The EESC priorities during the Maltese presidency

January – June 2017
A word from the president

The presidency of the Council of the European Union starting in January 2017 will be Malta’s first. At a time when European Union cohesion is being put to the test following the outcome of the Brexit referendum, when there is no let-up in the refugee crisis and when people’s trust in the European venture is waning – fuelling populism – it falls to Malta to play an important part in contributing, through the Council’s established procedures, to unity rather than unilateral decisions. I am convinced that, although a small nation, Malta is capable of successfully ushering in a new era for Europe.

I am particularly pleased to see that the Maltese Presidency priorities include proposals made by the European Economic and Social Committee. For many years our Committee has, in its opinions, drawn attention to the importance of the blue development strategy for creating jobs in coastal countries and to protecting the environment.

We cannot look on the Mediterranean as a maritime graveyard for the thousands of human lives lost. It is an area of cooperation, security and harmonious coexistence in which the neighbouring countries are called on to work together for solutions to ensure not only that refugees are no longer driven to risk their lives during hazardous crossings, but also that the people, including young people, of the countries concerned can take an optimistic view of their future, with access to the labour market and decent pay.

Managing migration flows requires a common commitment by the EU Member States to a European solution founded on close cooperation with the non-EU countries of origin or transit, and also on close, solidarity-based cooperation among the Member States themselves. I hope that the Maltese Presidency will take all the necessary initiatives. I am confident that it will succeed in drawing together opposing tendencies and bring forward solutions that everyone will abide by.

With regard to the latest political developments, it is not surprising that during a period of protracted economic crisis Europe’s citizens feel alienated from the decision-makers. They feel that Europe is no concern of theirs. Faced with this trend, we must respond with more, not less, Europe.

Creating a pillar of social rights should draw upon and expand the EU’s social acquis to signal the direction to be taken by policies in a number of areas crucial to the smooth and fair operation of the labour markets and social protection systems, with the ultimate aim of boosting social cohesion. The Committee supports this proposal from the Commission, with the interests of European citizens always to the fore, and hopes that the Maltese Presidency will help move things in this direction.

People have forgotten the wars of the past and take peace for granted. But peace is a prize that must be worked towards constantly. As the main guarantor of an area of peace and prosperity for its citizens, the EU must be safeguarded. The purpose of the European identity is specifically to bridge the gap between citizens and the European institutions and for the citizens of the Member States to understand that, beyond the particular features of their own countries, they are bound by a common European cultural tradition and heritage. They share a common future. I am therefore confident that the European identity will be firmly established under the Maltese Presidency and that it will assume a distinctive character in its own right, an investment in the cultural legacy of Europe.

25 March 2017 will mark the 60th anniversary of the Treaty of Rome. In the Preamble to the Treaty, the signatories declare that they are “determined to lay the foundations of an ever closer union among the peoples of Europe, resolved to ensure the economic and social progress of their countries by common action to eliminate the barriers which divide Europe, affirming as the essential objective of their efforts the constant improvements of the living and working conditions of their peoples”.

Malta has the honour, but also the responsibility, of breathing new life into this undertaking. It will find the EESC a trustworthy ally in this task.

Georges DASSIS
President of the EESC
A word from the Maltese members of the EESC

Our first-time role at the helm of the EU Council Presidency comes at a time when Europe is facing unprecedented challenges: Brexit and migration, to mention two of the main issues. The influx of irregular immigrants and the refugee crisis have found Europe unprepared, and have, moreover, brought with them huge security challenges. During its Presidency of the European Council, Malta will be putting security and the fight against terrorism high on its agenda. European security is unthinkable without peace and security in the Mediterranean. In this context, our country will be doing its utmost to boost the Euromed Process.

Another important element of the Presidency programme is Single Market legislation, including the digital single market, the energy union and the capital markets union. Beyond this, the exploratory opinions requested of the EESC by the Presidency will deal with nautical and maritime tourism diversification strategies, with a strong accent on sustainability, and the inclusive territory issue of islands in the EU.

Hospitality and tourism play a major role in the economies of all of the EU member states. However, they are frequently neither celebrated nor recognised as part of an industry that employs many hundreds of thousands of people and the industry that was most resilient after the 2008 financial meltdown. The EESC will be preparing an own-initiative opinion on coastal and maritime tourism which will seek to identify best practices for this industry and provide many pointers for regions which today suffer from a lack of job and investment opportunities.

Education, energy, poverty and social inclusion are also elements which will form part of our agenda during the Maltese Presidency. In particular, we will be focusing on the kind of education that leads to high-quality and decent jobs, as a tool to fight precarious employment and poverty. Two of the exploratory opinions which have been requested are closely related to this concept: “High quality education for all” and “Upscaling skills of persons in the labour market”. We believe that education and re-skilling should act as a basic platform for citizens to find their place within the community. This will in turn lead to, or at the very least influence, security, good governance, better wealth distribution, a stable energy supply and the impact of climate change. The improvement of financial services, social rights and duties and the fight against poverty and social exclusion will follow. The Mediterranean dimension will feature in all these points. In this context, we feel that Malta’s social partners who have a crucial role to play should make their contribution.

The Maltese members of the EESC

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The priorities of European civil society during the Maltese Presidency

This Presidency comes at a crucial period for Europe. Apart from its work on the multiple political, economic and social challenges that the EU needs to address without delay, the presidency will also have the key task of marking the 60th anniversary of the Treaties of Rome in March 2017 and – on that occasion – of rounding off the reflection process on the future of the EU that was launched by the Heads of State or Government in September 2016 in Bratislava. The Commission is expected to set out such a vision for the future in a White Paper, which will address in particular the need to strengthen and reform our Economic and Monetary Union (EMU).

Taking into account these developments, the EESC will continue its priority work on the completion of EMU by discussing with European and national decision-makers the consensual positions of all relevant civil society stakeholders as agreed in the Committee’s recent opinions on this topic. The EESC has already made a number of proposals for the short-, medium- and long-term development of EMU. It will now follow up on these, notably by organising a high-level conference on the future EMU in the run-up to the March 2017 Summit and the Commission’s White Paper.

Within the context of the European semester of economic policy coordination, the EESC will present the civil society recommendations on the necessary policies for the euro area. In a separate opinion, the Committee also intends to address the problem of wealth inequality in Europe and launch a broad public discussion on this issue that could possibly feed into future policy proposals by the European Commission in this field.

The Committee will contribute to the compulsory mid-term review of the multiannual financial framework (MFF) 2014-2020, building on its policy recommendations put forward in an own-initiative opinion on a “performance-based EU budget focused on real results”.

As regards indirect taxation, the Presidency will be marked by the endeavour to substantially reform and modernise the European VAT system. The EESC will feed into the policy debate on legislative proposals that result from the “Action Plan VAT”, on which the EESC has presented its findings and recommendations. In particular, the EESC will contribute to shaping the Digital Single Market VAT (e)-package. In the field of direct taxation, the EESC will contribute its input to the awaited corporate taxation package that will include the long-standing issue of a common consolidated corporate tax base (CCCTB), double taxation resolution and hybrid mismatches with third countries.

As regards financial markets and the financing of the economy, the upcoming period will continue to be marked by the endeavours to create a genuine European Capital Market Union (CMU), and the EESC will work on legislative initiatives such as amending the Capital Requirements Regulation (CRR) to incorporate modifications to the Basel framework and on the recovery and resolution of central counterparties. The EESC will also comment on the overall EU regulatory framework for financial services, where the Commission is seeking to identify possible inconsistencies, incoherence and gaps in financial rules, as well as unnecessary regulatory burdens and factors negatively affecting long-term investment and growth. Furthermore, the Committee will be examining the White Paper on the Revision of the financing model for the European Supervisory Authorities. In a quest to contribute to generating growth and employment, the EESC will come up with recommendations for policy-makers on extending the duration of the European Fund for Strategic Investment (EFSI 2.0) and on measures and actions in the framework of the initiative “Helping SMEs and start-ups to grow”. With inequality, poverty and social exclusion still on the rise, (EESC) intends to continue to focus on the European social model, placing special emphasis on establishing a European pillar of social rights. Job creation remains a top priority and the EESC will focus on innovative policies that strike the right balance between economic, social and environmental concerns. Special attention will be paid to measures that increase the quality of employment and remove barriers to integration into the labour market, especially for young people, the long-term unemployed, migrants and refugees.

The EESC will also promote decent work and fairer labour mobility, especially as regards working conditions and wages. The Committee will look at the impact of the digital transition and the transition to a low-carbon, resource-efficient and green economy on employment, skills, social security and labour law. More specifically, at the request of the Maltese Presidency, the EESC will make recommendations on upscaling the skills of persons in the labour market in the context of its work on the EU’s new skills agenda as well as on high quality education for all.
The EESC will maintain its efforts to strengthen fundamental rights and fight discrimination and exclusion. In particular, the Committee will continue to support a more open migration and truly common asylum policy based on greater solidarity and shared responsibility in the European Union. It will work to ensure better recognition of the contribution that migrants make to Europe’s economy and society, promote their integration into the labour market and society at large, advocate for the improvement of their education and training, and continue to call for their fundamental rights to be fully respected. The EESC will also contribute to the evaluation of existing legislation on legal migration.

The EESC will contribute, through an own-initiative opinion, to the process for re-thinking a greener and leaner CAP post-2020. It will continue pushing for the practical implementation of the territorial impact assessment of all EU policies, known as “rural proofing” in the 2016 Cork Declaration “A Better Life in Rural Areas”. Through its Permanent Study Group on Sustainable Food Systems, the EESC will continue to highlight the need to tackle the multiple economic, environmental and social consequences of food production and consumption with a holistic and integrated approach. It will furthermore call for a comprehensive food policy and promote more sustainable agricultural production, a fairer distribution in the food supply chain and more sustainable agricultural production, call for a comprehensive food policy and promoting the transition towards a low carbon economy, will be the EESC’s main priority. Through the new coalition on “Multi-level and multi-stakeholder governance for faster, more effective and more inclusive implementation of the Paris Agreement”, the EESC will promote bottom-up engagement of various actors in diverse climate action projects.

Contributing to the practical implementation of the global Sustainable Development Goals (SDGs) will also rank high on the Committee’s agenda. The creation of a European Sustainable Development Forum should foster dialogue between European institutions and a broad range of civil society representatives, create ownership and involve civil society in the monitoring process. In the field of the circular economy, the organisation of a platform together with the European Commission involving non-governmental stakeholders and experts will help to implement the Commission action plan on the circular economy. The EESC will promote its 2016 opinion on the mid-term review of the EU Biodiversity Strategy with the principal aim of putting pressure on the Commission and EU Member States to respect their earlier commitments.

Pursuing its aims in monitoring trends and presenting proposals on the relevant issues which affect Consumers, the Committee will be organising its 19th Annual European Consumer Day in Malta on 21 March 2017. The EESC will further its work in the area of social enterprise and the social economy. In addition to monitoring and evaluating political developments at EU and Member State level, it will identify specific measures to improve the general environment of social economy enterprises, disseminate best practices in the Member States, and raise the sector’s profile. New forms of production and consumption such as the collaborative economy will be on the EESC’s agenda. The Committee has been at the forefront of dealing with these trends and is preparing an own-initiative opinion on the functional economy. The work carried out on the new economic models, notably the collaborative economy and the functional economy, will take on a more coordinated approach, clearly linking the role of these new trends in facing Europe’s sustainability challenges. For some years now, the new economy, which emerged at the turn of the millennium, has been introducing new practices to our societies (digitalisation, the circular economy, the collaborative economy, “uberisation”, etc.) which are profoundly disrupting business, professional, political and civic practices. In short, our societies are experiencing a major upheaval which is primarily affecting the young generation which, now more than ever, should be the focus of our concerns. The Committee therefore wishes to open a cross-cutting and comprehensive discussion on this issue in order to shape an approach which will take us up to 2050. It intends to start this work during the Maltese Presidency in order to feed into an innovative discussion at European level, since national solutions will not be enough.

At the request of the Maltese Presidency, the EESC will also be issuing an exploratory opinion on nautical and maritime tourism. This opinion will focus on innovative strategies for developing a more competitive and sustainable environment in Europe.

The EESC is also very active in the field of research and innovation and is currently preparing an information report on the interim evaluation of Horizon 2020 which will be sent to the European Commission in the first quarter of 2017.

As for industrial change, the automotive industry is currently facing its greatest transformation since the invention of the assembly line, and this could bring about a new industrial revolution. The EESC will closely monitor and analyse the developments related to this sector and will furthermore look into the effects of digitisation and innovative business models in the European Financial Industry, with special attention on their impact on jobs and customers.

The Committee will actively contribute to the ongoing review of the EU Global Strategy on Foreign and Security Policy and also in the main EU external policy areas, such as trade, enlargement, neighbourhood, and development, the external dimension of key EU policies, the implementation of Sustainable Development Goals (SDGs), and the respect of decent labour and environmental standards in international trade.

The promotion of legal migration, more integrated Euro-Mediterranean and EU-Africa partnerships, and a more cohesive civil society in the southern countries will also be a key topic in the activities related to neighbourhood and African countries, with a special follow-up of the European Fund for Sustainable Development. Regarding the Eastern Neighbours, the active engagement of the Civil Society Platforms with Georgia, Moldova and Ukraine will be the main priority.
The Committee will follow up on EU trade negotiations and civil society monitoring of EU agreements. Special attention will be paid to the free trade agreements with Canada, Ukraine, Moldova and Georgia, as well as to the negotiations with the USA, Japan and others. The Presidency will be invited to follow up the EESC’s work on trade and sustainable development in those agreements.

The Maltese Presidency will be associated with the EESC’s work on the EU’s enlargement policy and will be invited to the EU-Western Balkans Civil Society Forum. The EESC will also closely follow EU-Turkey relations, especially on issues such as the modernisation of the EU-Turkey Customs Union and the EU-Turkey agreement on refugees. Regarding Latin America, the Presidency will be invited to contribute to the EESC’s biennial meeting of EU and CELAC civil society organisations. The EESC will also closely follow the coordination of social security systems as part of the EU’s development policy.

In line with the Maltese Presidency’s priorities, the EESC will focus on the special nature of island territories, namely the fact that islands suffer from severe and permanent natural or demographic handicaps. The Committee will also continue to work on the development of urban areas, supporting the implementation of the EU Urban Agenda and focusing on refining this European project. In addition, the EESC will continue its active participation in implementing macro-regional strategies as well as other European programmes. The EESC will also contribute to developments in the field of statistics as it will express its views on a proposal on the extension of the European Statistical Programme, where the Commission aims to improve the relevance, timeliness and quality of European statistics.

In the digital agenda domain, implementing the Digital Single Market (DSM) strategy will remain at the core of the Committee’s work. The Committee fully supports the integration of the EU’s digital economies and promotes the dismantling of national barriers to online transactions in order to boost Europe’s productivity and employment. In particular, since DSM rules have not kept pace with technological changes, special attention will be devoted to the evaluation and reform of the regulatory framework for electronic communications and services, with a view to boosting investment, ensuring fair competition, adapting wholesale market regulations to foster the deployment of the next-generation access (NGA) and updating and modernising the spectrum policy to address the growing demand of EU citizens for mobile broadband. The EESC will also finalise a study on big data, and publish a best practice catalogue on smart cities and is-lands aiming to identify those measures needed to improve quality of life, and reduce poverty and unemployment.

In Malta itself, the EESC plans to organise a conference on Digital Europe and Industrial Change, focussing on Industry 4.0 and on digitalisation in the European financial, automotive and health-care sectors, also with a view to employment, training, scientific and societal impact. The EESC will build on its previous opinions on the European Energy Union and continue to engage with more specific legislative proposals. The Committee will aim to draw attention in particular to the importance of further strengthening the governance of the Energy Union, in particular by improving the annual reporting on progress made towards the Energy Union objectives and strengthening the voice of civil society in the process. Improving governance in these ways is, in the Committee’s view, a key prerequisite for identifying varying perspectives, needs and resources across the EU and bolstering the case for enhanced coordination and solidarity among Member States. Coordination and solidarity seem particularly relevant as the EU currently reviews its energy security, renewables and energy efficiency policies against the backdrop of the ambitious Paris Agreement and increasing geopolitical tensions. The EESC underpins the EU’s endeavours to improve governance by promoting the idea of the European Energy Dialogue, a civil society dialogue running alongside the Energy Union that is to culminate each year in the Committee’s response to the European Commission’s ‘State of the Energy Union’ report.

The Committee will continue to focus its work on maintaining and enhancing the competitiveness of the European transport sector. The implementation of the Aviation Strategy for Europe will be closely monitored, in order to gain momentum and galvanise stakeholder support for its effective implementation. As a keen supporter of a true single market for maritime transport, the Committee welcomes the designation of 2017 as the European maritime year. The EESC will follow up on the Commission’s fitness check of EU maritime legislation and the REFIT of the legislation related to Training of Seafarers.

The EESC will also promote the implementation of the Connecting Europe Facility and the TEN-T policy. In this context, the Committee will further expand the participatory dialogue between public authorities and civil society, in particular on selected core corridors of the TEN-T network, in order to improve understanding and acceptance of transport policy measures and the quality and efficiency of the decisions to be taken.

Finally, emphasis will be placed on topical matters such as the decarbonisation of transport and COP21’s impact on European transport policy, big data and its societal impacts, the regulation of sharing economy activities in the area of transport, as well as market access and the social dimension of the sector.
The rotating Presidency of the Council of the EU provides a unique political, economic and cultural opportunity for Malta. Coming at a time of unprecedented challenges, it offers an excellent opportunity for Malta’s political courage, strong leadership and clear, independent voice to be instrumental in bringing the union closer together for the common good of the citizens of Europe.

Malta’s skills and resources will be severely tested. However, we will not stand alone, and showing that we can punch considerably above our weight will be extraordinarily valuable in shaping the legacy of the Presidency for the State and for the Union. In addition, Malta has the potential to implement important policy programmes (or dossiers) designed to generate economic growth and jobs, ensure financial stability, reinforce social solidarity, improve access to new markets, combat climate change, progress towards an energy union and a digital union and protect borders and security, all to the benefit of the people of Europe.

We see our collaboration with the European Economic and Social Committee (EESC) as a vital ingredient to the success of our Presidency. This organisation is a bridge between the Brussels institutions and the people of Europe, a bridge across which ideas and dialogue can flow. We and the EESC are committed to bringing the European process closer to the individual citizen, and to making it more comprehensible. Sometimes we will need to challenge, to criticise constructively, and to debate in order to reach better, stronger agreements and improve policymaking so that it best serves the people in their everyday lives. In that respect we see the EESC as something of a kindred spirit!

Our Presidency comes at a time when the efforts of Commissioners and of EU leaders are fully focused on delivering results. There will be a host of important dossiers on our agenda, and we will need to make difficult decisions about where to target our efforts. We are committed to a Presidency defined not by rhetoric but by results, and have sorted our work into the priorities that you see in this document. I would like to discuss three of those in detail here.

Migration is one of the major transnational issues of our time, and one that I believe will continue to grow in importance. The attractiveness of the EU to migrants is partly a consequence of its success, and amid the widespread cynicism about the European project we should not be ashamed to remind people of that – its promise of a rules-based system, rooted in shared values, that offers new arrivals the prospect of employment, a roof over their heads and an education for their children is a great enticement. Europe offers the dispossessed hope for the future when the places they are leaving often do not.

However, together we have to be able to protect our borders, and to share the load more evenly with regard to managing new arrivals. Here, important reforms that strengthen the Common European Asylum System and, in particular, the Dublin Regulation will define our work going forward. Following the EU-Africa Summit on Migration that we hosted in Valletta in 2015 we want to ensure that we follow up on the agreements made there, and ensure that we better define rights and responsibilities on both sides in our dealings with third countries, particularly in north and sub-Saharan Africa, so that we can address many of the underlying drivers of economic migration from those regions.

Improving the operation of the Single Market, particularly in the area of digital commerce, sets the tone for the future economic prosperity of our citizens, allowing us to construct a Europe that continues to offer a level playing field and opportunities to all – workers, employers and consumers. We want to build on the work of previous Presidencies by finally eliminating mobile phone and data roaming charges for European citizens across the Union – a tangible measure that will make a difference to millions of people holidaying, working or travelling abroad. We also want to look at bringing in uniform regulations for areas such as online delivery charges, and we want to reduce geo-blocking in order to prevent discriminatory practices that disadvantage consumers.

Dr Ian BORG
Parliamentary Secretary for the EU Presidency 2017 and EU Funds
Finally, we want to champion a progressive approach on social issues during our Presidency. One area of special concern is to reinforce the message that violence against women cannot be tolerated. We are committed to combating this by paving the way for pan-European legislation that tackles the problem. We will also be working closely with the European Institute for Gender Equality to improve the participation of women in the labour market, and to approve the proposal for a Directive on improving gender balance among directors of publicly listed companies. Malta will hold a Ministerial Level Conference on LGBTIQ issues in order to make further progress with the European Commission’s roadmap in this area.

Malta is a proud nation state that is also proudly European. We want to measure our success by our ability to deliver political solutions to serve all the people of Europe. The Presidency offers an extraordinary opportunity to make our voice heard and to gain credibility for the EU by communicating openly and honestly, while also finding new ways of showing the positive difference that decisions taken in Brussels can make to people’s lives.

We are looking forward to these challenges, and working with the EESC. Our ability to listen, to bring people together, to consult, and to guide will be key in achieving real success at a pan-European level.

Dr Ian BORG
Parliamentary Secretary for
the EU Presidency 2017 and EU Funds
Some basic facts about Malta

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<thead>
<tr>
<th>Official name</th>
<th>Republic of Malta</th>
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<tr>
<td>Capital</td>
<td>Valletta</td>
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<td>Area</td>
<td>316 km²</td>
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<td>Other main towns (in terms of population)</td>
<td>Qormi, Zabbar, Zebbug</td>
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<td>National language</td>
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<td>Official language</td>
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<td>Currency</td>
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<td>Population (31/12/2015)</td>
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<td>Foreign born population (1/12/2015)</td>
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<td>GDP in current prices (in millions of euro, 2015)</td>
<td>20 300</td>
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<td>GDP per capita (in Purchasing Power Standards (PPS), EU-28 = 100, 2015)</td>
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<td>Domestic employment (2016)</td>
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<td>Employment rate (persons aged 15-64 years, 2015)</td>
<td>63.9%</td>
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<td>Unemployment rate (2016)</td>
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<td>Life expectancy at birth (2015)</td>
<td>Women: 84.20 years / Men: 79.80 years</td>
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<td>Main exports (of total exports, 2015)</td>
<td>Electrical machinery and equipment, Mineral fuels, mineral oils and products, Pharmaceutical products</td>
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<td>Main imports (of total imports, 2015)</td>
<td>Mineral fuels, mineral oils and products, Ships, boats and floating structures, Electrical machinery and equipment</td>
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For your diary

- **22 February 2017** – Opening of Exhibition – *Textures of memory* by Joe P Smith (Brussels)
- **21 March 2017** – European Consumer Day (Malta)
- **23 – 24 March 2017** – Various Interests Group meeting (Malta)
- **11 – 12 May 2017** – Employers Group meeting (Malta)
- **11 – 12 May 2017** – Workers Group meeting (Malta)
- **31 May 2017** – Maltese Evening and Opening of Exhibition – *Regnum* by Kris Micallef (Brussels)
- **2 – 23 June 2017** – Annual meeting of Presidents and Secretaries General of EU ESCs and the EESC (Malta)
- **5 July 2017** – EESC plenary: presentation of the results of the Maltese presidency (Brussels)