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New European Parliament: more power, more responsibility

The Lisbon Treaty gives the European Parliament more power to shape Europe than ever before. Along with more power, comes more responsibility vis-à-vis citizens, national parliaments and the European Union.

Every new EU treaty has increased the European Parliament's legislative power. The Lisbon Treaty now places Parliament on an equal footing with the Council of Ministers in deciding on the vast majority of EU laws.

More powers

The Lisbon Treaty makes the European Parliament a **stronger lawmaker** by bringing over 40 new fields within the "co-decision" procedure, under which Parliament has equal rights with the Council. These areas include agriculture, energy security, immigration, justice and home affairs, health and structural funds.

Parliament gains a bigger role in **setting budgets**, as the old distinction between "compulsory" and "non-compulsory" expenditure is abolished. Parliament will decide on the entire EU budget together with the Council.

MEPs will also have to give their consent to a whole range of international agreements negotiated by the Union, in areas such as international trade.

More responsibility

More power means more responsibility. With this increased legislative power, Parliament's decisions will, more than ever, directly affect the daily lives of Europe's **citizens**. Parliament shall, in all its activities, fully respect the **fundamental rights** of EU citizens, in line with the Charter of Fundamental Rights enshrined in the Lisbon Treaty.

MEPs will have a new role in relations with the **other institutions** of the EU. From now on, results of elections to the European Parliament will be directly linked to the choice of candidate for the President of the European Commission. The whole Commission, including the High Representative of the Union for Foreign Affairs and Security Policy, needs

Parliament's approval to take office.

Lastly, the Lisbon Treaty gives Parliament a new right to propose treaty changes.

New EP: greater say on who runs the EU

In the Lisbon era, the Parliament will not only decide what is done and how money is spent, it will also have a greater say on which men and women run the EU. The Parliament will elect the President of the European Commission, on the basis of the EU heads of state and government's pre-selection, which must take into account the results of European elections - and your choice. Also, Parliament's consent is needed in the appointment of the EU's new voice in the world and foreign policy chief, the High Representative for Foreign Affairs and Security Policy, who will also be a Commission Vice-President.

Stronger voice for Europe's citizens

New power means more responsibility. As the only directly-elected EU institution, the Parliament will have new tools to give a stronger voice to the 500 million citizens it represents and to hold the EU accountable to them. The

Parliament will be the guardian of EU citizens' new catalogue of civil, political, economic and social rights - the Charter of Fundamental Rights - embedded in the Lisbon Treaty, as well as their new right of citizens' initiative, which will allow people to call for new policy proposals if supported by 1 million signatures. Also, it will safeguard national parliaments' right to object to European level legislative proposals should they consider them to concern matters better dealt with at national level.

Global Economic Prospects 2010



Global Economic Prospects 2010, warns that while the worst of the financial crisis may be over, the global recovery is fragile. It predicts that the fallout from the crisis will change the landscape for finance and growth over the next 10 years.

Global GDP, which declined by 2.2 percent in 2009, is expected to grow 2.7 percent this year and 3.2 percent in 2011. Prospects for developing countries are for a relatively robust recovery, growing 5.2 percent this year and 5.8 percent in 2011 -- up from 1.2 percent in 2009. GDP in rich countries, which declined by 3.3 percent in 2009, is expected to increase much less quickly—by 1.8 and 2.3 percent in 2010 and 2011. World trade volumes, which fell by a staggering 14.4 percent in 2009, are projected

to expand by 4.3 and 6.2 percent this year and in 2011.

While this is the most likely scenario, considerable uncertainty continues to cloud the outlook. Depending on consumer and business confidence in the next few quarters and the timing of fiscal and monetary stimulus withdrawal, growth in 2011 could be as low as 2.5 percent and as high as 3.4 percent.

“Unfortunately, we cannot expect an overnight recovery from this deep and painful crisis, because it will take many years for economies and jobs to be rebuilt. The toll on the poor will be very real,” said **Justin Lin, World Bank Chief Economist and Senior Vice President, Development Economics.** *“The poorest countries, those that rely on grants or subsidized lending, may require an additional \$35-50 billion in funding just to sustain pre-crisis social programs.”*

In this still weak environment, oil prices are expected to remain broadly stable, averaging about \$76 a barrel; and other commodity prices should rise by only 3 percent per year on average during 2010 and 2011.

The report warns that, despite the return to positive growth, it will take several years before economies recoup the losses already endured. It

estimates that about 64 million more people will be living in extreme poverty (on less than \$1.25 a day) in 2010 than would have been the case had the crisis not occurred.

Further, over the next 5 to 10 years, increased risk aversion, a more prudent regulatory stance, and the need to curb some of the riskier lending practices during the boom period that preceded the crisis can be expected to result in scarcer, more expensive capital for developing countries.

“As international financial conditions tighten, firms in developing countries will face higher borrowing costs, lower levels of credit, and reduced international capital flows. As a result, over the next 5 to 7 years, trend growth rates in developing countries may be 0.2 to 0.7 percent lower than they would have been had finance remained as abundant and inexpensive as in the boom period,” said **Andrew Burns, lead author of the report.**

While all forms of finance are likely to be affected, foreign direct investment (FDI) should be less constrained than debt flows. However, parent firms will face higher capital costs, reducing their ability to finance individual products. As a result, FDI inflows are projected to decline from recent peaks of 3.9 percent of developing country GDP in 2007 to around 2.8-3.0 percent over the medium term. The

consequences of such a decline could be serious, as FDI represents as much as 20 percent of total investment in Sub-Saharan Africa, Europe and Central Asia and Latin America.

“While developing countries cannot avoid tighter international financial conditions, they can and should reduce domestic borrowing costs and promote local capital markets by expanding regional financial centers and improving competition and regulation in local banking sectors,” said **Hans Timmer, Director of the World Bank Prospects Group.** *“Although likely to take time to bear fruit, such steps could expand access to capital and help put developing countries back on the higher growth track from which they were derailed by the crisis.”*

The report finds that very relaxed international financial conditions from 2003 through 2007 contributed to the boom in developing country finance and growth. Much lower borrowing costs caused both international capital flows and domestic bank lending to expand, which contributed to a 30 percent increase in investment rates in developing countries. The resulting rapid expansion of the capital stock explained more than half of the 1.5 percentage point increase in the rate of growth of potential

output among developing countries.

While very strong developing country growth during the boom period may reflect underlying growth potential, the global financial conditions that fueled it were clearly unsustainable.



European Year for Combating Poverty and Social Exclusion

The European Union is one of the richest areas in the world, but still **17% of EU citizens have such limited resources that they cannot afford the basics.**

Poverty is often associated with developing countries, where a lack of food and clean water can often be a daily challenge. Europe is also affected by poverty and social exclusion. It may not be as severe, but is nonetheless unacceptable. Poverty and exclusion of one individual amounts to the poverty of society as a whole. Europe can only be strong if each individual's potential is realised.

There is no miracle solution to put an end to poverty and social exclusion. However, one thing is sure: we cannot win the fight without *you*. The time is ripe to renew our commitment to solidarity, social justice and greater inclusion. The time is ripe for the 2010 European Year against Poverty and Social Exclusion.

A key value of the European Union is solidarity. As a union we are facing the crisis together, and this solidarity creates a safety net for each and all of us.

Here are some of the things that **we will do together**:

- **Encourage** involvement and political commitment from each and every segment of society to participate in the fight against poverty and social exclusion, from the European to the local level, whether public or private;
- **Inspire** each and every European citizen to participate in the fight against poverty and social exclusion;
- **Give voice** to the concerns and needs of people experiencing poverty and social exclusion;
- **Engage with** civil society and non-governmental organisations that fight poverty and social exclusion;
- **Help** deconstruct stereotypes and stigmas attached to poverty and social exclusion;

- **Promote** a society that sustains and develops quality of life, social well-being and equal opportunities for all;
- **Boost** solidarity between generations and ensure sustainable development.



Release of the 72nd National Eurobarometer Report

The Standard Eurobarometer public opinion survey is conducted twice a year. The 72nd survey of the Standard Eurobarometer (EB72) was carried out in the 27 member states of the European Union and in the three candidate countries – the former Yugoslav Republic of Macedonia, Croatia and Turkey, between 23 October and 18 November 2009.

The interviewers conducted the face-to-face poll in the homes of a total of 30,238 respondents in the member states and the candidate countries. The sample of citizens participating

in this research is representative of the opinion of the citizens aged 15 years and over, and is also an indicator of the positions and considerations by all social, professional and age groups of the urban and rural population.

Here are some of the results of the National Report of the former Yugoslav Republic of Macedonia under the 72nd Eurobarometer:

- The survey reconfirmed the prevailing positive attitude among the public towards EU membership. Some 66% of the respondents see EU membership of the country as a good thing, which is a slight increase compared to spring 2009 (64%). The same applies to the proportion of citizens who expect benefits from EU membership (it increased from 75% to 76%), which remains much higher than in the other two candidate countries.

- Further increase was recorded by the number of citizens who have positive feelings towards the EU (from 59% to 65%). Freedom to travel, study and work all over Europe remains the beneficial aspect that the respondents in the country most frequently associate with the EU. The vast majority of the respondents in both the country and the EU single out

solidarity and security as the most important social values of the Union.

- The majority of citizens continue to perceive unemployment as the main problem in the country, although their number recorded a decrease from 68% to 64%. There is a growing number of respondents (from 25% to 46%) who believe that the impact of the global economic downturn on the labour market has reached its maximum, but almost the same percentage (47%) still assess that the worst is yet to come.

- In line with the tendency in all the countries included in the survey, the confidence of the public in the national institutions further decreased, except for the trust in local and regional authorities, which recorded an increase (from 28% to 36%).

- A significant part of the respondents in the country (58%) and in the EU (61%) consider that their states interfere with their lives.

- Another similarity between the national public and that of the EU is the opinion that globalisation brings profit only

to big companies, but not to citizens (it is shared by 62% of citizens in the country and 63% in the Union). Almost identical proportions of the respondents in the country and in the EU (47% and 45% respectively) believe that establishing social equality and solidarity is the most important measure that the society should take in order to mitigate the consequences from globalisation.

Global Forum : Sustainable Development Linked to Scientific Innovation



January 25, 2010 —The man from Jaipur had clearly done this before. With a small crowd of people watching, he buckled on his artificial foot for the video camera and climbed a nearby tree with great agility for someone who had lost a foot in a landmine explosion. He then leapt from the tree over a fence and sprinted down a

nearby street and back again.

His friends say he can run a kilometer in just over four and a half minutes.

Thanks to a US\$28 prosthetic limb, which *Time* magazine described as one of the best 50 inventions of 2009, the man from Jaipur has returned to normal life as a result of the research and innovation of two local Indian inventors. A comparable artificial limb in the West would cost \$20,000 to \$30,000.

The Jaipur video made a compelling case for how poor countries can adapt new and existing technologies to solve their local problems without having to import expensive Western-style fixes. It also captured the innovative spirit at the World Bank's recent Science, Technology, and Innovation (STI) Global Forum, which brought dozens of the world's top scientists, innovators, and policymakers to Washington, D.C. to discuss how to better match practical science and technology solutions with local development needs.

Such solutions can range from cheap but effective artificial limbs to vaccines to solar panels. The sky's the limit.

**Scientific
Capacity Needed to Reach**

MDGs

With five years to meet the Millennium Development Goals (MDGs), policymakers are keenly aware that few countries can hope to achieve their development goals without the scientific, engineering, and technical/vocational capacity to handle pressing development issues such as food security, cleaner energy, adaptation to climate change, improving health systems, providing water and sanitation services, generating wealth and jobs, and reducing absolute poverty.

There can be no sustainable solutions to any of these problems if countries do not build the capacity to find and develop appropriate technologies, and modify them for local use.

"Developing countries cannot hope to prosper in an increasingly competitive global economy and open trading system if they don't build the appropriate science, technology, innovation-entrepreneurial, engineering, and technical/vocational capacity to produce more value-added goods and services," says World Bank STI Coordinator Al Watkins.

**Countries Bypass
Development Agencies**

Everyone agrees that better science and technology is vital, but as Watkins and other World Bank staff at the Global Forum asked, what should the Bank's role be in this process? The Bank does not have battalions of trained engineers and scientists on staff to help countries build their own capacity.

In fact, many developing countries are bypassing official development agencies and boosting their STI research capacity by partnering directly with universities, private enterprises, think tanks, and research institutes. Development agencies may play a supporting role in facilitating and financing some of these partnerships but, to date, they have not been direct participants in many of them.

"It took 40 years for radio to reach a market of 50 million. Television took 13, the Internet 5, and Facebook took only 2 years", World Bank Managing Director for Human Development, Graeme Wheeler reminded Global Forum participants, acknowledging the restless nature of ideas and information flows and their link to rising prosperity.

"Our development impact depends on our ability to transfuse innovations

bubbling up all over the world to find better ways of doing business – including better lending and risk management products, smarter technical assistance, and cutting-edge knowledge," Wheeler said.

Not surprisingly, with such leading participants at the Global Forum as Peter Msolla, Tanzania's Minister of Communications, Science and Technology; Harold Varmus, Nobel Laureate and White House science adviser; Professor Kiyoshi Kurokawa, former Science Advisor to the Japanese Cabinet; and Ramesh Mashelkar, President of the Global Research Alliance, promising ideas about the Bank's future involvement in science, technology and development came from every corner.

Global Science Corps Proposed

For example, Varmus suggested the Bank could back a Global Science Corps, modeled loosely on the Peace Corps, which would deploy large numbers of science and engineering professors and researchers from countries with strong scientific capacity to developing countries for periods of a year or longer.

Corps members would work with local scientists to conduct high quality, locally relevant research and to expand the roster of qualified science and

engineering professors in the host countries.

Other ideas included a Technology Transfer Facility which could help developing countries to find technology generated outside the country, license it, or otherwise bring it into the country. Countries could make new technologies available to local researchers, who could modify them for local use, then transfer them to local small and medium enterprises.

A partnership between the World Bank, the International Finance Corporation, and existing U.S. and European technology groups could do much to help developing country clients build the institutions and skills needed to organize and manage these technology transfers.

Another proposal called for a Regional Science Fund to Promote Pro-Poor Technology, to support South-South scientific collaboration and research to apply technical solutions to high-priority problems in ways that are acceptable to local communities.

Managing Director Graeme Wheeler promised Forum participants that the Bank would devise an action plan in coming months in collaboration with other partners. A comprehensive

strategy, partnership arrangements, and dedicated financing mechanism would maximize the development impact of new STI partnership initiatives, he said.

"Given the enthusiasm and diversity of the organizations gathered here ... the Bank has an unprecedented opportunity to catalyze a powerful new partnership in support of knowledge-based development," concluded Phillip Griffiths, chairman of the [Science Initiative Group](#), an international team of scientific leaders and supporters dedicated to fostering science in developing countries.