

# The European Union in 2016: key events

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## January

**1<sup>st</sup> January:** the Netherlands takes over the six-month Presidency of the Council of the European Union from Luxembourg. The four priorities of the Netherlands Presidency are: migration and security issues, innovation and employment, financial stability, and energy and climate.

**1<sup>st</sup> January:** Banking union. The Single Resolution Mechanism (SRM) becomes fully operational. The SRM implements the Banking Recovery and Resolution Directive (BRRD) in the euro area. The purpose of the directive, which applies throughout the Union, is to put an end to ‘bail-outs’ of banks, which had added to Member State indebtedness, IP/15/6397.

**3 January:** Troika/Greece. The governor of the Greek Central Bank calls on the government of Alexis Tsipras to carry out the planned reforms, particularly of the pension system, under the international bailout plan. He emphasises that failure to act would expose the Greek economy to risks with which it is not equipped to deal (<http://fr.reuters.com/article/businessNews/idFRKBNoUHoHD20160103?sp=true>).

**4 January:** global economic prospects. Given the growing uncertainty surrounding the intentions of the future Trump administration, the World Bank expresses pessimism as to growth prospects. According to its forecasts, global gross domestic product (GDP) should increase in 2016 by 2.7%, compared to 2.3% in 2016, but slightly down (-0.1 points) on the forecasts published in June 2015 (<http://www.worldbank.org/en/publication/global-economic-prospects>).

**15 January:** European Semester. The Economic and Financial Affairs Council (ECOFIN) adopts conclusions on the Annual Growth Survey (AGS) and the macroeconomic imbalances and approves a draft recommendation on the economic policies of the euro area, Press 5213/16.

**21 January:** Employment and social developments review. According to this European Commission report, investing in people is key to economic growth, IP/16/93.

**23 January:** Greek crisis. The European Stability Mechanism (ESM) announces its decision to unblock debt-relief measures for Greece, agreed upon but suspended after pressure from Germany following the surprise announcement from Athens in December of social measures ([https://www.esm.europa.eu/assistance/greece#programme\\_timeline\\_for\\_greece](https://www.esm.europa.eu/assistance/greece#programme_timeline_for_greece) and <https://www.esm.europa.eu/newsroom/press-releases>).

**25 January:** Schengen area. The European Commission recommends that the Council should allow certain Member States to maintain temporary controls for another three months at internal Schengen borders in Austria, Germany, Denmark, Sweden and Norway, IP/17/124.

## February

**2 February:** attempts to prevent the United Kingdom leaving the European Union. The President of the European Council, Donald Tusk, sends a letter to the Heads of State or Government in the European Council setting out the main ideas of his proposal for reaching a new settlement with the United Kingdom within the EU. This proposal covers four baskets of issues: economic governance, competitiveness, sovereignty and social benefits and free movement (<http://www.consilium.europa.eu/en/press/press-releases/2016/02/02-letter-tusk-proposal-new-settlement-uk/>).

**9 February:** preparations for the anniversary of the Treaty of Rome. In view of the 60<sup>th</sup> anniversary of the signing of the Treaty of Rome on 25 March 1957, the Foreign Affairs Ministers of the EU's six founding countries (Italy, Luxembourg, Germany, Belgium, France and the Netherlands) meet in Rome on the initiative of Italy. There they begin 'an inclusive reflection process to strengthen the internal cohesion of the EU, returning to the basic principles which underpin the European integration process, while reviewing the current state of the EU and the major issues to be addressed' ([http://www.esteri.it/mae/iten/sala\\_stamp/archivionotizie/comunicati/2016/02/joint-communicate-char-ting-the-way.html](http://www.esteri.it/mae/iten/sala_stamp/archivionotizie/comunicati/2016/02/joint-communicate-char-ting-the-way.html)).

**9 February:** Europe is at a crossroads. The governors of the French and German central banks, François Villeroy de Galhau and Jens Weidmann, present their view of the future of the euro. The best preparation, they say, would be a 'strengthening of its foundations' rather than 'renationalisation'. With regard to institutions, they propose the establishment of a 'Common Treasury for the euro area, together with an independent fiscal council', *Le Monde*.

**15 February:** European Stability Mechanism (ESM) conference. Former ECB President, Jean-Claude Trichet, restates his proposal to reinforce the executive and the legislative branch of the euro area. This would require a Minister of Finance of the euro area and an administration acting as a sort of Treasury (<https://www.esm.europa.eu/press-releases/former-ecb-president-jean-claude-trichet-speaks-esm-conference>).

**18-19 February:** Brexit. The agreement obtained by David Cameron, the UK Prime Minister, to avoid Brexit covers the four areas originally identified. It recalls the particular status of the UK – which has not adopted the single currency, and is not a member of Schengen or the banking union – and enables changes to the arrangements for European citizens' access to social security benefits in the UK. Above all, the agreement aims to preserve the UK's influence in improving EU competitiveness, i.e. strengthening the internal market and its competitiveness by concluding trade agreements such as the transatlantic partnership (TTIP). In the field of social security, the European Council

conclusions clarify that ‘the Commission does not intend to propose that the future system of optional indexation of child benefits be extended to other types of exportable benefits such as old-age pensions’. Moreover, should the result of the UK referendum be negative, the agreement will cease to exist, OJ C 69I, 23 February.

**26 February:** European Semester/Country Reports. The European Commission publishes its annual analysis of the ‘economic and social challenges’ in the EU Member States, the so-called ‘country reports’, IP/16/332.

## March

**8 March:** posting of workers. The European Commission proposes a ‘targeted’ revision of the rules governing the posting of workers, aiming to make changes in three main areas: the remuneration of posted workers, including those working as subcontractors, rules on temporary workers, and long-term postings. This targeted revision of the 1996 directive will complete the corresponding 2014 enforcement directive, which is to be transposed into national law by June 2016, COM (2016) 128.

**8 March:** towards a European pillar of social rights. In connection with the Five Presidents’ report of June 2015, and with a view to ‘completing Europe’s Economic and Monetary Union’, the European Commission launches a public consultation on the European Pillar of Social Rights. The outcome should feed into the reflection process launched by the Five Presidents’ report, and help in the preparation of the white paper on the future of the Economic and Monetary Union. The pillar, the legal status of which is unclear, should focus on the countries of the euro area, and will remain open to all non-euro area Member States who wish to join, MEMO/16/545 and COM (2016) 127.

**9 March:** European Semester/Member States’ obligations. Following up on its winter economic forecast, the Commission reminds Member States of the need to take necessary measures to meet their obligations under the Stability and Growth Pact (SGP), IP/16/704.

**10 March:** monetary policy. The ECB’s Governing Council decides to lower the interest rate on the main refinancing operations of the Eurosystem by five basis points (to 0.00%, from 16 March). The interest rates on the marginal lending facility and the deposit facility will be reduced by 5 and 10 basis points respectively (<http://www.ecb.europa.eu/press/pressconf/2016/html/is160310.en.html>).

**15 March:** inter-institutional agreement on ‘better law-making’. The Council, the Parliament and the Commission adopt a new inter-institutional agreement to improve the quality and the outcome of European legislation.

**22 March:** terrorist attacks in Brussels. Preceded by attacks in Ankara, Turkey, a few days earlier.

**23 March:** the International Labour Organization (ILO) supports the European Commission's 'pillar' of social rights. According to ILO Director-General, Guy Ryder, 'Strengthening the social dimension of the Economic and Monetary Union is a key part of the response to the global crisis, from which Europe still needs to fully recover. We hope that the Pillar of Social Rights will help to increase the attention given to social issues in EU policy making' ([http://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS\\_462672/lang--en/index.htm](http://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_462672/lang--en/index.htm)).

## April

**6 April:** referendum in the Netherlands on the EU-Ukraine agreement. 60% of Dutch voters, consulted in a referendum proposed by popular initiative, say 'no' to the association agreement between Ukraine and the European Union. The quorum of 30% of voters needed for the result to be valid is met, with a 32.2% turnout.

**19 April:** European Semester/excessive deficit procedure. The European Court of Auditors assesses the European Commission as being 'not strict enough' in its audit report, stating that 'further improvements are needed' to ensure 'effective implementation of the excessive deficit procedure', Special report 10/2016.

**25 April:** Comprehensive Economic and Trade Agreement (CETA) concluded between the EU and Canada. The parliament of Wallonia (Belgium) adopts a resolution calling on the regional government not to grant the federal executive full powers to sign the agreement ([http://nautilus.parlement-wallon.be/Archives/2015\\_2016/RES/212\\_4.pdf](http://nautilus.parlement-wallon.be/Archives/2015_2016/RES/212_4.pdf)).

**28 April:** structural reform support programme. The Committee of Permanent Representatives (COREPER) decides, on behalf of the Council, on its negotiating position on a proposal for a regulation on the establishment of a structural reform support programme, to 'help Member States to implement reforms', presented by the European Commission in late November 2015. 214/116 and COM (2015) 701 (<http://www.cortecostituzionale.it/actionSchedaPronuncia.do?anno=2015&numero=70>; <http://www.consilium.europa.eu/en/press/press-releases/2016/04/28-structural-reforms/>).

**28 April:** appeal against the Fiscal Compact (TSCG). The Belgian Constitutional Court rejects the action for annulment of the instruments of ratification of the Treaty on Stability, Coordination and Governance within the Economic and Monetary Union. Ruling No. 62/2016 of 28 April 2016, Belgian Constitutional Court (<http://www.const-court.be/public/f/2016/2016-062f.pdf>; short English version: [http://www.const-court.be/cgi/judgments\\_popup.php?lang=en&ArrestID=4097](http://www.const-court.be/cgi/judgments_popup.php?lang=en&ArrestID=4097)).

## May

**10 May:** posting of workers. The national parliaments of Bulgaria, Croatia, the Czech Republic, Denmark, Estonia, Hungary, Latvia, Lithuania, Poland, Romania and Slovakia trigger the so-called 'yellow card' procedure against the European Commission proposal.

**18 May:** European Semester/Country-specific Recommendations. According to the European Commission, 'Member States are making progress with reforms and addressing macroeconomic imbalances, but more is needed to consolidate Europe's recovery', IP/16/1724.

**26 May:** lists of safe countries. The European Association for the Defence of Human Rights (AEDH), EuroMed Rights and the International Federation for Human Rights (FIDH) warn against the dangers of using the concept of safety in processing asylum applications. By adopting such a list, the European Union (EU) and its Member States will institutionalise at European level a practice by which the Member States could refuse to fully comply with their responsibilities towards asylum seekers, in violation of their international obligations (<http://www.aedh.eu/Les-listes-de-pays-surs-de-l-Union.html>).

**30 May:** the CETA, not a 'mixed' agreement? Nine European leaders (United Kingdom, Finland, Spain, Estonia, Sweden, Portugal, Lithuania and Cyprus, joined by Italy), in a letter sent to the European Commission, claim that the CETA is not a 'mixed' agreement, i.e. it does not need to be ratified by national parliaments.

**31 May:** Eurostat/unemployment rate. The euro area (EA19) seasonally-adjusted unemployment rate is 10.2% in April 2016, stable compared with March 2016, and lower than the rate of 11.0% recorded in April 2015. This is the lowest rate recorded in the euro area since August 2011. The EU28 unemployment rate is 8.7% in April 2016, down from 8.8% in March 2016, and from 9.6% in April 2015. This is the lowest rate recorded in the EU28 since April 2009, STAT/16/1984.

## June

**13 June:** implementation of the first phase of the Five Presidents' Report of June 2015. Council Recommendation on the establishment of national competitiveness and productivity boards, 10083/16 and COM (2015) 601.

**21 June:** monetary policy/German Constitutional Court. The German Constitutional Court resolves to accept the case law of the Court of Justice of the European Union with reference to the European Central Bank's 'Outright Monetary Transactions' (OMT) programme, Press Release 34/2016 of 21 June 2016 (<https://www.bundesverfassungsgericht.de/SharedDocs/Pressemitteilungen/EN/2016/bvg16-034.html>).

**23 June:** referendum on the United Kingdom's membership of the European Union, or exit from it (Brexit). The question put is 'Should the United Kingdom remain a member of European Union or leave the European Union?', to which 51.9% of voters reply 'leave'. The turnout is 72.2%.

**24 June:** the UK Prime Minister David Cameron announces his resignation, but states that he will remain in his post until the autumn of 2016.

**25 June:** a petition is launched on the House of Commons website calling for a second referendum to be held on the UK's membership of the EU (<https://petition.parliament.uk/petitions/131215>).

**25 June:** European Commissioner Jonathan Hill, responsible for financial stability, financial services and the capital markets union, resigns. His tasks are transferred to the Latvian Valdis Dombrovskis, the Vice-President responsible for the euro and social dialogue. The resignation takes effect from 15 July 2016, Statement/16/2332.

**25 June:** meeting of the Foreign Affairs Ministers of the six founding countries of the EU in Berlin. They list the major challenges facing the EU 'in a globalised world' and in a context of growing instability and geopolitical changes at Europe's borders (<http://www.diplomatie.gouv.fr/fr/politique-etrangere-de-la-france/europe/evenements-et-actualites-lies-a-la-politique-europeenne-de-la-france/article/declaration-conjointe-des-ministres-francais-allemand-belge-italien>).

**28 June:** European Semester 2016/Country-specific Recommendations. The European Council endorses the Country-specific Recommendations. The European Council has taken stock 'of the progress achieved in the work towards completing the Economic and Monetary Union, including the roadmap to complete the Banking Union' and 'calls for work to be taken forward'. Among the most recent developments, the European Council 'endorses the recommendation on National Productivity Boards'.

**28 June:** Brexit/European Council, with 28 countries. 'The UK Prime Minister informed the European Council about the outcome of the referendum in the UK'. This is the only reference to Brexit in the conclusions of the European Council of all EU Heads of State or Government, EUCO 26/16.

**29 June:** meeting of the Heads of State or Government without the United Kingdom. Following the informal meeting of the 27 Heads of State or Government, the President of the European Council, Donald Tusk, and the President of the European Commission, Jean-Claude Juncker, confirm the approach to be taken by the EU towards Brexit: there will be no negotiations until the UK starts exit proceedings by triggering Article 50 of the EU Treaty (TEU).

## July

**1<sup>st</sup> July:** Slovakia takes over the Presidency of the Council of the European Union from the Netherlands. Its five priorities are: economic growth, the digital single market, developing the energy union, the migration crisis and EU enlargement (<http://www.eu2016.sk/en/programme-and-priorities/programme-of-the-slovak-presidency>).

**1<sup>st</sup> July:** the Austrian Constitutional Court declares the second round of the Austrian presidential election of 22 May invalid. The Green Party's candidate Alexander Van der Bellen was slightly ahead of the extreme right candidate Norbert Hofer, with irregularities in the counting of some votes. In an unprecedented decision, the Constitutional Court

rules that even if there is no evidence of electoral fraud, the irregularities nevertheless invalidate the vote.

**5 July:** CETA, a ‘mixed’ agreement? The European Commission agrees to propose that CETA be viewed as a ‘mixed’ agreement, thus needing to be ratified by national parliaments. Until now, the Commission has argued that the agreement falls under the exclusive competence of the European Union (EU), thus excluding national parliaments from the adoption procedure, IP/16/2371.

**7 July:** new mandate for the Frontex agency. For three years, the joint campaign Frontexit has denounced the incompatibility of the Frontex agency with the respect of human rights. According to the European Association for the Defence of Human Rights (AEDH), the establishment of a new European border guard body to replace Frontex, which the European Parliament approved on 5 July, is yet another step in the war waged by the European Union (EU) against migrants and refugees (<http://www.aedh.eu/Nouveau-mandat-de-l-agence-Frontex.html>).

**12 July:** end of the European Semester cycle. The ECOFIN Council publishes its 2016 Country-specific Recommendations on the economic, budgetary and employment policies of the Member States. The 2016 Country-specific Recommendations are addressed to 27 of the 28 EU Member States. Since Greece is subject to an economic adjustment programme, it does not receive country-specific recommendations, thereby avoiding duplication, 425/16.

**12 July:** excessive deficit procedure/Portugal and Spain. The Council finds that Portugal and Spain have not taken effective action in response to its recommendations. According to the Council, these countries will not have reduced their deficits below 3% of GDP, the EU’s reference value for government deficits, by the recommended deadline. In both cases, it states, the fiscal effort falls significantly short of what was recommended. The Commission has twenty days to recommend further Council decisions imposing fines. These fines should amount to 0.2% of GDP, although Portugal and Spain can submit reasoned requests within 10 days for a reduction of the fines. The Council will have 10 days to approve the fines, 427/16.

**12-13 July:** EU/China summit in Beijing. The leaders make progress on the strategic partnership between the EU and China. Political guidance is given on the completion of a comprehensive investment agreement, and they sign an energy roadmap (<http://www.consilium.europa.eu/en/meetings/international-summit/2016/07/12-13/>).

**14 July:** Capital Markets Union. The European Commission proposes amendments to the European Venture Capital Funds (EuVECA) and European Social Entrepreneurship Funds (EuSEF) regulations, marking another step towards the creation of the Capital Markets Union, IP/16/2481.

**18 July:** application of Union law. According to the European Commission, Member State compliance with EU law is improving, but much more needs to be done to unleash the full potential of the Single Market. The Annual Report shows how the Commission

monitored and enforced EU law in 2015, while the Single Market Scoreboard reveals that barriers to the free movement of persons, services, goods and capital in the EU are being eliminated, IP/16/2245.

**20 July:** posting of workers. Having considered the concerns of national parliaments, the European Commission adopts a communication re-examining its proposal for a revision of the posting of workers directive, IP/16/2546.

**27 July:** Poland/Rule of law: the Commission issues a recommendation to Poland. Following the publication on 1 June of a European Commission opinion, Poland, on 22 July, had adopted a new law on the Constitutional Tribunal. The Commission has assessed the overall situation, especially in the light of the new law, and concludes that, even if some of its concerns have been addressed by that law, important issues of concern regarding the rule of law in Poland remain, IP/16/2643.

## August

**24 August:** social statistics. The European Commission adopts a proposal for a regulation on new, integrated ways to collect and use data from social surveys. According to the Commission, the existence of a more solid evidence base in terms of social indicators will improve the analysis of social developments and contribute to a 'social triple-A' for Europe, IP/16/2867.

**27 August:** annual meeting of central bankers in Jackson Hole in the United States. Benoit Coeuré, speaking on behalf of the European Central Bank (ECB), stresses how insufficient the reforms in the euro area have been (<https://www.ecb.europa.eu/press/key/date/2016/html/sp160827.en.html>).

**30 August:** State aid. Ireland granted 13 billion euros of illegal tax benefits to Apple. According to the European Commission, this practice is illegal under EU state aid rules, because it allowed Apple to pay substantially less tax than other businesses. Ireland must now recover the illegal aid, IP/16/2923.

**31 August:** Brexit, no second referendum. The UK Prime Minister, Theresa May, rules out holding a second referendum on the UK's exit from the European Union (<https://www.gov.uk/government/news/cabinet-meeting-at-chequers-31-august-2016-pm-statement>).

## September

**1st September:** consumer protection/EP opposition. The European Parliament's Economic and Monetary Committee rejects proposals aimed at providing greater protection to consumers buying packaged financial products, describing them as 'misleading' and flawed, and votes unanimously to send the proposals back to the Commission for revision (<http://www.europarl.europa.eu/news/en/press-room/>

20160830IPR40525/econ-committee-unanimously-rejects-commission-s-investor-protection-proposals).

**2 September:** ratification of the climate agreement (COP21) by China and the United States. The two main world generators of greenhouse gas ratify the Paris Climate Agreement.

**4-5 September:** the Heads of State or Government of the G20 States meet in Hangzhou in China. The subjects discussed include the world economy, the situation in the South China Sea, the refugee crisis and the fight against terrorism.

**8 September:** Brexit/Ireland. The House of Lords begins its investigations into the impact of Brexit on relations with Ireland (<https://www.gov.uk/government/speeches/strengthening-uk-ireland-relations-ahead-of-eu-exit-negotiations>).

**8 September:** European Parliament/Brexit. The European Parliament's Conference of Presidents appoints Guy Verhofstadt, MEP and former Belgian Prime Minister, as European Parliament representative in the Brexit negotiations (<http://www.europarl.europa.eu/news/en/press-room/20160908IPR41661/parliament-appoints-guy-verhofstadt-as-representative-on-brexit-matters>).

**9 September:** State of the Union speech by the President of the European Commission, Jean-Claude Juncker. In his speech to the European Parliament, he announces the establishment of a 'European Pillar of Social Rights', an initiative linked to the Five Presidents' Report of June 2015, entitled 'Completing Europe's economic and monetary union', which had stressed that Europe should be striving for a 'Social Triple-A', Speech-16-3043.

**9 September:** 1<sup>st</sup> Mediterranean EU countries (EUMed) summit in Athens. At this informal summit of the Southern countries, the seven Heads of State and Government present (of Greece, France, Italy, Portugal, Spain, Cyprus and Malta) adopt the 'Athens Declaration', in the words of the Greek Prime Minister, Alexis Tsipras. The document is intended to prepare for the future (<http://www.naftemporiki.gr/story/1145928/athens-declaration-of-the-1st-mediterranean-eu-countries-summit>).

**9 September:** Eurogroup/Bratislava. During the Eurogroup meeting, the Greek government is strongly encouraged to speed up the implementation of the remaining planned reforms. The group also takes stock of the Commission preparations in relation to the partial freezing of structural funds following the Spanish and Portuguese excessive debt procedures, Press Releases/2016/09/09-eurogroup. Remarks by J. Dijsselbloem following the Eurogroup meeting of 9 September 2016.

**9 September:** European Pillar of Social Rights. Working for a better deal for all workers. The European Trade Union Confederation (ETUC) presents its priorities for the European Commission consultation, adopted at the ETUC Extraordinary Executive Committee meeting of 6 September 2016 (<https://www.etuc.org/documents/etuc-position-european-pillar-social-rights-working-better-deal-all-workers#.We2ZWjBcWUk>).

**9-10 September:** informal ECOFIN Council in Bratislava. A first debate is held on ‘The future of EU economic policies’, as well as Brexit, but also a discussion on ‘Enhancing economic and monetary union – the fiscal pillar’, one of the priorities of the Slovak Presidency (<http://www.eu2016.sk/en/press-releases/eu-finance-ministers-meet-in-bratislava-to-discuss-a-vision-for-the-euro-area-taxation-and-investments>).

**16 September:** summit of the 27 countries without the UK, and informal summit of the Southern EU countries. At an informal summit in Bratislava (Slovakia), the leaders of the 27 begin an ‘honest discussion’ on the features of post-Brexit Europe.

**20 September:** EU/competitiveness. The Council issues a recommendation on the establishment of national boards to analyse developments potentially affecting productivity and competitiveness, 521/16.

**28 September:** ECB President/German Parliament. Speaking to the German Bundestag, the President of the European Central Bank (ECB), Mario Draghi, defends his zero-rate policy (which German MPs consider to be a disguised bail-out plan), emphasising the efficacy of the measures taken ([https://www.ecb.europa.eu/press/key/date/2016/html/sp160928\\_1.en.html](https://www.ecb.europa.eu/press/key/date/2016/html/sp160928_1.en.html)).

## October

**2 October:** referendum in Hungary/relocation of asylum seekers. 98.3% of the Hungarian voters choose to reject the binding decision to relocate asylum seekers within the European Union. However, only a minority of those on the electoral roll actually vote (40.4%), questioning the validity of the vote ([http://www.valasztas.hu/en/ref2016/481/481\\_o\\_index.html](http://www.valasztas.hu/en/ref2016/481/481_o_index.html)).

**4 October:** climate change/ratification of the Paris Agreement (COP21). Following the vote in the EP giving its consent, the Council adopts by written procedure (i.e. without debate) the decision for EU ratification of the Paris Agreement. This Agreement will enter into force 30 days after its ratification by at least 55 countries accounting for at least 55% of total global greenhouse gas emissions. Up to now, the agreement has been ratified by 63 countries, accounting for 52.1% of world emissions, 549/16.

**11 October:** EU/climate change/taxation. The ECOFIN Council adopts ‘conclusions on climate change’, with a view to the 22<sup>nd</sup> Conference of the Parties to the UN Framework Convention on Climate Change (COP22), which will take place in Marrakesh, from 7 to 18 November 2016. The Council also adopts conclusions on ‘tax transparency’, 13111/16.

**10-11-12 October:** European Pillar of Social Rights/Committee of the Regions (CoR). The CoR ‘expects the European Commission to comply with the principle of subsidiarity when proposing the European Pillar of Social Rights and to respect the broad competences of national and sub-national authorities in social policy; it must also be ensured that the content of the pillar is compatible with the general principles of the Better Regulation agenda’, Opinion, 119<sup>th</sup> plenary session.

**13 October:** opinion of the German Constitutional Court authorising the signing of the CETA. On completion of a rapid procedure, the German government is authorised to sign the CETA and to approve its provisional application, which will only affect those parts that lie ‘indisputably’ within the scope of the competences of the European Union, pending ratification by the parliaments of the 28 EU Member States. The Court also reserves the right to decide on the ‘constitutionality’ of the agreement, Press Release 71/2016 ([http://www.bundesverfassungsgericht.de/SharedDocs/Pressemitteilungen/EN/2016/bvg16-071.html;jsessionid=D54617DA983D9B8BC6253409DEB11731.2\\_cid383](http://www.bundesverfassungsgericht.de/SharedDocs/Pressemitteilungen/EN/2016/bvg16-071.html;jsessionid=D54617DA983D9B8BC6253409DEB11731.2_cid383)).

**19 October:** implementation of the Five Presidents’ Report of June 2015. The European Commission appoints the Chair and members of the independent advisory European Fiscal Board. The Board will be chaired by the Dane Niels Thygesen, and have four members: Roel Beetsma (NL), Massimo Bordignon (IT), Sandrine Duchêne (FR) and Mateusz Szczurek (POL). The task of the Board is to provide the European Commission with an independent evaluation of the implementation of the Stability and Growth Pact (*Two Pack*), focusing particularly on ‘cases of particularly serious non-compliance with the rules’, EU Decision 2015/1937 of the European Commission (OJ L 282, 28 October 2015) and MEMO/16/3481.

**19 October:** tripartite social summit. The main topic of this social summit is: ‘Addressing Europe’s common challenges: generating growth, creating jobs and ensuring fairness’. On Brexit, the European social partners, in a joint statement, confirm their intention to preserve as close economic relations between the European Union and the United Kingdom as possible, while preserving the integrity of the Single Market, and fully respecting the four freedoms linked to it, i.e. free movement of goods, services, capital and persons (<https://etuc.org/press/tripartite-social-summit-european-social-partners-joint-statement-letter#.We2a4jBcWUk>).

**25 October:** European Semester/application of the *Two Pack*. The European Commission asks 7 of the 19 members of the euro area (Belgium, Cyprus, Spain, Finland, Italy, Lithuania, Portugal) for explanations of their budgetary forecasts, to ensure that these comply with European rules.

**25 October:** presentation of the European Commission’s work programme for 2017. This programme contains 10 priorities linked to the objective: ‘Delivering a Europe that protects, empowers and defends’, COM (2016) 710.

**27 October:** Poland/Rule of Law. Poland refuses to comply with the European Commission recommendations on the rule of law. Beata Szydło, the Polish Prime Minister, announces that Poland will not make any changes to its constitutional system, as it considers that the recommendations made by the European Commission on 27 July 2016 are unfounded. Poland refuses to take action by the deadline of

27 October set by the Commission ([http://www.msz.gov.pl/en/news/mfa\\_statement\\_on\\_the\\_polish\\_government\\_s\\_response\\_to\\_commission\\_recommendation\\_of\\_27\\_07\\_2016;jsessionid=F97B5A89998E75E9B5A2A85EE70F6F89.cmsap1p](http://www.msz.gov.pl/en/news/mfa_statement_on_the_polish_government_s_response_to_commission_recommendation_of_27_07_2016;jsessionid=F97B5A89998E75E9B5A2A85EE70F6F89.cmsap1p)).

**28 October:** Brexit/Northern Ireland. The High Court of Northern Ireland hands down its first decision on a legal challenge to Brexit. It rejects the claim from the applicants that the Brexit decision should be put to the Northern Irish parliament for its approval, in the belief that Brexit would violate the 1998 Good Friday Peace Agreement ([http://www.courtsni.gov.uk/en-GB/Judicial%20Decisions/PublishedByYear/Documents/2016/\[2016\]%20NIQB%2085/j\\_j\\_MAG10076Final.htm](http://www.courtsni.gov.uk/en-GB/Judicial%20Decisions/PublishedByYear/Documents/2016/[2016]%20NIQB%2085/j_j_MAG10076Final.htm)).

**28 October:** European Commission/resignation. Kristalina Georgieva, European Commission Vice-President responsible for the budget, announces her resignation from the European Commission to join the World Bank in 2017. She had left the bank before joining the European Commission ([https://ec.europa.eu/commission/2014-2019/georgieva/announcements/statement-vice-president-kristalina-georgieva-izyavlenie-na-kristalina-georgieva-zamestnik\\_en](https://ec.europa.eu/commission/2014-2019/georgieva/announcements/statement-vice-president-kristalina-georgieva-izyavlenie-na-kristalina-georgieva-zamestnik_en)).

**30 October:** signature of the comprehensive economic and trade agreement between the EU and Canada. The CETA will provisionally enter into force after the vote of approval of the European Parliament. It must also be ratified by the national and regional parliaments of the European Union Member States.

## November

**4 November:** entry into force of the Paris Climate Agreement (COP21). Now ratified by 55 States accounting for 55% of greenhouse gas emissions, the COP21 enters into force just under a year after its adoption by 195 countries on 12 December 2017. In line with the provisions of the agreement, no State party may withdraw before a period of four years has elapsed.

**8 November:** United States of America/presidential elections. The Republican candidate, Donald Trump, is elected President. He will take up his post in the White House on 20 January 2017.

**9 November:** autumn economic forecasts. The Commission foresees 1.5% growth in the euro area and 1.6% for the EU as a whole in 2017 ([https://ec.europa.eu/info/business-economy-euro/economic-performance-and-forecasts/economic-forecasts/autumn-2016-economic-forecast\\_en](https://ec.europa.eu/info/business-economy-euro/economic-performance-and-forecasts/economic-forecasts/autumn-2016-economic-forecast_en)).

**16 November:** European Semester/‘autumn package’. The Commission publishes the ‘autumn package’, launching the 2017 European Semester. The Commission recognises that ‘in most cases, the large increase in debt in the recent past is the result of bank recapitalisation and low growth in nominal GDP, not of fiscal profligacy’ IP/16/3664 and COM (2016) 727.

**7-18 November:** climate. The Conference of Parties to the United Nations Framework Convention on Climate Change (COP22) begins in Marrakesh. The question of financing is one of the most difficult issues.

**23 November:** CETA/EP. The European Parliament rejects a resolution from 89 MEPs asking for the Court of Justice of the European Union to be consulted before any application of the CETA.

**24 November:** the President of the European Parliament announces his departure. The EP President, Martin Schulz, announces that he will end his term of office as an MEP in January 2017 to return to German politics, to prepare for the federal elections in autumn 2017.

**28 November:** the Organisation for Economic Co-operation and Development (OECD) publishes its 'Global Economic Outlook' report. The OECD calls, in particular, to take advantage of the expansionary monetary policies, in order to take budgetary initiatives and relaunch economic growth (<https://www.oecd.org/newsroom/make-better-use-of-fiscal-initiatives-to-escape-low-growth-trap-oecd-says-in-latest-global-economic-outlook.htm>).

## December

**4 December:** Italy/constitutional referendum. The Italians vote 'no' in a constitutional referendum proposed by Prime Minister Matteo Renzi, seeking to approve a drastic reduction in the powers of the Senate, limits on the powers of the regions and abolition of the provinces. 59.1% voted against, and 40.9% in favour. The turnout was 65.5%.

**5 December:** Italy/President of the Council (Prime Minister) Matteo Renzi resigns. As announced, Matteo Renzi resigns after the definitive adoption of the 2017 budget by the Senate, with 166 votes in favour, 70 against and one abstention.

**5 December:** OECD/pensions. According to the OECD (2016 Pensions outlook), the design of funded private pensions needs to be improved (<https://www.oecd.org/fr/retraites/l-architecture-des-regimes-privés-de-retraite-par-capitalisation-doit-etre-amelioree.htm>; <https://www.oecd.org/pensions/design-of-funded-private-pensions-needs-to-be-improved.htm>).

**5 December:** Eurogroup/economic growth. According to a Eurogroup statement, Germany, Luxembourg and the Netherlands 'could use their favourable budgetary situation to further strengthen their domestic demand and growth potential, depending on country specific circumstances', while respecting rules and their national requirements. According to the Eurogroup President, Jeroen Dijsselbloem, the Finance Ministers of the euro area could grant Greece a slight tidying-up of its debt, but they will not embark upon a 'major relief operation'.

**6 December:** taxation. The ECOFIN Council examines a directive designed to combat tax fraud. The directive is based on the recommendations issued by the OECD in 2015 to tackle base-erosion and profit-shifting (BEPS) ([http://www.consilium.europa.eu/fren/meetings/ecofin/2016/12/st15205\\_enfr16\\_pdf/](http://www.consilium.europa.eu/fren/meetings/ecofin/2016/12/st15205_enfr16_pdf/)).

**6 December:** Brexit. Michel Barnier, the European Commission's Chief negotiator on Brexit, announces that a Brexit agreement needs to be concluded with the British government by October 2018.

**6 December:** very slight rise in EU GDP. According to Eurostat, GDP rose during the third quarter of 2016 by 0.4% in the European Union and 0.3% in the euro area compared to the previous quarter, 244/2016.

**7 December:** the Committee of Permanent Representatives (COREPER) approves an amendment to the Schengen Borders Code, to reinforce checks at external borders. The purpose of the amendment is to step up systematic checks in the relevant data bases (<http://www.consilium.europa.eu/en/press/press-releases/2016/12/07-systematic-checks/>).

**7 December:** visa suspension mechanism. According to the new rules approved by the European Parliament and Council negotiators, the European Commission and the Member States can reintroduce visa obligations more quickly and easily (<http://www.europarl.europa.eu/news/en/press-room/20161128IPR53515/visa-suspension-mechanism-parliament-and-council-negotiators-strike-a-deal>).

**7 December:** the European Commission fines three major banks. The European Commission imposes total fines of 485 million euros on Crédit Agricole (FR), HSBC (UK) and JPMorgan Chase (US) for participating in a cartel in euro interest rate derivatives, IP/16/4304.

**8 December:** monetary policy. The European Central Bank (ECB) decides to keep its key interest rate at 0% and to extend its asset purchase programme (APP) until December 2017, although reducing it from 80 to 60 billion euros per month from April 2017. Implementation of structural reforms, according to the ECB, 'needs to be substantially stepped up to reduce structural unemployment and boost potential output growth in the euro area. Structural reforms are necessary in all euro area countries. The focus should be on actions to raise productivity and improve the business environment, including provision of an adequate public infrastructure, which is vital to increase investment and boost job creation' (<https://www.ecb.europa.eu/press/pressconf/2016/html/is161208.en.html>).

**8 December:** the Employment, Social Policy, Health and Consumer Affairs (EPSCO) Council holds an 'exchange of views' on the 2017 European Semester. The Council approves the 'employment and social aspects' of the euro area draft recommendation. It conducts a policy debate on the European Pillar of Social Rights, takes stock of progress on the Posting of Workers Directive and looks at the public health aspects of the 2017 Annual Growth Survey, 3507<sup>th</sup> session of the Employment, Social Policy, Health and Consumer Affairs Council ([http://www.consilium.europa.eu/en/meetings/epsco/2016/12/st15389\\_en16\\_pdf/](http://www.consilium.europa.eu/en/meetings/epsco/2016/12/st15389_en16_pdf/)).

**8 December:** the International Monetary Fund (IMF) publishes the concluding statement of its fifth post-programme monitoring mission. According to the IMF,

while economic growth has been sustained thanks to good levels of exports, Portugal needs to strengthen the factors driving its growth in order to maintain its economic dynamism (<https://www.imf.org/en/news/articles/2016/12/08/ms120816-portugal-staff-concluding-statement-of-the-fifth-post-program-monitoring-mission>).

**9 December:** Oliver Hart and his colleague Bengt Holmström receive the Nobel Prize in Economics for their work on contract theory, which covers everything from privatisation to remuneration of CEOs. In the view of Oliver Hart, the euro is a ‘mistake’, and if the European Union wishes to survive and prosper, it should start a process of decentralisation and allow Member States to take more of their own decisions (<https://www.euractiv.fr/section/euro-finances/news/economic-nobel-prize-winner-the-euro-was-a-mistake/>).

**11 December:** legislative elections in Romania. The Social Democratic Party (PSD) is victorious, with 45.5% of votes to the Chamber and 45.7% of votes to the Senate. The National Liberal Party (PLN) obtains 20% and 40.4% of the votes respectively. Turnout is 39.49%.

**12 December:** Italy/successor to Renzi. The new President of the Council (Prime Minister) of Italy, Paolo Gentiloni, announces the composition of his government. Most of the former ministers remain in their posts. Angelino Alfano is appointed Minister of Foreign Affairs, and is replaced as Minister of the Interior by Domenico Minniti detto Marco.

**13 December:** EU legislation. The Presidents of the European Commission, Jean-Claude Juncker, the European Parliament, Martin Schulz, and the Council, Robert Fico, sign a joint declaration setting out the European Union’s legislative objectives and priorities for 2017 ([https://ec.europa.eu/priorities/announcements/union-delivers-swifter-and-better-results-three-institutions-sign-joint-declaration\\_en](https://ec.europa.eu/priorities/announcements/union-delivers-swifter-and-better-results-three-institutions-sign-joint-declaration_en)).

**13 December:** social security coordination. The European Commission adopts a proposal to revise the social security coordination rules. The Commission proposal is part of its package of measures on professional mobility, IP/16/4301 and COM (2016) 815.

**15 December:** CETA/social rights/France. The French National Consultative Commission on Human Rights (CNCDH) adopts, with 33 votes in favour and four abstentions, an opinion on the CETA and the respect of human rights, particularly economic and social rights, environmental principles, but which also addresses issues of justiciability and the rule of law. In its opinion, the CNCDH questions the effectiveness of the ILO international conventions on workers’ rights referred to in the CETA. The legal wording of the CETA also suggests that the application of these rights might not be binding. Moreover, there is no sanction mechanism to apply if these principles are not respected by the European Union or by Canada. In the CNCDH’s view, this is ‘a missed opportunity to make progress in the effective implementation of international law’ ([http://www.cncdh.fr/sites/default/files/161215\\_avis\\_accords\\_comm.\\_et\\_fin\\_et\\_droits\\_de\\_lhomme\\_format\\_a5\\_o.pdf](http://www.cncdh.fr/sites/default/files/161215_avis_accords_comm._et_fin_et_droits_de_lhomme_format_a5_o.pdf)).

**15 December:** European Council, 28 Member States. The European Council adopts conclusions on migration, security and defence, Syria and Ukraine, paving the way for ratification of the EU-Ukraine Agreement by the Netherlands. During an informal meeting of 27 countries, the Heads of State or Government adopt a statement on negotiations with the United Kingdom, EUCO 34/16 (and <http://www.consilium.europa.eu/en/press/press-releases/2016/12/15-statement-informal-meeting-27/>).

**16 December:** the International Covenant on Social Rights celebrates its 50<sup>th</sup> birthday. On this occasion, the General Secretary of the European Trade Union Confederation (ETUC) declares that: ‘the Covenant is a milestone in world-wide workers’ rights. But fifty years later it is still not properly implemented, even in the EU. It should be compulsory re-reading for Judges in the European Court of Justice and lawmakers everywhere. There should be a system set up in the EU for complaints to be made if the Covenant is not respected’.

**19 December:** the Council prolongs sanctions against Russia in several areas. These measures, some of which were imposed in July 2014, are extended until 31 July 2017, CP 794/16 (<http://www.consilium.europa.eu/en/press/press-releases/2016/12/19-sanctions-russia/>).

**21 December:** trade policy/EU-Singapore agreement. According to the Advocate General of the Court of Justice of the EU, some parts of the agreement do not fall under the exclusive competence of the Union and will have to be ratified by all the national parliaments, Opinion, procedure 2/15.

**22 December:** European Semester/European Trade Union Confederation (ETUC). Publication of the ETUC resolution on trade union involvement in the European Semester, adopted at the Executive Committee meeting held on 14 and 15 December. According to the ETUC, ‘to date, many of the recommendations coming out of the Semester are detrimental to workers. Often, they focus on fiscal consolidation, the decentralisation of collective bargaining and the reform of the wage-setting system, and the reduction of employment protection legislation. Reinforcing the social agenda of economic governance is still a difficult challenge for the trade union movement’. The ETUC announces a new working method, the ‘Semester 2.0’, for the ETUC and its affiliates (<https://www.etuc.org/documents/etuc-resolution-trade-union-involvement-eu-semester#.We2gRDBcWUk>).