providers demand connection fees that are then passed on to customers.

In 2007 the Commission introduced the first rules on ceilings for roaming charges. Since then the extra costs you incur while in other EU countries have fallen sharply — by over 90 per cent according to the Commission's estimates. Data roaming is also 96 per cent cheaper than in 2012.

From 15 June 2017 there will be no more roaming charges for periodic travel abroad. Consumers will be able to use their mobile devices across the EU under the same contractual terms as in their home country. This is what representatives of the European Parliament, the Council of Ministers and the Commission agreed in early February. Consumers who exceed the contractual limits on the use of roaming may be charged extra, but only up to a strict ceiling of 3.2 cents per minute for calls, 1 cent per SMS and EUR 7.70 per GB of data.

[End of roaming charges](#)

The EU gives you wings: airfares in free fall

Ever flown to Madrid? Spent the weekend in London? Today, thanks to competition between airlines, nothing could be easier. Prices have come tumbling down in recent years because of the liberalisation ordered by the European Commission. At the same time Brussels has strengthened passengers' rights.

The market for cheap air travel took off just under 20 years ago, prompted by the European Commission. In 1987 the EU began liberalising air transport and ensuring greater competition. Today every airline in the EU has unrestricted market access and the freedom to set its own prices. Airlines and airports compete with each other across Europe, so that any airline can offer flights on any route in the EU.

The effect has been massive: prices have plummeted. According to the European Commission, 90 per cent of all passengers travel on much cheaper tickets than in 1993. Between 1992 and 2000 alone, fares in Europe fell by an impressive 41 per cent.

As more and more people could afford to fly, passenger numbers rocketed. According to the European Statistical Office, Eurostat, the number of passengers rose between 2010 and 2015 from 796 million (in the 27 EU countries at the time) to 918 million. In 2015 alone there was another big jump of nearly 5 per cent on the previous year. According to EU estimates, air travel is set to grow by 70 per cent by 2030.

As the sky fills up, air traffic control and aviation security must be made more efficient. The EU has therefore been working since 1999 on ending the fragmentation of airspace along national lines and establishing cross-border functional airspace blocks. The aim is to create a border-free Schengen area in the sky to match the one on the ground. This will make airspace safer and save on travelling time, jet fuel and greenhouse gases.

The EU has adopted regulations on passenger rights in order to provide more transparency: alongside the final price of the airfare, airlines must specify separately the taxes, airport charges and any other charges, fees and surcharges.

Prices may be lower but safety must not be sacrificed. Therefore, the European Commission regularly monitors airline safety standards and sets conditions or imposes bans. If an airline is on the blacklist, it is excluded from European airspace. In December 2016 this was the case for 193 airlines, mainly from Africa and South-East Asia.

[EU air safety list](#)

[EU information on air passenger rights](#)

The EU lowers bank charges and the cost of using credit cards

How much does an account cost? Does using a credit card really have to be so expensive? These are questions which the European Commission has been looking at closely. And consumers are seeing the direct benefits of new EU rules in their wallets.

In its role as consumer watchdog, the Commission also keeps an eye on bank charges. In 2014 the EU adopted a law on increasing transparency. Since then, when calculating what customers pay for their accounts, banks have no longer been allowed to impose hidden charges. Financial institutions must specify clearly all fees, costs and commissions charged for opening, managing or closing accounts. The customer then has the opportunity to compare and to choose the best deal on offer.

Many customers are perfectly used to paying by card rather than cash. But this can mean a hefty profit for the banks, or even traders in some cases. 2016 saw the introduction of a Europe-wide limit on the fees which banks can charge when consumers pay by credit or debit card. The amount depends on the value of the purchased product. If a customer buys a camera for EUR 100 by credit card, the average charge will be EUR 1.

From autumn 2017 on, customers will no longer incur any extra charges at all when paying by credit or debit card. Some companies, for example airlines, impose surcharges on online pur-

chases by credit card. Service providers will also have to meet certain requirements regarding authentication and security.

The EU has also made it easier to change accounts — even across borders. Since 2016 all EU citizens have had the right to a current account even if they have no fixed abode. This account allows the homeless, for example, or refugees to carry out basic tasks such as making transfers or withdrawing cash from ATMs.

The EU has also made cross-border payments quicker and more secure. Since 1 February 2016 all bank customers have had an international account number (IBAN) and an international bank code (BIC). These help to standardise and speed up cross-border transfers, direct debits and card payments — and to make them cheaper. The Single Euro Payments Area (SEPA) covers 34 countries, including the 28 EU Member States plus Iceland, Liechtenstein, Norway, Switzerland, Monaco and San Marino.

[EU Directive on fees for using bank cards](#)

[EU Directive on bank charges, switching accounts and the right to a current account \(2014\)](#)

[FAQ on SEPA](#)

The EU monitors transparency in the market for medicines

The commercial aspect of healthcare is a multidimensional issue. That is why there are strict rules preventing discount wars and predatory pricing. A series of judgments by the European Court of Justice has served to open up the European pharmaceuticals market. More competition could lead to lower prices.

Decisions on the price level of medicines as well their reimbursement status are Member States' competence. The European Commission does not have the legal competence to set or influence the prices of medicines or to decide on the medicines used/reimbursed by EU Member States.

Price negotiations and tendering procedures between competent authorities responsible for pricing and reimbursement of medicinal products and pharmaceutical companies occur at national level and are subject to manifold influences, e.g. the budgets available, the adequate supply of the population with innovative medicines taking into account any political objectives of cost containment or the remuneration of innovative therapeutics.

What the EU has available as a means of regulatory intervention is the transparency directive 89/105/EEC which lays down procedural rules (e.g. time limits, motivation and judi-

cial appeal) and sets timelines for such decisions at national level. The Commission monitors the implementation of the transparency directive as applicable to any national measure regulating prices and reimbursement of medicines. Despite its limited competence, the Commission is committed to cooperate with EU Member States in this regard by promoting the exchange of information between them on their pricing policies with a view to minimising negative effects on the accessibility of medicines. Furthermore, it supports the improvement of price information that EU Member States voluntarily exchange. In addition the European Commission facilitates the collaboration between governments, pharmaceutical companies and civil society with a priority on improving access to quality medicines.

While there is not currently a plan for EU-level harmonisation of pharmaceutical prices, some Member States have initiated discussions and are envisaging cooperative actions. The Commission is ready to support that cooperation if requested by the Member States in question.

[ECJ judgment of 19.10.2016](#)

[Council conclusions of 17.06.2016](#)

Part 6: The EU is committed to ensuring healthy food and a clean environment

The EU makes sure we have healthy food

What exactly is in your orange juice? How many calories are there in a granola bar? Thanks to EU rules, as a consumer you can get the answers immediately — by looking at the packaging. If you suffer from allergies and go to a restaurant, you can be sure of what is in the food you order. And you can count on food being safe, containing neither salmonella nor other hazardous substances.

Europe has high food standards. An EU regulation regulates the labelling of foodstuffs. So the packaging immediately gives you a good idea of what you are getting. All packaging must bear a table — standard throughout the EU — stating what is contained in the product. The table must give, for example, the energy content and the amounts of fat, saturated fat, carbohydrates, sugars, protein and salt. All figures are expressed per 100 grams or 100 millilitres. Origin information for beef and fresh meat from pigs, sheep, goat and poultry has to be provided on the packaging. And the presence of any of the 14 main substances that could cause an allergic reaction (e.g. nuts or soya) must also be listed. Importantly for people with allergies, information on allergens has to be provided for non-prepacked food as well, e.g. in restaurants. (Although this does not mean that the ingredients of every cake brought into a day-care centre or all the snacks served at charity events have to be declared, other than as specified above)

Advertising that makes health claims is strictly regulated. If a manufacturer uses the term 'low fat' on a product,

that product must contain no more than 3 grams of fat per 100 grams. If a food product has been genetically modified, that information must be shown on the label (thanks to the novel foods regulation). This is the case, for instance, for plant oils produced from genetically modified plants. This allows consumers to decide whether or not to buy genetically modified food.

In addition to food labelling, the EU has introduced other uniform quality marks, e.g. the familiar CE mark and the organic logo for organic food. All this makes it easier for consumers to make informed choices when shopping.

There are also strict rules governing cosmetics such as skin creams or lotions, such as for the use of certain chemicals in them. The EU has thus responded to the rise in allergies over the years.

If foods that pose a health hazard, such as meat with salmonella or mercury-contaminated fish, come onto the market in the EU, the EU Rapid Alert System (RASFF) comes into play. In this way a country can warn all the other EU states about the product in question so that the threat can swiftly be made known EU-wide and the authorities can take action. The food product is then withdrawn from the market and destroyed. Foreign food is sent back to the country of origin.

[European Food Safety Authority](#)

The EU prevents ‘food piracy’ and protects regional specialities

Once you have tasted real Parma ham or Pafitika loukanika, you will probably only want the real thing in the future. But without the EU, the real thing would be hard to come by. The EU protects its citizens from food pirates who try to pass off their product as a regional speciality.

Take sausages. It is agreed throughout the EU that Nuremberg sausages have to come from Nuremberg and Pafitika loukanika can only be made in Pafos. Similarly, Parma ham can come only from Parma and Tyrol ham from Tyrol. The same for beer, cheese, biscuits and many other products.

In Europe, regional specialities are a tradition — they are part and parcel of a culture. That is why the EU safeguards the origin of many products with a logo, which protects it from misuse. The Union thus preserves the uniqueness of products whose name is based on their origin and a particular production process. Many producers register their regional speciality in the EU register to protect it from imitation.

There are three different logos: Protected Designation of Origin (meaning the production, processing and preparation of a product takes place in a particular geographical area according to a recognised and established procedure), Protected Geographical Indication (at least one of the production stages — production, processing or preparation — takes place in the

area of origin), and Traditional Specialities Guaranteed (traditional composition of the product or traditional production and/or processing method).

Some 1 250 designations of origin of regional products and specialities are now listed in the EU Register. There are five products from Cyprus on this Register: Pafitiko Loukaniko, Kolokasi and Poulles Sotiras, Glyko Triantafyllo Agrou, Koufeta Amygdalou Geroskipou and Loukoumi Geroskipou. An application to register Halloumi/Hellim has been published and is currently being considered.

Many other regions of the world, e.g. the USA, do not have this protection system. Products with European names have become established there, e.g. champagne which has been bottled in the USA and not in France. That is why trade negotiations are also about protected designations of origin. In recent years the EU has been very successful in strengthening protection for hundreds of geographical designations. The fact that EU products are now also protected outside the EU is the result of strenuous efforts in trade negotiations with Canada, Korea and Singapore. The EU has a separate agreement with China on the protection of designations of origin.

[Link to geographical designations of origin](#)

[List of registered designations](#)

The EU ensures clean water for drinking and bathing

Polluted seas, oil-stained beaches, phosphates in drinking water — these used to be realities. The EU takes action to ensure that water is kept clean. As a result, EU citizens can enjoy clean water both for bathing in and for drinking.

After a number of tanker accidents and major oil spills in Europe, the EU established modern standards for ships calling into EU ports. In the wake of the Erika oil tanker accident off the French coast in 1999, the European Maritime Security Agency (EMSA) was set up in Lisbon. It looks after safety in Europe's waters. For instance, tankers with single steel hulls have been prohibited: tankers must now be double-hulled.

Citizens also benefit from the EU's action. According to the 2016 EU report on bathing water quality, 96 % of EU bathing sites have excellent water quality. In Cyprus, the figure is 99 %.

An EU regulation that came into force at the beginning of 2017 restricts the phosphorus content of dishwasher detergents such as tablets or powders. Excess phosphates wash-

ing into rivers and lakes with waste water cause algae to proliferate, leading to oxygen deficiency in animals and plants and causing them to die.

The European Environment Agency found that the quality of drinking water and the effectiveness of waste water treatment improved throughout the EU in 2016. According to the EEA report published at the end of 2016, EU-wide testing and analyses between 2011-2013 showed that in 98.5 % of all cases EU standards on clean drinking water were met or even exceeded. A growing proportion of households are connected to waste water treatment facilities. The regions in southern and eastern Europe are less well served, however. And the Environment Agency notes that excessive levels of nutrients — especially nitrogen and phosphorus — are still entering the environment.

[EU Commission on Bathing Water Quality](#)

[European Environment Agency on water quality](#)

The EU ensures cleaner air and is a world leader in environmental protection

Fine dust, smog and smelly exhaust fumes — the air in many cities is polluted. The EU therefore exerts pressure worldwide with regard to environmental protection and has set ambitious targets for reducing CO₂ greenhouse gas emissions, which are partly responsible for global warming.

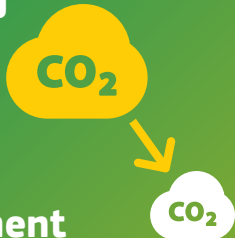
‘We Europeans are world leaders on climate change’, says EU Commission President Jean-Claude Juncker. Europe can boast of having mediated the first legally binding global climate change agreement. At the end of 2015, in Paris, 195 countries signed the historic climate agreement which entered into force at the end of 2016. Juncker says: ‘It was Europe that built the coalition of ambition that made agreement in Paris possible’ — by repeatedly calling on its partners, such as the G20 countries and the UN, to follow its example.

Under the agreement, the various states undertake to limit dangerous global warming to ‘well below 2 degrees Celsius’ above pre-industrial levels. The target is to limit it even further to 1.5 degrees. Many scientists consider that if this figure is achieved, the impact of climate change is just about controllable.

But this target now needs to be translated into specific steps and timeframes. By signing the UN agreement, the international community has undertaken to shift away from oil, gas and coal. Even climate heavyweights like the USA, China, Brazil and India have ratified the Paris Agreement — which was not the case for its predecessor, the Kyoto Protocol, until the very end. Once the Protocol expires in 2020, the Paris Agreement will come into force. The Paris Agreement must now be implemented by commitments of the individual states. The next climate conference is to be held in November 2017 at the United Nations Climate Change Secretariat in Bonn.

The EU is leading the way, having already set three climate targets in October 2014: by 2030 the Member States aim to cut greenhouse gas emissions by at least 40 % of 1990 levels; increase the share of renewable energies to around 27 % of total energy production; and decrease energy consumption by 27 % compared with 2014. The states must make further improvements if they are to achieve these objectives.

Leading the way to a low-carbon economy by reducing greenhouse gas emissions by at least 40 % by 2030 and implementing the UN Paris Agreement



Clean air is one of the EU's key environment policy goals. The EU has also set pollutant limits that must be met by every EU Member State to protect citizens' health, because the rates of bronchitis and asthma have increased. In 1999 the EU Member States agreed on minimum air quality standards. Since 2005 specific maximum levels have been set for sulphur dioxide, nitrogen dioxide and lead. The EU Member States now have to implement these, via for instance the introduction of speed limits, driving prohibitions or requirements for industry, and tax incentives for low-emission cars.

[Text of the Paris Agreement](#)

[EU Commission on Climate Goals](#)

[EU Directive on Air Quality](#)

The EU ensures that electrical and electronic waste is recycled

Smartphones, laptops and televisions contain many valuable rare metals that can be recycled and reused. That is why the EU makes sure that consumers can return end-of-life appliances to the manufacturer free of charge. This protects the environment and saves the industry money.

Old keyboards, defective DVD players and broken washing machines can all be returned free of charge to larger shops. 9.5 million tons of electrical and electronic equipment ends up in the waste bin every year in Europe. Under the 2006 EU directive, electrical and electronic waste must — in the same way as working appliances — be collected, disposed of properly or recycled.

This helps the environment and conserves resources. Take a fridge, for example: a mixture of coolant and oil has to be extracted from it. If it is an old appliance, climate-damaging CFC gas may also be present. Electrical and electronic waste contains hazardous substances such as mercury and cadmium. In poorer countries like in Africa, where old appliances often end up, handling of such waste often leads to

health problems and pollution. And the EU countries miss out on valuable rare earth elements if they do not recycle their equipment. Smartphones, computers and suchlike often contain metals like gold, copper and silver.

However, e-waste recycling does not yet take place satisfactorily. This was shown by a 2015 study conducted by the international police authority Interpol. In Europe only a third of end-of-life appliances end up where they should: in official collection and recycling facilities. The rest is recycled incorrectly, illegally exported or simply thrown away. The EU is trying to change that. Since July 2016, online traders have also had to take back spent small electronic appliances — free and without the original receipt. Collection campaigns and awareness-raising measures are also intended to make consumers more aware of recycling issues.

[EU directive on waste electrical and electronic equipment](#)

[EU Commission Communication on a new electrical and electronic waste Directive of 13 August 2012](#)

Part 7: The EU makes it easier to travel and work in Europe

The EU makes it possible to live and work in any EU Member State

In the EU, you can decide where you want to live. There are lots of options — a pensioner can decide to retire to Cyprus, for example, and enjoy the sunshine, a student can choose between the Netherlands and Italy and a businessman can decide to set up a company in another EU country.

Europe means the freedom to move anywhere you like hassle-free. This is because every citizen of every EU Member State is also a citizen of the EU. All citizens have the right and freedom to choose in which EU country they want to study, work or retire. This right is enshrined in the EU Treaties as freedom of movement for workers, freedom of establishment and freedom to provide services. Every Member State must treat EU citizens in exactly the same way as its own citizens for employment, social security and tax purposes.

Today, there are more than 14 million EU citizens throughout the EU who have been living in another Member State for some time. Most are workers, but some are pensioners or students, who must have sufficient income to support themselves and pay for their health insurance.

EU law has set clear limits: it guarantees the right to freedom of movement but not the right to claim social benefits in another EU Member State without paying into the system. Only EU citizens in employment have social security rights. The European Court of Justice has confirmed this in several judgments.

In Cyprus, EURES, the European Job Mobility Portal, can help you find work abroad. In practice EURES provides its services through the portal and through a human network of around 1 000 EURES advisers that are in daily contact with jobseekers and employers across Europe. Partners in the network may include Public Employment Services, Private employment services, trade unions, employers' organisations and other relevant actors in the labour market.

[Text of the Citizens' Rights Directive 2004/38/EC](#)

[EURES](#)

Europe also gives you health insurance cover when you travel

An emergency abroad? No problem! This is thanks to the European Health Insurance Card.

The EU ensures that its citizens have adequate health insurance cover when they are on holiday or a business trip. If you go to the doctor in another Member State and show your European Health Insurance Card, you can have the costs of treatment refunded by your health insurance afterwards. Assuming you have statutory health cover in Cyprus, you do not have to pay anything other than the usual national excess amount and fees. You advance the money for the emergency treatment up front but it is refunded; in some EU countries, treatment may be free of charge. You can also get prescriptions dispensed in other EU countries.

However, if you are travelling abroad for the sole purpose of seeking medical treatment, an operation or dental work, you should first discuss this with your health insurance to check whether your costs will be covered by them. This also applies if you have a chronic illness that needs ongoing medical treatment. Be careful: private healthcare is not always covered.

The EHIC is valid in all 28 EU Member States, as well as in Iceland, Norway, Liechtenstein and Switzerland.

[European Health Insurance Card](#)

[EU Commission website on cost reimbursement](#)

Call if you are in an accident! Europe has a single emergency number: 112

A united Europe works in emergencies too. The free 112 emergency number was introduced throughout Europe back in 2008. This reduces the time it takes for the emergency services to arrive on the scene and save lives.

Each country used to have its own emergency number for the police and fire services. Travellers abroad often did not know where to call for help in an accident or fire.

This changed in 2008. The EU emergency number works in all EU Member States, from Spain to Finland and from England to Poland — from a landline or from a mobile phone. However, not everyone is aware of this. 58 % of Cypriots know they can use 112 everywhere in the EU. This means that almost half the population would not be able to get help as quickly as possible. According to Eurobarometer 2016, only 48 % of all EU citizens know this life-saving number.

The emergency call centres should be able to deal with emergency calls in various languages, including English. If a mobile

telephone has no reception via the SIM card's network, it will automatically use another network. An emergency call is given priority by each mobile network, which will even interrupt other calls to make the connection. You can use the European emergency number from outside the EU as well and it is now used in more than 30 European countries.

For drivers too, the EU takes safety seriously. The EU-wide eCall system, which was introduced in 2015 and automatically dials the 112 emergency number in an accident to alert the emergency services, will help save lives. The aim is to treat the injured at the accident site as quickly as possible. If the system is not triggered manually, it will be activated automatically, for example, when the airbag is released; it dials the 112 emergency number and sends the location and time of the accident to the appropriate emergency call centre. According to the European Commission, installing eCall is estimated to cost around EUR 100 per vehicle.

[EU Commission information on the emergency number 112](#)

Drivers in Europe do not have to worry about borders

Roadside checks abroad? Lost your driving licence while on holiday? Since as far back as 1996, every Member State has recognised driving licences issued by other Member States. And since then, there has been one standard EU driving licence.

In the past, your local driver's licence was not always accepted by the police and public authorities abroad. This has changed as a result of harmonisation in the EU. Driving licences are now recognised by all Member States so that drivers can drive in all of them without any red tape. In the EU, there are currently 110 valid forms of driving licence.

If you are living in another Member State, you are no longer obliged to swap your licence and you can carry on using your

local licence within the EU. If your licence needs extending, or by 2033 at the latest, it will be replaced by a driving licence using the new format.

Since January 2013, all new driving licences issued in the EU have a standard format: a credit-card-sized plastic licence including a photo and better security features.

If you lose your driving licence when you are travelling in the EU, don't panic! All Member States will issue you with a replacement.

[EU Commission information on the European driving licence](#)

[Text of the Directive on driving licences of 20 December 2006](#)

The EU means travel without borders: The Schengen area

To be able to travel in a united Europe without borders was a dream long held by Europeans. In 1985, Europe agreed to bring the barriers down; in 1995, this became reality. Today, 22 EU Member States, plus Iceland, Norway, Switzerland and Lichtenstein and 400 million inhabitants belong to the Schengen area. In order to protect this major achievement when faced with growing pressure from migration, police cooperation and protection of external borders have been stepped up.

Six countries signed the Schengen Agreement more than 30 years ago in the small wine-growing village of Schengen, in Luxembourg. Fixed border controls were taken down in the Schengen area. Travellers no longer have to show their passport if they cross a border and are no longer subject to checks. Millions of people commute every day across internal Schengen borders to go to work. Every year, European citizens travel about 1.25 billion times across internal Schengen borders. The free movement of persons is a right for all EU citizens of Schengen countries; it is one of the biggest success stories of European integration.

Sometimes, there is a perceived link between Schengen and crime rates, but this is not borne out by the statistics. To ensure safety in this border-free area, the police in Schengen countries have developed more effective methods than the traditional checks at border crossings. Of course this does not mean police withdrawing from border areas; they need to maintain a presence with enough patrol officers carrying out targeted checks.

The police forces in the Schengen area work together to combat cross-border crimes, including through joint police teams. Police officers in Schengen countries can put suspected criminals under surveillance, track them and arrest them across borders. They back each other up through an IT system that enables them to exchange data on wanted persons, or stolen cars and weapons. This is facilitated by the Schengen Information System (SIS), which is like an electronic tracking system.

However, a common area without border controls is only possible if we protect our external borders effectively. The external land borders of the Schengen area are over 7 700 km long and the sea borders almost 42 700 km long. The refugee crisis in 2015 showed that we had serious deficiencies in external border controls, which are now being addressed step by step. With the new European Border and Coast Guard, which was set up in 2016, we now have 1 500 border guards that can be mobilised in just a few days. EU border guards are already providing support to Bulgaria on its border with Turkey, and to Greece along its northern border. Almost all migrants who arrive in Greece and Italy are now registered with their fingerprints and are no longer waved through to other parts of the EU. The agreement with Turkey has led to a marked drop in the number of new arrivals. Nevertheless, many irregular migrants and asylum seekers are still sitting in camps in Greece and Italy. The joint agreement on the relocation of asylum seekers throughout the EU is not yet really working.

The Schengen Borders Code allows Schengen countries to introduce temporary controls on internal borders if public order or public safety are under threat. In practice, this has been used for political summits or football games, for example, to prevent foreign hooligans from entering the country. Faced with the refugee crisis since 2015, six of the 26 Member States have reintroduced border controls. For example, Germany is operating controls on the border with Austria.

The European Commission and Member States have agreed to gradually take down the temporary internal border controls in order to re-establish a Schengen area without internal border controls as soon as possible. We all know what is at stake when we think of our right to travel freely and without borders in the EU: one of the crowning achievements of our united Europe.

[Commission Communication of March 2016 on the costs of non-Schengen](#)

[Overview of the Schengen rules](#)

Part 8: Promoting education, research and culture

The EU sends young people abroad to study

Erasmus of Rotterdam was a Renaissance humanist educated in Europe. He lends his name to the world's largest foreign exchange programme for students, trainees and teachers, the European Erasmus Programme, which celebrates its 30th anniversary in 2017. Nine million people have already taken part.

Fancy a semester studying in Paris or Madrid? 720 Cypriot students set out with Erasmus for a European university. The exchange programme, which celebrates its 30th anniversary in 2017, is one of the EU's most successful projects. The programme began in 1987 with 3 244 students; by 2015 the Erasmus+ Programme was providing assistance for 640 000 students, trainees, volunteers, teachers, trainers and youth workers. The programme stands for a particular approach to life: the Erasmus generation experiences and appreciates the diversity and beauty of the continent, it casts its net Europe-wide and feels European.

**1 out of 3
Erasmus+ students
gets a job offer
from the company
that they trained in**



Since the programme began in 1987, 9 million young people have taken part, 4 473 of them from Cyprus. It began with student exchanges, but later expanded to include apprentices, trainees, young entrepreneurs, young sportspeople and teachers. Students get a grant of between EUR 650 and

EUR 750 a month excluding travelling and don't have to pay any tuition fees that may be charged by the host university.

Spending time abroad is good for your career: Erasmus students are twice as likely as other students to find a job when they finish their studies. One in three apprentices taking part in Erasmus are ultimately offered a job by the company in which they did their training. One in ten starts their own company. Erasmus is probably the only EU initiative to be celebrated in an internationally acclaimed film trilogy, 'L'Auberge Espagnol' ('Pot Luck' or 'The Spanish Apartment'). Madrid, Paris and Vienna are the favourite European destinations for students.

Since 2014, the Erasmus Programme has been combined with other programmes as Erasmus+, which includes a Master's and Doctorates programme and Erasmus for Young Entrepreneurs, for example. This year the European Commission will supplement Erasmus with ErasmusPro, supporting long-duration placements (from 6 months to a year) for apprentices abroad. Erasmus-funded projects encourage apprentices who are about to break off their studies to stay on for a spell abroad and finish their training.

The EU budget for 2014-2020 earmarks some EUR 14.7 billion for Erasmus+. Just for Cyprus, the EUR 2.58 million budget for 2014 will increase to EUR 2.84 million for 2017. It is estimated that, until 2020, thanks to Erasmus+, around 4 million Europeans — 5 000 of them from Cyprus — will be able to study and work abroad.

[Erasmus+ Programme website](#)

[Website celebrating Erasmus' 30th anniversary](#)

[Erasmus+ in Cyprus](#)

The EU's new voluntary service: the European Solidarity Corps

Support for refugees or help following earthquakes: a new EU programme offers young people the chance to help anywhere in Europe and gain experience abroad. Over 20 000 people have already registered. The first operations are expected to begin this year.

The European Commission launched its 'European Solidarity Corps' at the end of 2016. The aim of this new programme is to encourage young people to volunteer to help in emergencies across national borders. Young volunteers between the ages of 18 and 30 will be able to help, as part of a project, either in crises such as the refugee crisis or following events like the recent earthquake in Italy. The EU's offer is intended to foster young people's solidarity and enhance their professional qualifications.

Participants receive either a normal salary or, at the very least, their travel and living costs, their accommodation is provided and they are given pocket money. The Solidarity Corps offers participants the opportunity to serve as a volunteer or do a traineeship, an apprenticeship or a job for a

period of between 2 and 12 months. This could also lead to longer-term employment.

Young people can also become involved in education, health, social inclusion, the building of accommodation and facilities, renovation work and administration, the reception of migrants, environmental protection or natural disaster relief. At the end of it they will be given a certificate.

The President of the European Commission, Jean-Claude Juncker, said: 'For me, this has always been the very essence of what the European Union is about. It is not the Treaties or industrial or economic interests that bind us together, but our values'. By 2020 the Commission hopes that 100 000 people will be taking part. You can apply for the Solidarity Corps online at www.europa.eu/solidarity-corps. The first deployments are expected to start in the first half of the year.

[Solidarity Corps website](#)

[Questions and Answers on the Solidarity Corps](#)

The EU provides work for young people

In Greece, almost every second young person under the age of 25 is without a job and in Spain the situation is little better. In Italy it is more than one in three. In Cyprus, the situation is a bit better, but unemployment is still high, with 3 in 10 young people still being unemployed. The crisis has further exacerbated youth unemployment in southern Europe, where it was already a major problem even before. However, the EU is not standing idly by. Green shoots are already visible.

Although labour market policy is primarily a matter for the Member States, the European Union nonetheless supports its members in the battle against unemployment. The economic crisis has meant that a reduction in youth unemployment is now one of the Commission's top 10 priorities. In October 2016, 4.2 million young people under the age of 25 were unemployed in the EU. The unemployment rate was still 18.4 per cent, although it was considerably less than it had been at its peak in January 2013 when it was 24 per cent.

In 2013 the Member States undertook, as part of the so-called EU Youth Guarantee, to get under-25s quickly back into work and ready for the labour market. Anyone who has completed their training or has just become unemployed should be in a job, education, further training or an apprenticeship within 4 months. By 2018 the EU will be providing in the region of EUR 6.4 billion for programmes in this area, and by 2020 this amount should have risen by a further EUR 2 billion.

Commission President Juncker calls high youth unemployment 'a humanitarian crisis' and stresses that Europe cannot continue as the continent of youth unemployment. He said, 'I cannot and will not accept that the millennials, Generation Y, might be the first generation in 70 years to be poorer than their parents'. In addition, every year EUR 10 billion is provid-

More than **9 million** young people



got a job, traineeship or apprenticeship thanks to **Europe's youth guarantee**

ed for job creation, occupational training and entrepreneurship in general.

The Youth Guarantee scheme has started to deliver results. From 2013 until the end of 2016, the youth unemployment figure fell by 1.6 million according to the Commission. Over the same period the youth unemployment rate fell from 23.9 per cent to 18.5 per cent. Although at the end of 2016 there were still 6.6 million young people not in work or in education or training, the numbers had fallen by 900 000 over this period. Fourteen million young people have taken part in Youth Guarantee projects since January 2014.

The European Commission proposes to expand the successful Erasmus+ exchange programme to include ErasmusPro, which supports longer-duration placements for apprentices abroad.

[Eurostat on youth unemployment \(August 2016\)](#)

[The European Commission on the Youth Guarantee](#)

[The European Commission on the Youth Guarantee, country by country](#)

[Investing in Europe's youth: Questions and answers](#)

Researchers receive billions from the European 'Horizon 2020' programme

Economic success is often based on innovative concepts and new ideas. To enable it to remain competitive on the global ideas market, the EU is investing billions in promoting research, often in international teams.

Scientific excellence and industrial leadership — these are the objectives of the EU Research and Innovation programme known as 'Horizon 2020'. The EU provides nearly EUR 80 billion in research funding from its budget for the period 2014-2020. Projects with the participation of 194 Cypriot researchers have received a total of around EUR 50 million. Also, projects with the participation of 58 SMEs received EUR 19 million.

Research into important topics for the future and global challenges is frequently inadequately funded from national research budgets and is often most successful when carried out in international teams. A typical example is the fight against antimicrobial resistance. Through EU-funded projects, researchers gathered data which revealed different causes and

the different extent of the problem depending on the Member State. It became apparent which Member States have been successful in the fight against resistant bacteria, in what way and for what reason. On that basis, policy has now also taken a different direction in order to combat resistance.

The EU also makes it easier for inventors and innovative businesses to obtain Europe-wide protection for their inventions. The first half of 2017 will see the introduction of the EU unitary patent. The European Patent Office will then be able to issue a patent that will automatically be valid in all EU Member States, thus saving companies a great deal of time and money. Moreover, in the future a European Patent Court will be able to resolve disputes, which will relieve companies of the need for parallel court cases in multiple EU Member States.

[European Commission Horizon 2020 website](#)

[Unitary Patent Website](#)

The EU creates a European Science Cloud

Research generates enormous quantities of results and data. To enable scientists to exchange and make use of this information across borders, the Commission wants to create a European Science Cloud by 2020.

A European cloud for 1.7 million researchers and 70 million science and technology professionals



This idea is geared to the future: starting as early as this year, all scientific data produced by projects under the EU's Horizon 2020 science programme are to be freely available via the

European scientific community's new data cloud. Researchers from universities and research institutes across Europe and their fellow scientists from across the world can link up via the cloud to share and evaluate the huge amount of research data and scientific knowledge available. By 2020, around 1.7 million researchers and 70 million science and technology professionals in Europe will be able to share a virtual environment.

The Commission is setting aside EUR 2 billion for the cloud, with a further EUR 4.7 billion to come from public and private sources. The aim is for Europe to consolidate its global competitiveness in the field of 'big-data' analysis. For start-ups and small and medium-sized businesses the cloud makes their work easier.

The data stored in the cloud should also be accessible to researchers from industry and the public sector, who will have to pay for access. In 2018 the Commission is planning to promote the development of new supercomputers with quantum technology via a flagship initiative.

[European Commission on the cloud](#)

The EU is connecting Europe — free Wi-Fi in towns and villages

Whether they are at work, at home or on the move, people want to check their emails or send a quick photo. For that they need good internet connectivity, also in public places. The EU takes care of that too.

Full deployment of 5G network supports the creation of over 2 million jobs by 2025



It is many a smartphone user's dream: free Wi-Fi in public places. The Commission wants to realise that dream, and in September 2016 it put forward an initiative on the subject. By 2020, the main public spaces in European towns and villages — libraries, parks, public buildings, etc. — should have free and superfast internet access. The EU is providing EUR 120 million towards the cost.

By 2020, between 6 000 and 8 000 local communities are expected to make use of the EU funding. The local communities get the Wi-Fi technology for free, because the EU reimburses what they pay for the technical equipment and for setting up WiFi4EU hotspots. The Commission has called on local authorities to set up new services in this area, such as street maps for tourists, online forms for its offices, or information on health services. A condition laid down is that the municipalities must not displace existing private or public Wi-Fi services and the network operators must be able to provide a speed of at least 30 Mb/s. Thus the initiative is primarily aimed at areas where there would otherwise be no Wi-Fi network. Applications may be submitted from summer 2017.

In addition, people in remote regions should also be provided with high-speed mobile internet at affordable prices. By 2025, consumers everywhere in Europe should have access to superfast 5G mobile internet. 'This has the potential to create a further 2 million jobs in the EU', says Commission President Juncker. In 2013 the European Commission launched a public-private partnership, funded by EUR 700 million in public money, with the aim of helping 5G technology to achieve a breakthrough in Europe.

[European Commission on WiFi4EU](#)

The EU promotes a Europe of cultures

The EU is there for its members, not only in the fields of politics and economics but also in cultural matters. Countless support schemes help directors, actors, singers and other artists find success. Where would cinema be without the European film industry, for example?

One of the founding fathers of Europe, Jean Monnet, is supposed to have said, 'If I had to do it again, I would begin with culture'. It is taken to be an expression of the recognition that culture is a key driver of European unification, since Europe shares a common cultural history spanning the centuries.

Although each Member State is responsible for its own cultural policy, the EU provides support in the field of culture. The aim is to promote cultural diversity and preserve cultural heritage, to support artists in their work and to encourage cultural exchange. At the end of 2015, under the impact of the influx of refugees, intercultural dialogue was added to these objectives.

Over 7 million jobs depend on Europe's cultural and creative sectors. European films are as different as, for example, the box-office hits 'Amélie' and 'Goodbye Lenin'. To make this possible, the EU has been giving TV and cinema directors and producers a helping hand since 1990. To preserve the quality of European film, the EU subsidises film festivals, supports the distribution and marketing of European co-productions and subsidises the production of TV series; it also supports cinema networks such as 'Europa Cinemas', which brings together cinemas that show a large number of European films.

The figures show how successful the support for the film industry has been: since the start of the programme, the number of European films in cinemas has tripled and their market share has risen from under 10 per cent in the beginning to over 33 per cent today.

The EU's key tool for promoting European culture is its 'Creative Europe' programme. It has a budget of EUR 1.46 billion for the period to 2020 to boost the cultural and creative sectors. The Culture and MEDIA programmes are part of Creative Europe.

In 2016 a new guarantee fund was set up to provide support for small creative businesses. The programme supports international tours and exhibitions, as well as literary translations of works of fiction and training for young artists.

The European Union Youth Orchestra, which was founded in 1976, has also received funding for many years in its role as cultural ambassador. Over 3 000 musicians have played in the youth orchestra over the years and it has become a symbol of Europe's cultural diversity. The future of the orchestra, which has performed with such great conductors as Leonard Bernstein and Herbert von Karajan, has been secured thanks to an initiative of the European Commission.

[Culture in the EU website](#)

[Education, Audiovisual and Culture Executive Agency website](#)

[Creative Europe Desk Cyprus](#)

The EU preserves cultural diversity and designates European Capitals of Culture

What is the connection between Berlin, Salamanca and Thessaloniki? All three were once a European Capital of Culture. They represent Europe's vibrant cultural landscape — and benefit from money from Brussels. No other continent on Earth is able to build on such a diverse cultural heritage in as small an area as Europe.

The European Union has been awarding the title of European Capital of Culture since 1985. The aim of the initiative is to 'highlight the richness and diversity of European cultures', boost tourism and enhance the image of the cities. It also serves to increase European citizens' sense of belonging to a common cultural area. A sum of EUR 1.5 million is set aside for each Capital of Culture in the form of the Melina Mercouri Prize awarded to the chosen cities. Melina Mercouri was the former Greek Culture Minister who initiated the programme.

Athens was the first Capital of Culture. This year Aarhus in Denmark and Pafos in Cyprus are the 2017 European Capitals of Culture, and all through the year they will be celebrating with exhibitions, festivals, theatre and music. The cities are formally chosen 4 years earlier. In the beginning there was only one Capital of Culture, but since 2001 — because of the large number of applications — there are usually two. The title has so far been awarded to over 50 European towns and cities.

The EU also awards prizes for culture, such as the European prize for pop music, known as the European Border Breakers Awards, or EBBA for short. This prize is awarded to artists who have managed to reach large audiences outside their own countries with their debut album.

Europe is the absolute world leader in culture. Nowhere else in the world are there so many Unesco-protected world-class cultural heritage sites as on the continent of Europe. The EU has also created the European Heritage Label. It is awarded to sites that are of special importance for the history or the ideals of European unification.

Beginning this year, there will be cultural heritage routes, which take in various heritage sites and mark events such as festivals and exhibitions. Unesco and the European Commission have worked together on this project. Tourists can get information and maps of the cultural sites via an app on their mobile phones.

[List of Cultural Capitals](#)

[European Heritage Label](#)

[Unesco and European Commission sites on cultural heritage routes](#)

Part 9: The EU creates internal security

The EU combats terrorism

The attacks in Brussels, Paris and Berlin have shown that Islamist terrorism does not stop at national borders. At the same time, the attacks have exposed gaps in the arrangements in place and shortcomings in the exchange of information between Member States. The EU supports close cooperation between its members, for no individual country can tackle cross-border threats on its own.

Since the Madrid bombings of 2004 there have been more than 30 terrorist attacks in Europe. Over 600 people have died in cities like London, Paris, Brussels, Nice and Berlin. This is why security is a top priority for the European Commission. With common rules and laws, the EU can enhance cooperation between Member States and better protect its citizens.

Europol's new European Counter Terrorism Centre supports national efforts against terrorism and serious crime.



The EU Member States adopted a common strategy to combat terrorism as early as 2005. Since then, tighter rules have been helping to cut off terrorist financing and prevent money laundering. The acquisition and possession of firearms are subject to stricter controls. In cooperation with internet companies the EU is countering online terrorist propaganda and combating radicalisation and recruitment in schools and prisons.

The EU is working on setting up a system for recording and using passenger name record (PNR) data for law enforcement purposes, which will be up and running by May 2018. By that date, Member States are to set up a central office to collect passenger data — such as address, telephone number, itineraries and travel dates — from airlines. The Commission has also proposed a European Travel Information and Authorisation System (ETIAS) that will allow for advance checks on third-country travellers to the Schengen area who are exempt from visa requirements.

To prevent terrorists from fleeing undetected across Europe, the Commission plans to further develop the wanted-persons database of the Schengen Information System (SIS). It will become compulsory for terror suspects to be placed on wanted lists and entry bans for citizens from third countries to be entered in the SIS.

Europol, the European Police Office in The Hague, is being reinforced. It provides assistance to national police forces, for instance in the form of joint investigation teams. In response to the Paris attacks at the end of 2015, Europol has also set up a Counter Terrorism Centre, where 60 experts collect information from various security authorities, for instance on returning jihadists.

[The EU Council on Counter-Terrorism Strategy](#)

[The European Commission on the reform of the Schengen Information System](#)

[Firearms: Agreement on Commission proposal to increase citizens' security](#)

The EU takes action against organised crime

Bank robbery, smuggling, drug trafficking and money laundering — cross-border organised crime is alive and well across Europe. The European Union ensures that Member States cooperate more effectively in the fight against crime.

In a Europe without internal borders, crime also extends across borders. This is why the police and judicial authorities need to cooperate closely across the EU. Key to achieving this is the European arrest warrant, which was adopted in 2002 and enables a national arrest warrant to be applied Europe-wide. This means criminals and suspects hiding in other European countries can be surrendered much more easily and speedily.

Wanted-persons data from the Schengen Information System (SIS) make it easier for border guards to identify criminals. The database lists wanted criminals but also weapons, stolen cars and lost ID documents. All this makes searching for wanted persons easier.

The EU has also brought together a group of high-level judges and prosecutors from all EU Member States in Eurojust, who investigate serious cross-border crime and assist the national law enforcement authorities.

The European Police Office (Europol) in the Dutch town of The Hague also plays an important role. Europol employs some

100 experts and criminal analysts, who collect information on criminals and provide support in wanted-person searches. Europol produces studies on crime and terrorism, provides assistance to the national authorities and helps to catch criminals on the ground. The eumostwanted.eu website publishes descriptions of the most wanted international criminals.

The EU budget has earmarked EUR 1 billion for strengthening police cooperation until 2020. The money will help fund, among other things, joint investigation teams, training and new technologies in EU countries.

The EU does not have the death penalty, even for the most serious crimes such as murder, as this would run counter to the values of the European Union. The President of the European Commission, Jean-Claude Juncker, said: 'We Europeans stand firmly against the death penalty. Because we believe in and respect the value of human life.'

[Europol website](#)

[Europol's most wanted fugitives website](#)

[European Commission's Eurojust website](#)

The EU protects women and children from trafficking and abuse

Trafficking in human beings and the sexual exploitation of women and children are heinous crimes. The EU has developed specific programmes to deal with offenders.

Over three quarters of the victims of trafficking or abuse in the EU are women. Most of them are forced, violently if necessary, into prostitution or low-paid work. Increasingly, children are being targeted. The majority of victims come from the 28 EU Member States, mostly from Bulgaria and Romania. Human trafficking includes forced prostitution, forced labour and organ trafficking. In 2013-2014, according to an EU report, a total of 15 846 women, men, girls and boys were registered in the EU as victims of human trafficking.

Europe stands united in the fight against human trafficking, focusing on prevention, victim protection, prosecution and in-

ternational cooperation. For example, the European Commission has launched an electronic platform where around 100 organisations from across Europe exchange information and share their experience, ideas and initiatives to support victims.

EU law confers legal rights on victims of human trafficking, including the right to legal assistance, to medical care and to temporary residence.

[EU Directive of 2011 on preventing and combating trafficking in human beings](#)

[European Commission document on the rights of victims of trafficking in human beings](#)

Part 10: The EU plays its part on the world stage

The EU is the world's leading development aid donor

The EU plays an active role in fighting poverty worldwide: the EU and its Member States are the world's largest donors of development aid. Together they donate more than the USA.

Over half of all development aid comes from Europe. In 2015, the EU and its Member States provided a record EUR 68 billion in aid — up 15 % on 2014. Faced with the refugee crisis, Member States were still able to increase their assistance.

The EU and its Member States are the world's largest donor

Official development assistance:



Even expressed as a ratio of expenditure to economic performance, the EU is still well ahead. Development aid represents 0.47 % of annual GNP; this is twice as high as the figure for non-EU countries (0.21 %). The United Nations' target is 0.7 %. Due to the economic crisis and severe budgetary pres-

ures, the EU countries are currently unable to meet this target, but they hope to do so by 2030.

The most important goal of the EU's development policy is, according to the EU Treaty, 'the reduction and, in the long term, the eradication of poverty'. This means, for example, providing food, clean water and schools, and combating diseases such as AIDS. Other objectives include defending human rights and democracy, promoting equality between women and men and addressing the consequences of climate change and environmental problems. The EU supports the implementation of these objectives in 160 partner countries through its development programmes. To improve the impact of its development assistance it should focus on the poorest countries. The countries of the Sahel, for instance, receive food aid.

As the developing countries' biggest trading partner, the EU grants them duty-free access to the European market. Such incentives should encourage their national governments to embrace international standards based on the European model, such as fundamental rights or workers' rights.

To ensure that projects and programmes are implemented successfully, the EU works closely with international partners such as UNICEF, the OECD and the United Nations.

[European Commission press release on record levels of Development Assistance](#)

The EU provides assistance in the Syria crisis

Millions of people in Syria are having to flee the country due to the civil war. The EU has offered a safe haven to more Syrian refugees than any country not bordering Syria. No one invests as much in the education of Syrian children as the EU.



The EU and its Member States are also lead providers of international aid: together they have mobilised more than EUR 9.2 billion for Syrian refugees in Syria and in the main

host countries (Lebanon, Jordan, Turkey, Iraq and Egypt). The money is used for direct humanitarian aid as well as development and economic assistance.

The aid has been used to provide people with access to safe drinking water and basic sanitation. It has benefited over 1 150 000 refugees, who have received food and been given medical care. Children have been vaccinated and accommodation has been built for over 1 million people. EU aid provides education to hundreds of thousands of Syrian children. In the words of EU High Representative Federica Mogherini: 'No one invests as much as we do in the education of Syrian children who fled their homes or those who are still in Syria.'

The EU acts as a facilitator in the efforts to bring about peace in Syria, and it supports the cause of peace at international conferences.

[European Commission fact sheet on Syria](#)

[European Commission website on EU aid to Syria](#)

The EU supports its neighbours

The aim of the European Neighbourhood Policy, which was launched in 2004 following the EU's eastwards enlargement, is to create a 'ring of stable, friendly countries' surrounding the EU. Through the Neighbourhood Policy, the EU upholds and continues to promote universal values, seeking more effective ways to advance democracy, fundamental freedoms and the rule of law.

The aim is to deliver prosperity and security to all and at the same time to prevent fault lines from emerging between the enlarged EU and its neighbours, thereby stabilising the continent and its neighbours.

The European Neighbourhood Policy offers a framework for cooperation with 16 partner countries to the east, south and south-east of the EU. In eastern Europe the focus is on Ukraine, Belarus, Moldova and the Southern Caucasus (Armenia, Azerbaijan and Georgia); in the Mediterranean region, it covers the North African countries of Morocco, Algeria, Tunisia, Libya and Egypt; and in the Near East it focuses on Israel, the Palestinian territories, Jordan, Lebanon and Syria. The Neighbourhood Policy aims to promote democracy, economic reform and security at the EU's external borders, and to tackle irregular migration, human trafficking and terrorism.

The EU also engages in the prevention and resolution of regional conflicts. For instance, it brokered an agreement between Serbia and Kosovo after the decade-long conflict in Kosovo. EU High Representative Federica Mogherini observes: 'Countries at all corners of the world ask us to support their peace processes.'

The EU also helps its neighbours by providing political and technical expertise and financial assistance of around EUR 2 billion per year. The European Union has set aside EUR 15.4 billion in funding for the European Neighbourhood and Partnership Instrument (ENPI) for the period from 2014 to 2020. Assistance is also provided in the form of loans from the European Investment Bank and the European Bank for Reconstruction and Development. The EU also offers trade and visa facilitation.

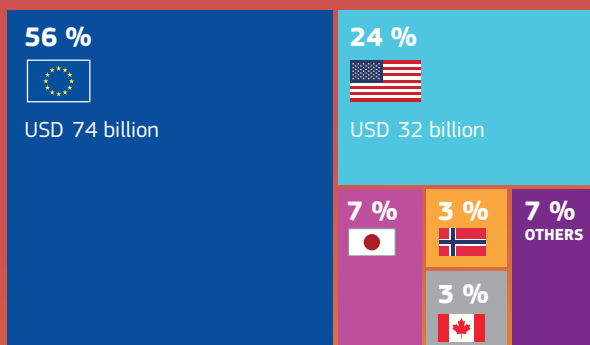
The European Neighbourhood Policy has been enhanced by the creation of two additional platforms: the Union for the Mediterranean in 2008 and the Eastern Partnership in 2009.

[Review of the European Neighbourhood Policy \(ENP\): stronger partnerships for a stronger neighbourhood \(18.11.2015\)](#)

The EU is the world's largest donor of humanitarian aid

Whether in response to the famine in Somalia, the refugee crisis around Mosul in Iraq or in the wake of the earthquake in Nepal, the EU provides assistance in the major crises and disasters around the globe. It is an example to the world. Together, the EU and its members are the world's biggest donor of life-saving humanitarian aid. European relief workers are often the first on the ground.

The EU is the largest donor of development and humanitarian aid (in % of the total aid and in billion USD)



Source: OECD, 2015, EU = EU and its Member States.

The European Commission has been providing humanitarian aid in more than 110 countries since 1992. Despite the economic crisis and budgetary constraints, the budget for humanitarian aid amounts to around EUR 1 billion a year, which corresponds to 1 % of the overall EU budget or, put differently, to EUR 2 per EU citizen per year. This enables the EU to help around 120 million victims of armed conflicts and natural disasters every year — and to save lives by providing emergency

and relief assistance to people outside the EU who are victims of such natural disasters, wars or conflicts.

These days emergency assistance funds are being used mainly in the refugee crisis. According to EU estimates, 65 million people around the world have been forced to leave their homes as a result of conflict and violence, including 21.3 million refugees and 40.8 million people who are displaced within their own countries. Emergency aid is also used in the case of earthquakes, epidemics or terrorist attacks.

The largest share of the funds (about 40 %) is used for food. The money is also used to provide health and medical assistance, water and sanitation, tents, shelter and education in emergency situations. To ensure that the money actually arrives where it is needed, the EU works with international partners such as the United Nations. The largest proportion of the funds (40 %) goes to Africa; other important aid regions are the Near East, the Mediterranean region, Asia and Latin America.

In addition to providing emergency assistance, the European Commission's Directorate General for Humanitarian Aid and Civil Protection (ECHO) also coordinates European civil protection assistance in operations all over the world. Brussels has been coordinating the participating countries' assistance in Europe and in the rest of the world since 2001.

When the European Union received the Nobel Peace Prize in 2012, it decided to double the prize money to EUR 2 million and use it to create the EU Children of Peace initiative to fund projects for children living in conflict-affected regions.

[European Commission website on civil protection assistance](#)

[European Commission press release on the use of the prize money from the Nobel Peace Prize](#)

Part 11: The EU is helping with the global refugee crisis

The EU is saving lives

They set out for Europe in the hope of finding a better life or fleeing wars and oppression. Most migrants come to Europe by crossing the Mediterranean, a dangerous journey often made on unfit boats. When vessels are in distress at sea outside Libyan coastal waters, European ships are obliged to save lives.

The most important route for refugees is currently from North Africa (usually Libya) to Italy. This is a very dangerous route, since the high demand leads unscrupulous smugglers to put more and more people on boats that are not seaworthy. According to International Organisation for Migration (IOM) figures from 2016, at least 5 000 people died in the Mediterranean trying to seek refuge in Europe. In total, Frontex estimates that around 364 000 people crossed the Mediterranean in 2016. Most people came from Nigeria, Eritrea, Guinea, Côte d'Ivoire and The Gambia.

Since 2004, the EU has had a dedicated agency for border control and rescue at sea: the European borders agency Frontex, based in Warsaw. For a long time, Frontex missions depended on EU Member States, which provided border guards and equipment such as helicopters and ships and placed them 'under the EU flag'. Since then, following the development of the Agency with the European Border and Coast Guard, it has its own equipment and a rapid reserve pool of 1 500 border guards from Member States.

Since its foundation, Frontex's budget has grown steadily: In 2016 the External Border Agency had EUR 254 million at its disposal. To give this some context, the European law enforcement agency Europol had a budget of EUR 100 million in 2016.

Faced with the current refugee crisis, the role of the Border Agency has been extended and its staffing level has increased. Frontex is assisting Greece with the registration of incoming refugees. The agency also coordinates the return of irregular arrivals and saves refugees from drowning in the Mediterranean.

We have saved lives. Over 400 000 people rescued at sea in 2015-2016



Since 2015, the resources and assets available for EU operations at sea have been tripled. The EU joint operations Poseidon, Triton and Sophia have saved over 400 000 lives in the Mediterranean Sea and in the Aegean Sea since 2015. 303 vessels used by criminal networks have been made unusable and 89 suspected smugglers and human traffickers have been turned over to the Italian authorities.

[Frontex communication of 6.1.2017](#)

[EU naval operation Sophia](#)

[EU Operations in the Mediterranean](#)

The EU is protecting its borders

2015 was the year of the refugee crisis. Never before have so many people come to the EU. The call for better control of the EU's external borders became louder. Since 2016, the EU has had a new European Border and Coast Guard.

The new Border and Coast Guard is better equipped and has a rapid reserve pool of at least 1 500 border guards. It is derived from the EU Frontex agency, but unlike Frontex it no longer relies on the support of Member States. Instead of waiting to be lent equipment by the Member States, it can buy its own. The number of permanent staff should reach 1 000 by 2020, which is twice the staff of Frontex. The new Border and Coast Guard is already deployed on the Turkish-Bulgarian border and on the northern border of Greece.

The EU has also strengthened the Schengen Borders Code. In future, it will be compulsory to check all EU citizens entering or leaving the EU. Systematic checks on citizens of other countries are already compulsory. It is estimated that 5 000 EU citizens have travelled to conflict zones and joined terrorist groups like ISIS. After coming back to Europe, some of these returning foreign fighters have been involved in recent terrorist attacks.

In November 2016, the European Commission also announced plans for a registration system for entrants (ETIAS), similar to that used in the USA. This European travel information system would require non-EU citizens who are entering the Schengen area without requiring a visa or who are leaving the Schengen area to register and undergo checks in advance. The time, entry point and purpose of each trip will be recorded. Investigators will cross-check the data with security and counter-terrorism databases and decide who has permission to enter. It is therefore essentially an automated system for issuing entry permits to the EU. 'We need to know who is crossing our borders', said Commission President Jean-Claude Juncker. In the future, travellers must register in advance through a web form.

In this way, the EU intends to deny entry to terrorists, criminals and people returning from civil war zones. The registration system will be operational in 2020, and will also be made available for Europol to use. Setting up the system will require an investment of around EUR 212 million.

[Commission Communication on the European Travel Information System](#)

[Factsheet: Systematic Checks at EU External Borders](#)

The EU is fighting traffickers

Fleeing to Europe is dangerous. Nine out of ten refugees and migrants have paid money to human traffickers involved in organised crime. People smugglers earned over EUR 4 billion in 2015 alone from migrants they brought to Greece and Italy. The EU is taking action against the criminal networks involved.

Since summer 2015, EU naval vessels have been patrolling off the Libyan coast in the framework of Operation Sophia. The main aim of this operation is to find boats used for people smuggling, to board them and to arrest the crew. The operation has since been extended to cover the fight against arms smuggling, in order to contain the terrorist group ISIS. The EU is joining its forces in the Aegean Sea with the Turkish authorities and the NATO military alliance.

Operation Sophia also supports the Libyan coast guard through training programmes. In spring 2017, the 'Seahorse Mediterranean Network' should be active, providing support to the border authorities of the North African countries in the fight against smugglers and human traffickers.

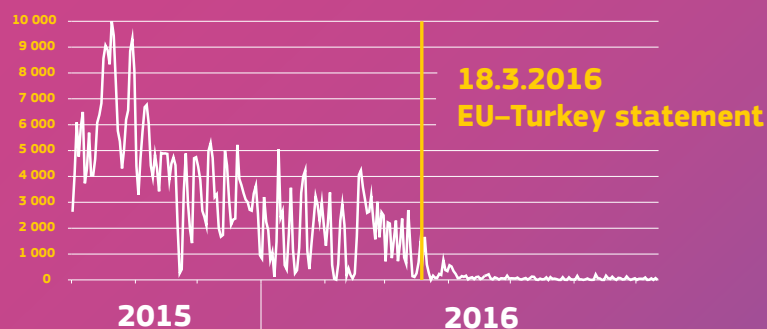
In March 2016, the EU reached an agreement with Turkey to put an end to the smuggling route across the Aegean Sea. Instead of the dangerous journey across the Aegean Sea, Syrian refugees were given safe and legal routes into the EU. The agreement has had great success: in October 2015, 10 000 new migrants a day arrived across the Aegean Sea, but since the entry into force of the EU–Turkey agreement this number has fallen to around a hundred people. To ensure that the refugees are able to live in dignity and build a new life in Turkey, the EU has made EUR 3 billion available, in particular to pay for the hundreds of thousands of Syrian children attending school in Turkey.

Since 2016, Europol's new 'European Migrant Smuggling Centre' has also been helping Member States dismantle criminal networks involved in organised migrant smuggling.

[Information on Operation Sophia](#)

[European Migrant Smuggling Centre](#)

The average number of **daily crossings** fell from **around 10 000** in October 2015 to **around 100** by the summer 2016



The EU is fighting the root causes of migration

There are many reasons why people leave their home countries: war, poverty or political persecution. Through new migration partnerships, the EU intends to offer people better prospects in their own countries.

People flee Syria because of war, Eritrea because of poverty and political repression, Nigeria because of the Islamist terrorist group Boko Haram or simply in search of a better life. The EU is working together more closely with some African countries so that they can improve living conditions, thereby allowing refugees to stay closer to their countries of origin.

**More than
€10 billion
mobilised in response
to the refugee crisis
in 2015-2016**



In this way, the EU intends to tackle the root causes of migration. The EU has set up an Emergency Trust Fund for Africa of over EUR 2.4 billion from the EU budget and the European Development Fund, combined with contributions from Member States and other donors, to support development and security in the most affected regions.

Through new migration partnerships, the EU has already improved its cooperation with seven African countries, working

together to improve the humanitarian situation on the ground, to fight people smuggling and to make returns easier. Such agreements are already in place with Ethiopia, Mali, Niger, Nigeria and Senegal. The EU aims to give these countries of origin and transit a mixture of positive and negative incentives to cooperate, so that as few people as possible leave their homes, migrants can be accepted in transit countries and more migrants without the right to asylum can be returned to their home countries. In exchange, the EU commits to give the cooperating countries favourable trading conditions and more development aid. In Niger, the number of migrants crossing the desert towards Libya fell from 70 000 in May 2016 to 1 500 in November.

To fight the causes of migration, the European Commission plans to boost the development of the private sector in Africa through a multi-billion euro investment fund. In September 2016, the Commission presented an investment plan for Africa and EU neighbours worth EUR 44 billion euros. By covering risks, this will encourage private companies to make investments, for example in the energy and manufacturing sectors in Africa. One of the root causes of migration is that economic growth in developing countries remains at its lowest since 2003. The President of the European Commission, Jean-Claude Juncker, said: 'The new Plan will offer lifelines for those who would otherwise be pushed to take dangerous journeys in search of a better life.'

[First results of migration partnerships with African countries](#)

[Website of the EU's Emergency Trust Fund for Africa](#)

The EU is committed to common asylum standards in Europe

Long before the refugee crisis in 2015, the EU set itself the goal of harmonising asylum and refugee policy. Many EU countries, however, held different positions, which became particularly apparent during the refugee crisis. The Commission is insisting on common minimum standards.

The roots of European asylum and refugee policy date from the Treaty of Rome of 1957. The basic idea is to create a single area of protection, in which all refugees are treated equally and each Member State offers the same minimum level of protection.

The EU has progressively harmonised the legal bases. Since all countries have minimum standards for the reception and support of asylum seekers, asylum procedures must also follow the same rules. The Geneva Convention on refugees has been incorporated into EU law.

Since 1997, the Dublin regulation has required asylum seekers to make their application in the first EU country they enter. The refugee crisis has shown the flaws of this rule, and reform of the Dublin system is being discussed.

Following the 2015 refugee crisis, centres for the initial reception and registration of refugees (hotspots) were set up at the EU's external borders in Greece and Italy, as proposed by the European Commission. Refugees arriving there are registered and their fingerprints are taken. These centres will also organise the relocation of refugees within the EU, as agreed by the majority of EU countries on the basis of the Commission proposal. The EU agreement provides that 160 000 refugees from Greece and Italy, which are particularly affected by the influx of refugees due to their geographical position, will be relocated to other Member States in accordance with a specific formula. In summer 2016, the European Commission proposed further reforms. These include streamlining asylum procedures, common standards to protect the rights of beneficiaries of international protection and the further harmonisation of reception conditions in the EU.

[EASO — European Asylum Support Office](#)

Part 12: The EU is cutting red tape

It is big on big things but small and modest on smaller things

When people think of the EU, they often imagine a bureaucratic monster. Of course, that is just a caricature. Showing self-restraint when it comes to proposing new laws has been a guiding principle of the Juncker Commission.

The Commission withdrew 100 proposals in our first 2 years of office, and presented 80 % fewer initiatives than over the past 5 years



Since taking office in 2014, Jean-Claude Juncker's Commission has withdrawn about a hundred draft laws and submitted 80 per cent fewer initiatives than in the previous 5 years. In addition, all existing legislation was reviewed in detail. 'Because only by focusing on where Europe can provide real add-

ed value and deliver results, will we be able to make Europe a better, more trusted place' — President Juncker said.

European citizens and businesses want European lawmakers to focus their time and efforts on big and urgent things, whilst striving for simple, evidence-based, predictable and proportionate laws which deliver maximum benefits.

The Juncker Commission's objective is to review the existing stock of EU legislation to ensure it remains fit for purpose and delivers the results intended. The Commission regularly calls on a high-level group of experts from Member States, business and civil society to provide advice on how to make EU regulation more efficient and effective in reducing costs and red tape, without undermining policy objectives.

In any case, EU laws are not made by anonymous bureaucrats. It is always the two legislators, the directly elected European Parliament and the democratically elected governments of the Member States, that adopt any directive or regulation. In other words, no EU law is adopted without participation by the Member States.

[State of the Union Address by President Juncker on 14 September 2016](#)

The EU is no bureaucratic monster — Europe costs less than we think

EU bureaucracy has a bad reputation. Many people believe that countless officials and institutions in Brussels are living in luxury at taxpayers' expense. The figures show the opposite.

Around 55 000 people work for the European institutions, of which just under 34 000 work for the European Commission. When we take into account that EU staff work for 510 million citizens, this number is not so high — it adds up to one EU official or employee for about 10 000 citizens. In Paris, there is one civil servant for every 45 inhabitants. The EU looks modest in comparison.

Of course, there are always demands to reduce bureaucracy. The critics tend to forget that the EU has expanded to 28 Member States in recent years and has been granted new responsibilities — how could it manage this without additional staff?

Only 6 % of the total EU budget goes to administration (salaries, pensions and language services), while the remaining 94 % goes to Member States and citizens. To give another comparison: EU administration costs EUR 8.3 billion euro per

year, while the Member States spend EUR 2 200 billion a year on their administrations.

The stereotype that Brussels officials are living the high life is also incorrect. The basic salary of Commission officials starts at EUR 2 300 a month gross for a new official, plus allowances. Only a handful of top officials get the highest basic salary of around 16 000 euros a month. The salaries of EU officials grow at exactly the same rate as the salaries of their national colleagues in a specified group of European countries. In addition, over the past few years, EU officials have lost more spending power than national civil servants due to increases in pension contributions and the introduction of a crisis levy. From 2004 to 2011, EU officials lost 7.6 % of their purchasing power. The European Commission has also announced that it intends to save a total of EUR 8 billion on salaries by 2020.

[European Commission website on staff](#)

[European Union website on administration](#)

The EU pays off — for Cyprus too

Cyprus had financial and technical solidarity from the EU during the moments of crisis.

A major benefit was the financial support that Cyprus received in 2013-2016, when Cyprus was de facto excluded from international financial markets and could not finance its needs. The financial support was received in the framework of an Economic Adjustment Programme. Within the Programme, Cyprus managed to stabilise its banking sector, balance its budget, reverse the negative trends and started to correct the economic imbalances that harmed the health of the economy.

Additionally, Cyprus, being in a volatile position, was granted additional top-up EU contribution to its co-funded structural projects, with a 95 % contribution often coming solely from the EU Budget.

Further to the financial support, Cyprus received a lot of technical support, managed by the Support Group for Cyprus, funded by the EU budget. Following the incorporation of the Support Group for Cyprus into the Structural Reform Support Service, Cyprus continued to receive technical assistance for structural reforms. Notably, the Support Group for Cyprus was created on the basis of a decision of the Commission, to support Cyprus in its efforts for reforms, right from the beginning of the Economic Adjustment Programme.

Cyprus still receives more from the EU than it contributes. In any case, the question of whether EU membership offers more advantages or disadvantages to a country cannot be reduced to the question of net cost. Other factors that bring many advantages must also be considered. These include political stability and security, freedom to travel, the internal market, support for innovation and business creation and the euro as a reserve currency.

Member States' financial contributions to the EU budget are shared fairly according to their means. The largest economies contribute more, while the EU budget doesn't aim to redistribute wealth, but rather to focus on the needs of all Europeans as a whole.

The EU fully and consistently supports the efforts of the two communities on the island under UN auspices to reach a comprehensive and viable solution to the Cyprus issue, including through the support programme for the Turkish Cypriot community of around EUR 32 million per year. The areas in the Republic will benefit from more than EUR 950 million for job-creating investments for the period 2014-2020.

[Eurostat data on the EU Budget for 2015](#)

60 Good Reasons for the EU

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