

FOLLOW-UP PROVIDED BY THE EUROPEAN COMMISSION
TO THE OPINIONS OF THE
EUROPEAN ECONOMIC AND SOCIAL COMMITTEE
PLENARY SESSION OF SEPTEMBER 2023¹

¹ Including the follow-up to two opinions adopted during the April 2023 Plenary session, one during the June 2023 and four during the July 2023 Plenary session.

N°	Title	References
SG & BUDG		
1 Assoc SG.A3	Mid-term revision of the Multiannual Financial Framework Rapporteurs: Konstantinos DIAMANTOUROS (EL-I), Stefano PALMIERI (IT-II), Elena-Alexandra CALISTRU (RO-III)	ECO/625 COM(2023) 336 final EESC-2023-03172-00-00-AC
2	STEP platform Rapporteur-general: Matteo Carlo BORSANI (IT-I)	INT/1040 COM(2023) 335 final EESC-2023-03586-00-02-AC
REGIO		
3 Assoc SG. RECOV ER	The Recovery and Resilience Facility and cohesion policy: towards cohesion policy 2.0 (Exploratory opinion requested by the Spanish presidency) Rapporteur: Maria del Carmen BARRERA CHAMORRO (ES-II) Co-rapporteur: David SVENTEK (CZ-I)	ECO/621 EESC-2023-02427-00-00-AC
HOME		
4	Multiannual strategic policy for European integrated border management Rapporteur: Cristian PÎRVULESCU (RO-III) Co-rapporteur: José Antonio MORENO DÍAZ (ES-II)	SOC/772 COM(2023) 146 final EESC-2023-02519-00-00-AC
JUST		
5	Transfer of proceedings in criminal matters Rapporteur: Vasco DE MELLO (PT-I)	SOC/775 COM(2023) 185 final EESC-2023-02300-00-00-AC
6	Civil society support and funding in the area of fundamental rights, the rule of law and democracy (Own-initiative opinion) Rapporteur: Cristian PÎRVULESCU (RO-III) Co-rapporteur: Ozlem YILDIRIM (FR-II)	SOC/762 EESC-2023-01399-00-00-AC
INTPA		
7	EU Global Health Strategy Rapporteurs: Paulo BARROS VALE (PT-I), Carlos Manuel TRINDADE (PT-II), Danko RELIĆ (HR-III)	REX/573 COM(2022) 675 final EESC-2023-01885-00-00-AC
FISMA		
8	A digital euro and the legal tender status of euro banknotes and coins (Exploratory opinion requested by the Spanish presidency) Rapporteur: Antonio GARCÍA DEL RIEGO (ES-I) Co-rapporteur: Stefano PALMIERI (IT-II)	ECO/616 EESC-2023-00814-00-00-AC

ECFIN		
9	New economic governance rules fit for the future Rapporteur: Javier DOZ ORRIT (ES-II) Co-rapporteur: Luca JAHIER (IT-III)	ECO/622 COM(2023) 240 final COM(2023) 241 final COM(2023) 242 final EESC-2023-02275-00-00-AC
EMPL		
10	Employment guidelines Rapporteur: Carlos Manuel TRINDADE (PT-II)	SOC/777 COM(2023) 599 final EESC-2023-02548-00-00-AC
MOVE		
11	Drone strategy 2.0 (Own-initiative opinion) Rapporteur: Maurizio MENSI (IT-III)	TEN/792 COM(2022) 652 final EESC-2023-01646-00-00-AC
12	CO2 emission class of heavy-duty vehicles with trailers Rapporteur: Bruno CHOIX (FR-I)	TEN/815 COM(2023) 189 final EESC-2023-03043-00-00-AC
13	Revision of the Directive on Ship-Source Pollution Rapporteur: Constantine CATSAMBIS (EL-I)	TEN/809 COM(2023) 273 final EESC-2023-02154-00-00-AC
14	European Maritime Safety Agency Rapporteur: Kaia VASK (EE-II)	TEN/810 COM(2023) 269 final EESC-2023-02847-00-00-AC
15	Revision of Directive on Maritime accident investigation Rapporteur: Sam HÄGGLUND (SE-II)	TEN/817 COM(2023) 270 final EESC-2023-02982-00-00-AC
16	Revision of port State control Directive Rapporteur: Panagiotis GKOFAS (EL-III)	TEN/818 COM(2023) 271 final EESC-2023-02988-00-01-AC
17	Revision of Directive on compliance with flag State requirements Rapporteur: Tanja BUZEK (DE-II)	TEN/819 COM(2023) 272 final EESC-2023-02992-00-00-AC
18	Minimum breaks and rest periods for occasional passenger transport Rapporteur: Mateusz SZYMAŃSKI (PL-II)	TEN/816 COM(2023) 256 final EESC-2023-02929-00-00-AC
AGRI		
19	Revision of EU marketing standards for agricultural products Rapporteur: Kerli ATS (EE-III)	NAT/884 COM(2023) 201 final EESC-2023-02432-00-00-AC

ENV		
20	<p><u>Water Politics: Between Desertification and Securitization - Time for a Blue Diplomacy</u> (Own-initiative opinion)</p> <p>Rapporteur: Ioannis VARDAKASTANIS (EL-III) Co-rapporteur: Milena ANGELOVA (BG-I)</p>	<p>REX/570 EESC-2023-00858-00-00-AC</p>
MARE		
21	<p><u>The EU Maritime Security Strategy and its Action Plan</u></p> <p>Rapporteur: Anastasis YIAPANIS (CY-III) Co-rapporteur: Mateusz SZYMAŃSKI (PL-II)</p>	<p>REX/576 JOIN(2023) 8 final EESC-2023-02550-00-00-AC</p>
22	<p><u>Conservation and control measures applicable in the area covered by the Convention on future multilateral cooperation in the North-East Atlantic fisheries</u></p> <p>Rapporteur: Francisco Javier GARAT PÉREZ (ES-III)</p>	<p>NAT/883 COM(2023) 362 final EESC-2023-03331-00-00-AC</p>
TAXUD		
23	<p><u>Customs reform package</u></p> <p>Rapporteur: Anastasis YIAPANIS (CY-III)</p>	<p>INT/1006 COM(2023) 258 final EESC-2023-01888-00-00-AC</p>
GROW		
24	<p><u>Patent package</u></p> <p>Rapporteur: Rudolf KOLBE (AT-III)</p>	<p>INT/1035 COM(2023) 221 final COM(2023) 222 final COM(2023) 223 final COM(2023) 224 final COM(2023) 231 final COM(2023) 232 final EESC-2023-02306-00-00-AC</p>
25	<p><u>For a resilient, sustainable and responsible European Union supply chain of critical raw materials</u> (Own-initiative opinion)</p> <p>Rapporteur: Cinzia DEL RIO (IT-II)</p>	<p>INT/1021 EESC-2023-00879-00-00-AC</p>
*** OPINIONS ADOPTED DURING PREVIOUS PLENARY SESSIONS ***		
GROW		
26	<p>Opinion adopted during the Plenary session of April 2023</p> <p><u>The Single Market at 30 – how to further improve the functioning of the Single Market</u> (Exploratory opinion requested by the Swedish Presidency)</p> <p>Rapporteur: Felipe MEDINA (ES-I) Co-rapporteur: Angelo PAGLIARA (IT-II)</p>	<p>INT/1011 EESC-2023-00148-00-00-AC</p>

SG.D1 & GROW		
27 Opinion adopted during the Plenary session of July 2023	<u>Green Deal Industrial Plan</u> Rapporteur: Sandra PARTHIE (DE-I)	INT/1027 COM(2023) 62 final COM(2023) 161 final EESC-2023-01157-00-00-AC
CNECT		
28 Opinion adopted during the Plenary session of April 2023	<u>Further enhancing the EU's digital competitiveness (Exploratory opinion requested by the Swedish Presidency)</u> Rapporteur: Gonçalo LOBO XAVIER (PT-I) Co-rapporteur: Philip VON BROCKDORFF (MT-II)	INT/1010 EESC-2023-00254-00-00-AC
DEFIS		
29 Opinion adopted during the Plenary session of July 2023	<u>EU space strategy for security and defence</u> Rapporteur: Maurizio MENSI (IT-III) Co-rapporteur: Jan PIE (SE-cat. 1)	CCMI/215 Join(2023) 9 final EESC-2023-01246-00-00-AC
MARE		
30 Opinion adopted during the Plenary session of July 2023	<u>Action plan to conserve fisheries resources and protect marine ecosystems</u> Rapporteur: Francisco Javier GARAT PÉREZ (ES-III)	NAT/849 COM(2023) 102 final EESC-2023-01216-00-00-AC
ENER		
31 Opinion adopted during the Plenary session of June 2023	<u>Monitoring the EU's extraordinary measures and resilience in the field of energy (Exploratory opinion requested by Spanish presidency)</u> Rapporteur: Andrés BARCELÓ DELGADO (ES-I)	TEN/799 EESC-2023-00490-00-00-AC
ENER (Assoc GROW/ ECFIN)		
32 Opinion adopted during the Plenary session of July 2023	<u>Follow up to inflation and energy measures and EU energy resilience for essential economic sectors (Own-initiative opinion)</u> Rapporteur: Felipe MEDINA MARTIN (ES-I)	TEN/803 EESC-2023-00695-00-00-AC

<p>N°1 Mid-term revision of the Multiannual Financial Framework COM(2023) 336 final EESC 2023/317 – ECO/625 581st Plenary Session – September 2023 Rapporteurs: Konstantinos DIAMANTOUROS (EL-I), Stefano PALMIERI (IT-II), Elena-Alexandra CALISTRU (RO-III) SG/DG BUDG – President VON DER LEYEN/Commissioner HAHN</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.3. The changes proposed in the revision are limited, showing a lack of ambition and amounting to merely patching up the framework. Moreover, the revision is completely disconnected from the Commission's strategic foresight work. The EESC is concerned that the Commission may have already reached the limits of what it can propose under the current conditions.</p>	<p>The Commission recalls the constraints and boundaries within which the revision of the multiannual financial framework (MFF) has been tabled. The proposed revision is based on the mid-term review of the MFF for 2021-2027 and aimed at addressing the most urgent and current priorities for the second part of the 2021-2027 MFF. The Commission has delivered a robust analysis and a targeted yet ambitious proposal in this context.</p>
<p>1.4. The revision does not address the strained budget's effects on employment and companies and the reduced purchasing power of the MFF due to high inflation. Key issues such as Europe's ageing society and changing demographics are also missing and the EESC believes that the MFF should better reflect all the EU's main priorities.</p>	<p>In continuation of a practice upheld consistently since the financial perspectives 2007-2013, the expenditure ceilings are set in constant prices and adjusted with a fixed annual deflator of 2%, which is explicitly set out in the MFF Regulation. This methodology is not arbitrary, as it guarantees predictability for the multiannual programmes, crucial for Member States' budgetary planning and execution. The 2% annual deflator is also in line with the European Central Bank's inflation target. The Commission remains committed to ensuring the MFF aligns with the EU's primary objectives, even within the given limitations.</p>

	<p>The current MFF does address also challenges related to demographic change. For instance, one of the objectives of the European Regional Development Fund – which, with EUR 226 billion, is the second largest fund in the current MFF – is to address demographic challenges.</p> <p>Given the complex environment, the MFF revision is targeted to the most urgent priorities that could not be financed with the existing resources.</p>
<p>1.5. The EESC believes the proposed Strategic Technologies for Europe Platform (STEP) programme is far too small in scale and scope compared to similar initiatives in other countries. The Committee asks for greater clarity on assumptions regarding its leveraging potential but also for bold movements like the Sovereignty Fund. The EESC highlights the need for the EU to regain competitiveness, as the European economy continues to lag behind its main competitors.</p>	<p>The Commission notes the Committee’s concerns about the Strategic Technologies for Europe Platform (“STEP”). The EU has long supported the green and digital transition, independent of actions by international partners. NextGenerationEU, with its EUR 800 billion, is significant compared to international efforts and bolsters EU competitiveness. While EU financing is spread across different programmes and instruments, STEP is designed to leverage those to accelerate implementation and attract more financial backing in line with the European Council conclusions of 23 March 2023². Furthermore, the Commission is putting forward the Net-Zero Industrial Act, the Critical Raw Materials Act and the European Economic Security Strategy to strengthen EU’s competitiveness.</p>
<p>1.6. To increase the EU's fiscal resilience, the EESC recommends long-term strategies, including creating a sustainable fiscal framework minimising exposure to interest</p>	<p>The Commission concurs with the EESC on the importance of EU’s fiscal resilience. In the proposal for a revision of the MFF presented on 20 June 2023³,</p>

² <https://data.consilium.europa.eu/doc/document/ST-4-2023-INIT/en/pdf>

³ https://commission.europa.eu/system/files/2023-06/COM_2023_337_1_EN_ACT_part1_v3.pdf

<p>rates, allocating administrative resources more efficiently and incorporating preventive measures for unforeseen events. The EESC also calls for a review of the expenditure ceiling accounting framework, to prioritise revenues, which grow in tandem with actual inflation while expenditures grow at a fixed 2% trend.</p>	<p>the Commission has proposed the creation of a new thematic special instrument (EURI instrument), over and above the MFF expenditure ceilings, that would cater for the overruns in NextGenerationEU borrowing costs compared to the current financial envelope initially planned in 2020 under the expenditure ceiling of heading 2b. The Commission has proposed that the special instrument has no upper ceiling, to ensure it can cater for the uncertainty and volatility of interest rates.</p> <p>In parallel to the MFF revision proposal, the Commission has made further proposals on the revenue system of the EU budget and the introduction of new own resources.</p> <p>In any event, the EU legal framework requires that the Union expenditure and revenue will always be in balance.</p>
<p>3.5.1. Although the proposal provides substantial support for Ukraine, the financial gap for 2024-2027 is larger than what the EU plans to allocate, and more commitment is needed for recovery and rebuilding. The EESC backs the EU-Ukraine Civil Society Platform's appeal to use frozen Russian assets for Ukraine's reconstruction⁴. The EU must also play a vital role in mobilising donors and designing the Ukraine Facility to meet actual needs, supporting a fully democratic paradigm in line with EU norms. From a civil society perspective, there are concerns about the transparency and inclusiveness of funding mechanisms, and strict oversight is required to ensure the funds meet the Ukrainian people's needs. Greater transparency in</p>	<p>With the Ukraine Facility proposal⁵, the Commission wants to play a central role in the financial support for Ukraine.</p> <p>After the IMF programme agreed in March 2023 and bilateral contributions from Norway to Ukraine, the remaining financing needs to support the functioning of the Ukrainian State for 2024-2027 estimated at the time of the MFF revision proposal amounted to almost EUR 60 billion.</p> <p>In March 2023, the World Bank also provided an updated of the damages caused by the war to infrastructure in Ukraine that are essential to fast recovery. These are estimated at USD 135 billion (EUR 124 billion) over the</p>

⁴ EU-Ukraine CSP joint declaration adopted at the 12th meeting, December 2022.

⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=COM:2023:338:FIN>

<p>allocation and a joint EESC and Ukraine-led civil society platform could enhance public confidence and ensure the money's efficient use.</p>	<p>next decade, corresponding to EUR 50 billion for 4 years.</p> <p>Taken together, the needs for budget support and for mitigating damages for 2024-2027 would amount to EUR 110 million. The Commission proposal for a Ukraine Facility would cover about 45% of those, constituting the single biggest contributing to closing Ukraine's financial gap.</p> <p>Access rights to information will be a prerequisite for releasing funding under the Facility. Ukraine will also have to grant the necessary rights and access to the Commission, European Anti-Fraud Office (OLAF), the European Court of Auditors and, where applicable, the European Public Prosecutor's Office (EPPO). Furthermore, Ukraine will be required to improve its audit and control systems as part of the reforms outlined in the Plan. An independent Audit Board will be established to provide capacity building, and to oversee and prevent mismanagement of Union funding.</p>
<p>3.7.1. The EESC calls for greater clarity as to the basis of the Commission's assumptions on the leveraging potential. This is especially true since the size of the US economy, which was 10% less than the EU's in 2008, is now 50% larger than that of the EU-27 (33% if the UK is included), and this process is continuing. Moreover, given the essential role technological development must play in overcoming the productivity deficit which will inevitably accompany the imminent ageing/demographic challenge, Europe must become much more ambitious. The EESC warns that STEP's narrow focus and scale could unintentionally undermine other important initiatives through reallocations, while simultaneously providing insufficient</p>	<p>The Commission takes note of the Committee's concerns about STEP. However, the Commission is proposing to channel an additional EUR 10 billion into various programmes and instruments that will mobilise additional investments. For instance, a EUR 3 billion allocation to InvestEU could yield EUR 75 billion of investments, given a 40% provisioning rate and the programme's multiplier of 10. The proposed reinforcement for STEP activities within Horizon Europe including a top-up of EUR 0.5 billion and redeployments of EUR 2.13 billion is expected to mobilise EUR 13 billion of investments, based on the</p>

<p>resources to establish strategic technology value chains in the EU⁶.</p>	<p>programme's multipliers. Additionally, through strategic adjustments in cohesion policy funds and other initiatives, the Commission foresees a potential surge in STEP investments. Overall, the potential investments triggered by the STEP may reach up to EUR 160 billion.</p>
<p>3.9. The MFF revision recognises that the EU administration is under pressure, with significant additional burdens and high inflation affecting the effectiveness of EU operations. While the proposal suggests raising the ceiling of MFF heading 7 (European Public Administration) to mitigate this, it does not fully address the need for a more sustainable, long-term solution to managing the increased workload and administrative challenges. More efficient use of existing funding should go hand in hand with an increase in funding under heading 7, this is urgently needed in order to alleviate the pressure as of 2024.</p>	<p>The Commission welcomes the support and understanding expressed by the Committee regarding the pressures faced by the European Public Administration.</p>
<p>3.11. The EESC calls for greater efforts to increase public participation in the budgetary process by facilitating platforms for dialogue, public hearings and consultations. This can increase transparency, promote a sense of collective ownership and make the MFF more responsive to the needs of EU citizens. In addition, the EU should invest in digital tools to make budget data more open, accessible and user-friendly for the public, fostering a more open dialogue on EU budget priorities.</p>	<p>The Commission annually publishes detailed machine-readable data on expenditure and on revenue received from all Member States, ensuring a transparent overview of financial flows. The Commission has always emphasized the dissemination of accurate and meaningful information. The Commission's consistent efforts in detailing contributions and amounts for every Member State reflect its unwavering commitment to transparency and accessibility.</p>
<p>3.12. The EESC regrets that the effort made by the Commission in recent years to</p>	<p>The focus of the mid-term revision has been primarily on addressing the most</p>

⁶ See opinion INT/1040 on [STEP platform](#) (not yet published).

<p>systematise a strategic foresight process capable of identifying the EU's main challenges was overlooked in preparing the revision of the MFF.</p>	<p>urgent current priorities for the second half of the MFF 2021-2027. While strategic foresight is valuable for long-term planning, the Commission's current emphasis is on the efficient delivery and the successful implementation of the MFF until 2027.</p>
<p>4.2.2.1. The proposal's focus on migration management and strengthening partnerships with key third countries is a strength as it addresses a current challenge in the EU (a EUR 15 billion reinforcement of the EU budget). The EU budget can contribute to identifying a more humane and sustainable solution to the migration crisis by providing the necessary funding and cooperating with countries of origin and transit while fully respecting human rights and ensuring the health and safety of migrants and refugees. In addition, the funds allocated to deal with emergencies and to support Member States under exceptional pressure show the EU's commitment to collective responsibility and solidarity.</p>	<p>The Commission welcomes the support and understanding expressed by the Committee on the aspect of the MFF mid-term revision proposal which aims at addressing internal and external migration challenges and strengthen the EU partnerships with key third countries.</p>
<p>4.2.3.3. During her 2022 State of the Union address, the Commission president, Ursula von der Leyen had called for the creation of a European Sovereignty Fund. However, no such proposal was put forward in the MFF mid-term revision package. Such a fund could play a key role in filling investment gaps and increase the competitiveness of EU businesses in third countries that have already implemented similar financial schemes. To that end, the EESC calls for a more ambitious financing scheme to support the EU's long-term competitiveness.</p>	<p>STEP is designed to provide a more structural response to the investment needs of EU industries. It serves as an important pilot initiative, laying the groundwork for the potential development of a fully-fledged European Sovereignty Fund in the future. The Commission's aim remains steadfast: to bolster the EU's long-term competitiveness and address investment gaps effectively.</p>

<p>N°2 Strategic Technologies for Europe Platform COM(2023) 335 final EESC-2023-03586-00-02-AC – INT/1040 581st Plenary Session – September 2023 Rapporteur: Matteo Carlo BORSANI (IT-I) DG BUDG – Commissioner HAHN</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.7. The EESC recommends that the co-legislators promote, during the legislative process, the definition of a uniform interpretation of the sectors covered by the regulation, as it does not feature in the Commission proposal.</p> <p>3.15. The text does not clearly define key sectors this proposal for a regulation is aimed at. The Commission provides only a list of examples of technologies that could be classified as strategic. In this regard, the EESC recommends a definition that can be interpreted in a uniform way. Furthermore, given their prominence within EU sustainable mobility legislation of late, the EESC recommends that bio-fuels and renewable fuels be included in the list of clean technologies conducive to achieving climate neutrality.</p>	<p>Article 2 of the Commission proposal⁷ lists among Strategic Technologies for Europe Platform’s (STEP) objectives the support of development or manufacturing of critical technologies in certain fields (i.e., deep and digital technologies, clean technologies, and biotechnologies) and the conditions for a technology to qualify as ‘critical’. Recitals give specific examples of technologies which should be seen as falling within the scope of STEP.</p> <p>Therefore, the Commission proposal provides with strategic guidance as to what are the technology fields to be supported to achieve STEP’s objectives, while leaving flexibility for the Commission, Member States and implementing partners to operationalise the scope in more granularity during the implementation phase. The scope of STEP needs to take into account the existing rules defining the scope for existing programmes and instruments, which remain unchanged. Those rules are very diverse, as they concern programmes and instruments managed directly, under shared management, or indirectly. A more detailed definition would have risked creating discrepancies and</p>

⁷ [EUR-Lex - 52023PC0335 - EN - EUR-Lex \(europa.eu\)](#)

	<p>inconsistencies. Moreover, it is necessary to maintain a certain flexibility in the definition of the scope to cater for new technologies which may emerge in the future.</p>
<p>1.8. The EESC welcomes the Commission's proposal to extend by 12 months the deadlines for the administrative closure of cohesion policy programming for the 2014-2020 period. The EESC recommends, moreover, that the co-legislators provide similar flexibility for cohesion fund programming in the 2021-2027 period, given the exceptional circumstances that arose following the pandemic and energy crisis.</p> <p>3.8. Furthermore, the EESC recommends that the co-legislators afford the same flexibility to the programming of the 2021-2027 cohesion funds, which were delayed by two years, proceeding on the basis that the final accounting period for the eligibility and reporting of expenditure would be extended by two years.</p>	<p>The Commission proposes the extension of the closure deadlines and the deadline for the submission of the final payment application under the 2014-2020 period by 12 months (from July 2024 to July 2025) for cohesion policy programmes and the Fund for European Aid to the Most Deprived (FEAD). This is to help Member States that will face additional workload linked to the revision of the programmes under the 2021-2027 programming period towards STEP, which would have to take place around the same time. Such an overlap (between the closure of the cohesion policy programmes and the STEP reprogramming) is not expected for the closure of the 2021-2027 period.</p> <p>At this point in time, it does not seem necessary to introduce such flexibilities for the 2021-2027 period. Please note that STEP did not extend the accounting year, neither the eligibility periods for 2014-2020 programmes. This would risk delaying the implementation of 2021-2027 cohesion policy programmes.</p>
<p>1.9. Finally, the EESC calls on the Commission to assess, on the basis of previous experience, the possibility of establishing a fully-fledged sovereignty fund when the time comes to negotiate the 2028-2034 multiannual financial framework (MFF). This should be accompanied by a set of long-term, future-oriented reforms to support industry, in the context of broader efforts to ensure the fiscal stability of and parity between the</p>	<p>While not pre-judging the discussion on the Multiannual Financial Framework (MFF) post-2027, the Commission proposal underlines that STEP relies on the reprogramming and reinforcement of existing programmes for supporting strategic investments and it is also an important element for testing the feasibility and preparation of new interventions as a step towards a European Sovereignty Fund. The</p>

<p>Member States.</p>	<p>evaluation in 2025 will assess the relevance of the actions undertaken and serve as a basis for assessing the need for an upscaling of the support towards strategic sectors.</p>
<p>3.11. Moreover, EU initiatives, investments and policies in this area should envisage measures for low-income communities, low-skilled workers and marginalised groups.</p>	<p>The Commission proposal aims at addressing shortages of labour and skills critical to all kinds of quality jobs in support of the development or manufacturing throughout the EU or safeguarding and strengthening the respective value chains in the three technology fields covered by STEP.</p> <p>As the main EU Fund for investing in people, the European Social Fund Plus (ESF+) is key to promote the development of skills. To facilitate the use of the ESF+ for the STEP objectives, the Commission proposal stipulates that Member States may create a dedicated STEP priority to use the Fund to cover investments aimed at achieving a skilled and resilient workforce ready for the future world of work.</p> <p>Finally, the ESF+ Regulation⁸ requires Member States to allocate at least 25% of their resources to specific objectives falling in the social inclusion policy area. Support provided by the ESF+ under STEP may also contribute to these specific objectives, notably, by providing support to development of skills in these areas for disadvantaged persons.</p>
<p>3.13. On the face of it, the Sovereignty Seal appears to address the need to simplify administrative and bureaucratic procedures. This instrument should build</p>	<p>The Sovereignty Seal builds on the existing Seal of Excellence. In comparison to the Seal of Excellence, the Sovereignty Seal is defined only by</p>

⁸ Regulation (EU) 2021/1057 of the European Parliament and of the Council of 24 June 2021 establishing the European Social Fund Plus (ESF+) and repealing Regulation (EU) No 1296/2013; OJ L 231, 30.6.2021, p. 21–59.

<p>on the Seal of Excellence. If implemented properly, it could provide impetus for research and development in strategic technologies and investment in upgrading and reskilling workers in critical sectors. The EESC calls on the managing authorities of the funds, both nationally and locally, to ensure that the Sovereignty Seal is swiftly incorporated within the funding mechanisms, and urges the Commission to promote proper implementation in order to ensure that the Sovereignty Seal is used extensively and uniformly throughout Europe.</p>	<p>reference to the objectives pursued by the projects to which it has been awarded, and regardless of whether the project has been able to receive EU funding as long as it has been successfully evaluated under Horizon Europe, the Innovation Fund, the Digital Europe programme, the EU4Health programme, or the European Defence Fund. This is the additional value of the Sovereignty Seal and a way to promote that projects which have been partly funded can also receive cumulative or combined funding with another Union instrument.</p> <p>The Commission has established the STEP Task Force which, among others, will provide support to Member States' authorities as well as information to project promoters. In particular, the Task Force will help direct project promoters to the EU programmes and instruments best suited to the project characteristics by centralising in a new Sovereignty Portal⁹ all information on existing and forthcoming EU funding options, be they at the EU level or at the regional level (e.g., in case of cohesion policy funds). The Sovereignty Portal will be set up and run by the Commission.</p>
<p>4.1. The EESC welcomes the proposal to strengthen the European Innovation Council Accelerator and calls on the Commission to monitor the situation to ensure that large projects serve not to undermine the level playing field in the internal market but to create a strong and well-integrated innovation ecosystem across Europe. The new resources made available through the accelerator must also</p>	<p>The Commission proposes to expand eligibility under the European Innovation Council (EIC) Accelerator¹⁰ by providing equity-only to non-bankable small and medium enterprises (SMEs) and small mid-caps carrying out breakthrough and disruptive innovation in critical technologies and regardless of whether they previously received other types of support from the EIC Accelerator. This</p>

⁹ [Sovereignty portal \(europa.eu\)](https://europa.eu)

¹⁰ [EIC Accelerator \(europa.eu\)](https://europa.eu)

<p>serve to ensure a better geographical balance between the projects awarded funding. The EESC therefore calls on the Commission to devise strategies and instruments to provide more support to Member States that need to strengthen their innovation and private equity ecosystems.</p>	<p>would address the current market gap for the financing of investments in the range of EUR 15 to 50 million.</p> <p>Generally speaking, STEP will support investments throughout a company’s full lifecycle, so that they can take off, grow and become mature in the Union, through the different programmes that it builds on, while preserving the cohesion objectives and contributing to a level playing field in the Single Market by ensuring a geographically balanced distribution of projects financed under the STEP via the respective mandates of the participating programmes. The types of companies include: small and medium enterprises (SMEs), including start-ups; middle-sized enterprises (mid-caps), which lie in between SMEs and larger companies; and larger companies. The selection of companies for the proposed new EIC support will follow the criteria and process set out in the Horizon Europe legislation. The EIC will be implemented through calls for proposals based upon the EIC work programmes developed with Member States and adopted by the Commission.</p>
<p>4.6. The EESC calls on the Commission to clarify the governance aspects of the Strategic Technologies for Europe Platform, which will need to be properly defined in order to ensure that the platform runs effectively.</p>	<p>The Commission will be responsible for the development and operation of the Platform. The College has approved the establishment of a new unit in the Directorate-General for Budget – the STEP Task Force – dedicated to conduct these tasks. It will be financed through internal redeployments. The Task Force will have three main tasks: coordination within the Commission, support to Member States’ authorities, and provision of information to project promoters. In carrying out its activities, the Task Force will coordinate and work closely with</p>

	<p>related structures and responsible DGs within the Commission.</p> <p>The national competent authorities will be responsible for the implementation of STEP at the national level in relation to those aspects for which Member States have a degree of responsibility (e.g., shared management programmes, RRF plans, Modernisation Fund, Member State compartment of InvestEU etc.).</p>
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N°3 The Recovery and Resilience Facility and cohesion policy: towards cohesion policy 2.0
(Exploratory opinion requested by the Spanish presidency)
EESC 2023/2427 – ECO/621
581st Plenary Session – September 2023
Rapporteur: Maria del Carmen BARRERA CHAMORRO (ES-II)
Co-rapporteur: David SVENTEK (CZ-I)
DG REGIO – Commissioner FERREIRA

Points of the European Economic and Social Committee opinion considered essential

European Commission position

The follow-up given by the Commission to this opinion will be included in a subsequent report.

<p>N°4 Multiannual strategic policy for European integrated border management COM(2023) 146 final EESC 2023/2519 – SOC/772 581st Plenary Session – September 2023 Rapporteur: Cristian PÎRVULESCU (RO-III) Co-rapporteur: José Antonio MORENO DÍAZ (ES-II) DG HOME – Commissioner JOHANSSON</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.2. The EESC is aware of the importance of having a shared strategy for the better management of external borders, ensuring the internal security of the European Union and the safety of its residents, as well as the protection of fundamental rights and guarantees for the free movement of people within the EU.</p>	<p>The Commission agrees with the Committee on the importance of European Integrated Border Management, which is crucial for internal security, safety, and fundamental rights protection, including free movement within the EU. The Commission prioritises integrated border management via the European Border and Coast Guards, ensuring comprehensive strategies that cover effective migration management, returns, and international cooperation, in respect of EU and international law.</p>
<p>1.3. The EESC welcomes the fact that the EIBM emphasises the need to improve coordination between European agencies and instruments and those of the Member States working on border management issues, particularly with regard to the exchange of information and the creation of a common border culture that guarantees the protection of human rights and fundamental guarantees.</p>	<p>The Commission shares the views of the Committee on the importance of enhanced coordination in the European Integrated Border Management (EIBM), of which information exchange is a key element. The Commission’s focus also remains on developing a unified border management culture, fully respecting fundamental rights. These elements are critical to effective and humane border governance.</p>
<p>1.4. The EESC fully supports the EIBM strategic guideline stating that Frontex and the relevant authorities of the Member States should integrate fundamental rights safeguards throughout all their activities.</p>	<p>The Commission values the Committee's support on the integration of fundamental rights in all EIBM activities by Frontex and Member States. The Commission agrees on the</p>

<p>However, the implementation of this strategic guideline, in all its complexity, rests primarily on the existence and work of fundamental rights monitors within Frontex. The EESC urges the Commission and the Agency to revise the Fundamental Rights Strategy so as to include tangible objectives related to the work and impact of the fundamental rights monitors.</p>	<p>pivotal role of fundamental rights monitors and encourages the Member States to adopt competent monitoring mechanisms for the implementation of the Fundamental Rights Action Plan of Frontex, as adopted by Frontex Management Board Decision 61/2021 of 9 November 2021¹¹. The objective X of that action plan is that ‘the implementation of the Action Plan is further detailed at national level, regularly monitored and evaluated’.</p>
<p>1.6. The EESC emphasises the need to set up a genuine Common European Asylum System that is effective, safe and secure, common and mandatory for the 27 Member States, while reaffirming its position that legal, safe and effective channels of access should be provided for immigration for work purposes. Furthermore, the EESC reiterates the need to provide effective and realistic legal and secure migration pathways to the EU to facilitate a balanced migration policy.</p>	<p>The Commission supports the Committee's call for a unified Common European Asylum System, which is crucial for a harmonised, secure, and humane approach across Member States. The Commission recognises the importance of a legal framework for work-related migration, affirming its commitment to establish practical, safe, and lawful migration pathways.</p>
<p>1.7. The EESC regrets that in the EIBM, the practice of pushbacks is not properly acknowledged and tackled. The Committee asks the Commission to devise clear plans in this respect and determine national border institutions to avoid these unacceptable practices.</p>	<p>Pushbacks are illegal under EU and international law, including the EU Charter of Fundamental Rights as they represent violations of the right to request asylum and may also constitute violations of the principle of <i>non-refoulement</i>. The Strategic Policy for EIBM (as established in Communication from the Commission to the European Parliament and the Council establishing the multiannual strategic policy for European Integrated Border Management on 14 March 2023¹²) puts</p>

¹¹[MB Decision 61 2021 adopting the Fundamental Rights Action Plan for the implementation of the FRS.pdf \(europa.eu\)](#)

¹² COM (2023) 146 final.

	<p>emphasis on building a border management culture that respects fundamental rights while ensuring the protection of the EU’s external borders. Member States must prevent and address any instances of pushbacks to ensure that all national border management practices align with EU values and international obligations.</p>
<p>1.8. While it is useful to promote an EIBM culture characterised by its compliance with EU and international law, including the principle of non-refoulement, and by the full respect for fundamental rights, the EESC points out that respect for fundamental rights is a legal obligation for all EU and national institutions and should be treated accordingly.</p>	<p>The Commission agrees with the Committee's emphasis on the importance of fundamental rights within the EIBM and that the respect of fundamental rights is a legal obligation that binds the EU and all Member States.</p>
<p>1.9. The EESC insists that under no circumstances should EU foreign policy or cooperation policy be conditional on the cooperation of countries of origin in return and readmission processes.</p>	<p>The Commission prioritises dialogue and works towards flexible, tailor-made and mutually beneficial partnerships with third countries of origin, ensuring that cooperation is carried out in full respect of fundamental rights and international obligations, without compromising the autonomy of EU external policies. To uphold such partnership, EU and Member States policies, tools and instruments can be pulled together in a strategic way.</p>
<p>3.7. In this regard, and with serious negative consequences, the Strategy fails to specify the commitments of national border institutions. At this level, the fundamental rights safeguards, procedures, responsibilities and capacities are sparingly indicated. The EESC recommends that the Commission use the EIBM framework to require from each Member State a fundamental rights plan in the area of border management, mirroring and complementing that which guides the</p>	<p>The Commission takes note of the Committee's concern regarding the clarity of national border management authorities’ commitments within the Strategy Policy for EIBM. The Commission recognises the importance of clearly defined fundamental rights safeguards and responsibilities at the national level. The Commission supports Member States to further develop, implement and monitor tailored</p>

<p>activity of Frontex.</p>	<p>and context-specific objectives through their upcoming respective national strategies for EIBM.</p>
<p>3.9. The EESC insists on the need to set up a genuine Common European Asylum System that is effective, safe and secure, common and mandatory for the 27 Member States, while reaffirming its position that legal, safe and effective channels of access should be provided for immigration for work purposes. As long as we continue to insist on a false idea of the so called "Fortress Europe", migratory flows will seek forms of access which, unfortunately, in many cases will not be legal.</p>	<p>The Commission shares the Committee's views on the importance of establishing a robust Common European Asylum System that is universally applicable across Member States. The Commission is committed to a balanced, realistic migration policy that upholds security and legality, while also providing humane and accessible asylum and migration processes, and establishing legal, safe, and effective work-related migration channels.</p>
<p>3.10. The EESC hopes that in the interinstitutional negotiations between the Council of the EU, Council presidencies and the European Parliament on the implementation of the New Pact on Migration and Asylum, more procedural safeguards will be granted to persons participating in the border procedure. The recent position adopted by the Council of the EU proposed steps in the right direction, e.g. asylum seekers being provided with the services of a interpreter or having the right to legal assistance and representation. Yet, the border procedure runs significant fundamental rights protection risks due to the uncertainties, the imperative of shortening the duration of procedures and effective access to protection and support.</p>	<p>The Commission would like to recall that, in accordance with proposal for a Regulation establishing a common procedure for international protection in the Union¹³ the border procedure currently being negotiated by the co-legislators entails a full set of safeguards. Thus, an applicant in the border procedure will enjoy the same rights, guarantees and safeguards as any asylum applicant. In this sense, he or she will be entitled to receive all the necessary information regarding the various procedural steps, rights, obligations, consequences of non-compliance, as provided for in Article 8 of the proposal. He or she will have the right to an interview under the conditions set out in the relevant provisions, including interpretation. The same applies to the right to legal assistance and representation. The special procedural needs will have to be assessed, such as third country nationals</p>

¹³ COM(2020) 611 final.

	<p>with need for immediate care or isolation. If those cannot be catered for in the framework of the border procedure, the person will need to be allowed access to the territory. This is the basis on which the European Parliament and the Council will negotiate in order to establish a border procedure that is fast and efficient, while ensuring all the necessary safeguards and guarantees for the applicants.</p>
<p>3.23. The EESC considers it essential to make progress on coordination and information exchange between the institutions and agencies of the European Union and the Member States working on border control issues and understands the value of new technologies in this context. It stresses the need to always ensure the protection and exchange of data¹⁴ (VIS system), especially for vulnerable people¹⁵.</p>	<p>The Commission agrees with the Committee that advancing coordination and information exchange among EU and Member State authorities involved in border control is key to effective external border management and that it has to ensure the protection and security of data. The interoperability of the Large-Scale Information Technology Systems of the European Union in the Area of Freedom, Security and Justice have a particularly important role in this regard.</p>
<p>3.24. The EESC welcomes the Commission's commitment to evaluate the development of EIBM in four years but considers that the annexed proposal does not present specific actions beyond the strategic lines and political priorities.</p>	<p>The Strategic Policy for EIBM (as established in Communication from the Commission to the European Parliament and the Council establishing the multiannual strategic policy for European Integrated Border Management on 14 March 2023¹⁶) established strategic guidelines and political priorities, that have to be implemented by Frontex and the Member States. The next layer of implementation of the multiannual strategic policy for EIBM is provided by</p>

¹⁴ Large-Scale IT systems Such as Eurodac; the Visa Information System; the Schengen Information System; the Customs Information System, etc.

¹⁵ [OJ C 228, 29.6.2023, p. 97.](#)

¹⁶ COM (2023) 146 final.

	<p>the Technical and Operational Strategy for EIBM, as adopted by Frontex. This strategy translates the guidelines in the Commission Communication further into actions for Member States that have to align their national EIBM strategies to these documents.</p>
<p>3.25. The EESC encourages all EU national governments to work toward strengthening EU unity via the inclusion of Bulgaria and Romania in the Schengen area, helping European citizens move freely within the EU and strengthening border management by aligning the institutions of both countries with its objectives.</p>	<p>The Commission has always supported the participation of Bulgaria and Romania in the Schengen area, recognising the potential this holds for increasing EU unity, contributing to eliminating barriers within the single market, and strengthening border management. Schengen enlargement remains a political priority for the Commission, and the Commission will do the utmost, in close cooperation with the Presidency of the Council and with the European Parliament, to ensure that the Council takes the necessary steps for a decision on Romania and Bulgaria to become part of the Schengen area as soon as possible.</p>

N°5

Transfer of proceedings in criminal matters
COM(2023) 185 final
EESC-2023-02300 – SOC/775
581st Plenary Session – September 2023
Rapporteur: Vasco DE MELLO (PT-I)
DG JUST – Commissioner REYNDERS

Points of the European Economic and Social Committee opinion considered essential

European Commission position

Link with the European arrest warrant

1.1. The **aim of this proposal** for a Regulation is to bridge gaps in the European arrest warrant system by creating a common regime for the transfer of criminal proceedings between Member States, thereby avoiding the duplication of criminal proceedings in respect of the same acts and involving the same individuals in more than one Member State (the *non bis idem* principle), as well as to prevent and reduce the phenomena of impunity owing to prosecutions not being pursued.

3.1. Like the European arrest warrant, this proposal to regulate the way in which criminal proceedings are transferred from one Member State to another is a means of combating crime of a transnational nature, including organised crime, more effectively and expeditiously.

3.2. However, unlike the case of the European arrest warrant system, with this proposal the Commission is seeking to establish a single, directly effective instrument of judicial cooperation for the

The Commission wishes to emphasise that the common rules to transfer criminal proceedings are needed to ensure that the best-placed Member State investigates or prosecutes a criminal offence, independently of the functioning of the European Arrest Warrant system.

Further developments of judicial cooperation regarding the transfer of criminal proceedings are necessary to: (1) improve the efficient and proper administration of justice in the EU; (2) improve the respect of fundamental rights in the process of transferring criminal proceedings; (3) improve efficiency and legal certainty of transfers of criminal proceedings; and (4) enable transfers of criminal proceedings, where they are in the interest of justice, and reduce the phenomenon of impunity.

In this context, the Proposal¹⁷, presented on 5 April 2023, also allows a transfer of criminal proceedings to take place when the surrender of a person under the European arrest warrant is refused in a number of specific cases listed under Article 5 of the proposal, and the

¹⁷ [EUR-Lex - 52023PC0185 - EN - EUR-Lex \(europa.eu\)](#)

<p>whole of the EU.</p> <p>3.3 This new Regulation seeks to fill gaps in the European arrest warrant system and to improve European criminal justice and make it more effective, for example by avoiding duplication of proceedings in respect of the same acts and involving the same parties in more than one Member State, as well as to prevent and reduce cases of impunity owing to prosecutions not being pursued.</p>	<p>concerned person is present in the requested State. The Regulation also provides for jurisdiction in specific cases where the European arrest warrant has been refused, in order to ensure that criminal proceedings can be transferred in accordance with the Regulation (Article (3)(1)(a) and (b)).</p> <p>Notwithstanding the inclusion of these provisions, it should be noted that the objectives of the proposal go far beyond that to ‘fill gaps in the European Arrest Warrant system’.</p>
<p>Digitalisation</p> <p>1.3. Secondly, the proposal aims to create a common digital structure that allows for the transfer of such procedural documents.</p>	<p>The Commission underlines that the Proposal does not <i>per se</i> establish a common digital structure. While the Proposal contains provisions on means of communication between authorities, as well as with Eurojust, and the establishment of a decentralised IT system, these provisions are aligned with those established in the Digitalisation Regulation, finally adopted by the Council on 8 December 2023.</p>
<p>Fundamental rights safeguards</p> <p>1.6. Thus, with regard to the fundamental rights of the parties concerned, the EESC believes that there should be an express reference to both the European Convention on Human Rights and the Charter of Fundamental Rights of the European Union, as well as to other legislation that seeks to protect fundamental rights.</p> <p>3.12. However, the EESC believes that the proposal for a Regulation should include an explicit reference to both the European Convention on Human Rights and the Charter</p>	<p>The Commission wishes to underline that the Proposal sets a high standard on protecting the rights of individuals, and guaranteeing the respect of the fundamental rights and principles recognised in the Charter of Fundamental Rights of the European Union and the European Convention for the Protection of Human Rights and Fundamental Freedoms. In particular, an express reference to these rights and principles is contained in Recital 19 of the proposed Regulation.</p> <p>Moreover, several provisions in the</p>

<p>of Fundamental Rights of the European Union, as well as other legislation that seeks to protect fundamental rights¹⁸.</p>	<p>operative part of the proposed Regulation set high standards of protection for the rights of individuals. In particular, the Proposal requires the requesting authority to consult the suspect/accused person and the victim on the transfer, to seek their opinion and to inform them about the decision on the transfer. Moreover, the Proposal includes a provision covering the right to an effective legal remedy, under its Article 8, ensuring compliance with Article 47 of the Charter.</p>
<p>Role of the suspect/accused person in the transfer procedure</p> <p>1.7. The EESC draws attention to the fact that the proposed regime should not be used to enable suspects/accused persons to conveniently obtain access to a more favourable legal regime through the application of procedural rules.</p>	<p>It should be noted that a request for transfer of criminal proceedings may be issued by the requesting authority, either on its own initiative, or following consultations with the requested authority on the basis of the criteria laid down under Article 5 of the proposed Regulation. Article 5(3) of the proposed Regulation only envisages the possibility for the suspect or accused person to request the competent authorities of the requesting State or of the requested State to initiate a procedure for transferring criminal proceedings. Such requests however do not create an obligation for the requesting or the requested State to request or transfer criminal proceedings. Moreover, any requests coming from the suspect or accused person still have to comply with the criteria for requesting a transfer laid down in the Regulation, first and foremost that the transfer would serve the objective of an efficient and proper administration of justice. In this</p>

¹⁸ It is important to lay down the concepts of fundamental rights that are to be defended, irrespective of the fact that Article 51 of the Charter of Fundamental Rights of the European Union requires the Member States to respect those rights when it comes to the application of "(...) Union law (...)", whether it be primary law or secondary law.

	<p>way, the Regulation avoids the risk of transfers being used as a form of <i>forum shopping</i> for suspects/accused persons.</p>
<p>Paper-based communication</p> <p>1.9. However, as already pointed out in previous opinions, the channel of paper-based communication should be maintained, bearing in mind those who, for various reasons, do not have access to IT resources.</p> <p>3.15. However, the possibility of using the channel of paper-based communication should be safeguarded, and it should be ensured that the information is accessible to all, particularly the most vulnerable¹⁹.</p>	<p>The Commission notes that the proposed Regulation provides that communications between the requesting and requested authorities will be carried out through the decentralised IT system in accordance with Article 3 of Regulation (EU) [2023/... of the European Parliament and of the Council of ...] on the digitalisation of judicial cooperation and access to justice in cross-border civil, commercial and criminal matters, and amending certain acts in the field of judicial cooperation, planned for formal adoption on 8 December 2023. This Article provides for the necessary exceptions to the use of the decentralised IT system, for instance when the use of the system would not be possible due to its disruption or because of the physical or technical nature of the transmitted material, or whenever the use of the system would not be appropriate. This allows the channel of paper-based communication to be maintained whenever necessary.</p>
<p>Translation</p> <p>1.10. The EESC believes that the entire translation process should be carried out with the utmost rigour, and that the use of artificial intelligence or other mechanical means not involving human intervention should not be permitted.</p> <p>1.11. The EESC believes that the legislation should provide for the right of parties to appeal to a higher court on the grounds of</p>	<p>The Commission notes that the proposed Regulation provides that the certificate, and, where so agreed with the requested authority, any other written information accompanying the request for transfer of criminal proceedings, together with the case file, are to be translated into an official language of the requested State or any other language that the requested State will accept.</p>

¹⁹ In this connection, see EESC opinion [SOC/711 \(OJ C 323, 26.8.2022, p. 77\)](#).

<p>inadequate translation of procedural documents.</p> <p>3.23. The EESC believes that a rule should be laid down in the proposal for a Regulation that prohibits translations from being produced using mechanical or IT-based means or through artificial intelligence.</p>	<p>The modalities of the translation process are however left to national law.</p> <p>The Commission underlines, moreover, that, on the basis of Directive on the right to interpretation and translation in criminal proceedings²⁰ suspects and accused persons in criminal proceedings who do not understand the language of the criminal proceedings concerned are, within a reasonable period of time, provided with a written translation of all documents which are essential to ensure that they are able to exercise their right of defence and to safeguard the fairness of the proceedings (see Article 3(1) of the Directive). This could include documents of a case file which has been transferred under this Regulation. Directive on the right to interpretation and translation in criminal proceedings²¹ also requires that the translation provided in this context shall be of a quality sufficient to safeguard the fairness of the proceedings, in particular by ensuring that suspected or accused persons have knowledge of the case against them and are able to exercise their right of defence (see Article 3(9) of the Directive). (See also recital 20 of the proposed Regulation on the application of the Procedural Rights Directives).</p>
<p>3.26. The EESC believes that suspects, accused persons, as well as victims, should be given a right to challenge/appeal on questions pertaining to the translation of the case.</p>	<p>Article 8 of the proposed Regulation envisages a general right to an effective legal remedy for suspects, accused persons, and victims against the decision to accept the transfer. This Article is of general application and allows the concerned persons to challenge such a</p>

²⁰ Directive 2010/64/EU of the European Parliament and of the Council of 20 October 2010 on the right to interpretation and translation in criminal proceedings; OJ L 280, 26.10.2010, p. 1–7.

²¹ Idem.

	<p>decision on the grounds of any violation of the Regulation. This may include, for instance, the (in) completeness and (in) correctness of the certificate, which constitutes one of the grounds for refusal outlined in Article 13.</p> <p>The Commission also notes that Directive on the right to interpretation and translation in criminal proceedings requires Member States to ensure that suspected or accused persons have the right to challenge/complain that the quality of the translation is not sufficient to safeguard the fairness of the proceedings (see Article 3(5) of the Directive).</p>
<p>Negative conflicts of jurisdiction</p> <p>1.13. The EESC considers that provision should be made for a method for resolving negative conflicts over jurisdiction in the event of this law being applied.</p> <p>3.28.1. In other words, if the judicial authority of the Member State receiving the request refuses to accept the transfer of the proceedings, we may be faced with the possibility whereby the prosecution will not proceed because the authorities of the two Member States concerned consider that they do not have jurisdiction to pursue the criminal proceedings.</p>	<p>First, the Commission notes that the proposed Regulation provides, in particular under its Article 15, for the possibility of consultations between the requesting and requested authorities even prior to making a request for the transfer of proceedings. This could indeed help to avoid situations of negative conflicts of jurisdiction in which none of the States involved wishes to prosecute and/or undertake criminal proceedings.</p> <p>In cases where a transfer is refused, the criminal proceedings will remain with the requesting State i.e., the state which had original jurisdiction to prosecute the offence(s) in question.</p> <p>Secondly, it should be clarified that a request for the transfer of criminal proceedings may in fact be issued where the requesting authority deems that the objective of an efficient and proper administration of justice would be better served by conducting the criminal proceedings in another Member State</p>

	<p>and not because the requesting State considers that it does not have jurisdiction to pursue criminal proceedings.</p> <p>Finally, the proposed Regulation provides for subsidiary jurisdiction (under Article 3), in specific cases where jurisdiction is not already provided under national law, in order to ensure that for criminal proceedings to be transferred in accordance with this Regulation the requested State can exercise jurisdiction for the offences to which the law of the requesting State is applicable. This jurisdiction can be exercised only upon the request for transfer of criminal proceedings when the interests of efficient and proper administration of justice so require.</p>
<p>Transmission of case file</p> <p>1.14. The EESC highlights the fact that the possibility should be removed whereby the requesting authority, in the event that a transfer is accepted, can send only part of the file and not the whole file.</p> <p>3.28.2. Finally, the EESC considers that, after accepting the transfer of criminal proceedings, the requesting authority should forward the entire original of the case, together with the translation thereof, or a copy thereof.</p> <p>3.28.2.1. The EESC therefore considers that the reference to the possibility of forwarding only "relevant parts" of the proceedings should be removed, as this jeopardises the rights of defence of suspects/accused persons and the rights of victims.</p>	<p>The Commission wishes to underline that under the proposed Regulation the requested authority, upon acceptance of the transfer, will receive the case file, or its relevant parts. This provision is meant to allow for a swift transfer of the relevant documentation once a transfer is accepted, and in particular to allow that, where not necessary for the purpose of the proceedings to be transferred, for instance in cases where a case file concerns several suspects and only the proceedings against one of them is transferred to another Member State, then only the parts of the case file relevant for that person, and not necessarily the whole file, are transferred. It should also be noted that the requesting and requested authorities may however consult each other to determine which documents are to be forwarded and translated.</p>

<p>Training</p> <p>3.18. As already mentioned in other opinions²², the EESC considers that, for this piece of legislation to be properly applied, training for practitioners is required, both in this area and with regard to the use of the entire digital system that will support the transfer of cases between the Member States.</p>	<p>Training justice professionals on EU law is an essential tool to ensure its correct and effective application. To prepare justice professionals, make them fit for the challenges of the 21st century, and keep them updated on developments in EU law, the Commission adopted a European judicial training strategy for 2021-2024²³. The strategy's objective is to ensure that justice professionals receive training on the developments of EU law. In line with that strategy, training of all justice professionals would need to be organised soon after the adoption of this proposal, to ensure the correct and seamless application and use of new digital tools.</p>
<p>Costs</p> <p>3.25. The EESC draws attention to the fact that the costs incurred in translating the documents forming part of the procedure could lead to the translation being carried out to an inferior standard, resulting in a reduction in the rights and guarantees of those involved in the proceedings.</p>	<p>The Commission is aware of the costs that might be involved with translating high volume of documents. This is why, under the proposed Regulation, the requesting authority may submit a proposal to the requested authority for the costs be shared between them (Article 17). The proposed Regulation provides that Eurojust may also facilitate such consultations.</p>

²² See the opinions cited: [SOC/711 \(OJ C 323, 26.8.2022, p. 77\)](#) and [INT/932 \(OJ C 286, 16.7.2021, p. 88\)](#).

²³ COM(2020) 713 final.

<p>N°6 Civil society support and funding in the area of fundamental rights, the rule of law and democracy (Own-initiative opinion) EESC 2023/1399 – SOC/762 581st Plenary Session – September 2023 Rapporteur: Cristian PÎRVULESCU (RO-III) Co-rapporteur: Ozlem YILDIRIM (FR-II) DG JUST – Commissioner REYNDERS</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.3. The EESC supports setting up a financial instrument specifically dedicated to EU-based CSOs working on human rights and democracy, equivalent to the European Instrument for Democracy and Human Rights (EIDHR), which is available for extra-EU activities. The EU also helps human rights defenders abroad through its protection platform "Protect Defenders", and it should establish a similar platform for those working in the EU Member States.</p>	<p>Support to civil society organisations (CSOs) is at the core of the Citizens, Equality, Rights and Value (CERV) programme, which is the biggest ever EU programme promoting and supporting actions on democracy, equality, fundamental rights and the rule of law within the EU²⁴.</p> <p>The legislator prioritised civil society organisations by allocating at least 50% of the budget to support their activities.</p> <p>Projects that support and enhance the protection of CSOs, their members and rights defenders working to protect and promote EU values under attack can already be funded through CERV, for instance within the framework of the call for proposals to promote civil society organisations' awareness of, capacity building and implementation of the EU Charter of Fundamental Rights.</p> <p>Projects that contribute to democratic values by supporting dialogue, transparency and good governance, including in cases of shrinking space for civil society, are supported through the CERV Union values call.</p>

²⁴ [Citizens, Equality, Rights and Values programme \(europa.eu\)](https://europa.eu)

<p>1.7. The EESC encourages the Commission to set up an alert and monitoring permanent mechanism to deal with CSOs' challenges and threats. Additionally, the Commission should create a unique contact point for CSOs to operationalise the functioning of the mechanism and to allow structured work involving the EESC, other EU institutions and specialised agencies like the European Union Agency for Fundamental Rights (FRA).</p>	<p>The Commission is continuously monitoring developments of the situation of civil society organisations and human rights defenders and is reporting about that, including in the annual Rule of Law Report as part of the pillar on 'other institutional issues related to checks and balances'.</p> <p>The Commission has provided for a specific funding opportunity under the CERV programme aimed at promoting rights and values by empowering the civic space. The funded projects should aim at the creation of a systematic and comprehensive system to regularly and consistently monitor the environment in which civil society organisations work at the national level. Funding should also support and enhance the protection of civil society organisations, their members and rights defenders working to protect and promote EU values, including by providing targeted support services. The priority is aimed at prompting an increase in the reporting of attacks faced by civil society organisations and human rights defenders, a targeted response and strengthened relations as well as the creation of networks among the actors protecting the civic space at local, national and European level, and between them and the national and European authorities.</p>
<p>1.8. The EESC proposes updating the European Commission Rule of Law Report methodology to highlight the role of civil society organisations in safeguarding the rule of law, and to bring forward more prominently both their obstacles and the responsibility of Member States to address</p>	<p>The Commission agrees on the importance of civil society organisation for upholding the rule of law. The annual Rule of Law Reports already cover extensively developments related to the enabling framework for civil society, such as the legal framework for civil society organisation (e.g.</p>

<p>them.</p>	<p>registration rules), access to funding, participation in decision-making or concrete threats against civil society organisations. This assessment has been continuously deepened each year. Both in 2022 and 2023, a number of recommendations have addressed topics relevant to civil society organisations, either directly, or on issues broadly affecting civic space. The Rule of Law Report is an evolving tool, and the Commission is committed to continue deepening its assessment, including based on the feedback from civil society organisations, which the Commission is closely involving in the preparation of the Report.</p>
<p>1.10. While the EESC welcomes the structuring of the Citizens, Equality, Rights and Values program (CERV), and the flexibility of funding to meet existing needs, the allocation of funds is still insufficient and not geared toward offering CSOs the support they deserve in these critical times. The co-funding CERV requirements can severely limit access to funding, and needs to be reassessed and lowered.</p>	<p>See under reply to 1.3.</p> <p>The interim evaluation of CERV aims to assess the effects generated by the simplification measures already introduced, as well as to assess how the programme supports the work of CSOs and the role they play in promoting EU values. The Commission is carrying out the evaluation in 2023-2024. This includes targeted and public consultations with key stakeholders such as CSOs to gather evidence on key issues (such as, for instance, co-funding requirements).</p>
<p>1.11. Special attention should be given to organisations working in critical areas for democracy pursuing watchdog functions, as their functioning is less suited to project-based functioning. In that regard, funding running costs and development (operating grants) should be a priority, be available faster and involve less red tape. On the basis of a calibrated assessment, having more easily accessible need-based financing</p>	<p>Operating grants are awarded to framework partners to finance their activities, insofar as they are in line with the CERV objectives.</p> <p>Framework partner organisations that qualify as European networks have the possibility to further disburse grants to their member organisations, thus increasing the effectiveness of funding</p>

<p>available, the Commission can better communicate the available opportunities to CSOs.</p>	<p>to respond to specific needs.</p> <p>The costs of general administrative expenditure necessary for the running of these organisations may also be covered.</p> <p>As a result of the 2021 Operating Grant call for proposals, the Commission selected 73 partner organisations for a 4-year Framework Partnership.</p>
<p>1.12. Running costs and development funding of CSOs should be reconfigured to cater for their real and pressing needs. Such financing should lift CSOs' key workers out of precarity and allow them to benefit from decent and predictable pay. In the face of legal attacks, CSOs should be able to access funds to cover various legal proceedings. Other specific needs should be taken into consideration, on a more flexible basis.</p>	<p>See under reply to 1.3.</p> <p>The Commission's anti-SLAPP initiative (Strategic Lawsuits Against Public Participation) was adopted on 27 April 2022²⁵. It is a package of a legislative component (proposal for a directive) in the field of civil justice, and a horizontal non-legislative component (a Commission recommendation). The initiative is one of the actions under the European Democracy Action Plan that aim to protect European democracy and freedom of expression. The proposed directive covers SLAPP in civil matters with cross-border implications. The Commission Recommendation is horizontal and covers all types of procedures, civil, criminal and administrative, and also domestic cases. It invites Member States to ensure that targets of SLAPP have access to individual and independent support and that that legal assistance is available to defendants of SLAPP cases in an affordable and easily accessible manner.</p>
<p>1.13. The EESC draws attention to the fact that access to EU funds is particularly difficult for smaller organisations operating locally and in more remote areas. In addition to the excessive complexity of the</p>	<p>The CERV programme pays a particular attention to the accessibility of funding for civil society organisations at local, regional, national and transnational level, including local grassroots civil</p>

²⁵ [EUR-Lex - 52022PC0177 - EN - EUR-Lex \(europa.eu\)](#)

<p>administrative requirements and limited linguistic competences, they are hindered in applying by too low a level of indirect costs that do not reflect real expenditure. Additionally, they are still frequently required to have their own financial contributions. These obstacles and burdens should be directly addressed by the Commission.</p>	<p>society organisations, as well as to the capacity of beneficiaries.</p> <p>CERV has introduced calls for proposals giving financial support to third parties in line with the conditions under Article 204 Financial Regulation. In these calls, the beneficiary, such as large civil society platforms, may provide funding to and build capacity of smaller civil society organisations, which are not required to contribute with co-funding.</p> <p>This type of call is precisely tailored to increase accessibility of funding for smaller organisations, including those operating locally and in rural areas, which can receive funding through simplified procedures (including, for instance the use of national languages).</p>
<p>2.3.2. Limited access to funding can be a result of legislative and procedural changes that make the working of CSOs more difficult and uncertain. It is also hampered by legal differences between Member States, e.g. regarding moving/setting up new CSOs or their access to tax exemptions. Additionally, reduced revenues for business entities and individuals can also have a downward effect on philanthropy (corporate and private) and can come with restrictions for the receiving CSOs.</p>	<p>In the 2022 Charter Report on the Application of the Charter of Fundamental Rights dedicated to A thriving civic space for upholding fundamental rights in the EU, and in several reports, including those of the Agency for Fundamental Rights, across the EU, the Commission acknowledges that civil society organisations and human rights defenders struggle to fund their specific activities, which is a trend aggravated by the pandemic and the current cost of living crisis, notably for advocacy and watchdog functions.</p> <p>One of the follow-up seminars organised by the Commission in spring 2023 focussed on how to secure adequate funding and capacity for civil society organisations and human rights defenders to exercise their role and support their communities.</p> <p>The revised Financial Regulation that entered into force in 2018 was subject to</p>

	<p>extensive consultations with stakeholders, including civil society organisations, and include several novelties making access to funding much easier. All these novelties have been implemented in the CERV programme (e.g. value of volunteer's work as eligible cost; the use of simplified forms of grants such as lump-sums, flat rates and unit costs was extended; financial support to third parties (re-granting), etc.).</p>
<p>2.4.1. Acknowledging the challenges faced by CSOs in the area of fundamental rights, the rule of law and democracy to finance their activities, and the increased risk to compromise their democratic mission, the EESC proposes a new architecture of financing, based on the reorganisation of the current procedures and programs.</p>	<p>The interim evaluation of CERV aims to assess the effects generated by the simplification measures already introduced as well as to assess how the programme supports the work of CSOs and the role they play in promoting EU values. Equally, the interim evaluation of the Justice programme will assess the effects generated by the simplification measures and novelties introduced, including the more explicit target of CSOs.</p> <p>The Commission is carrying out both evaluations in 2023-2024.</p> <p>The results of the evaluations will be used for the improved implementation of the programmes as well as to contribute to the preparations of post-2027 EU interventions.</p>
<p>2.4.2. At the core of it is the realisation that the future of the EU also depends on the existence of a vibrant civil society that is capable of monitoring and impacting decision-making, especially when it departs from the standards of democratic governance. Second, the EESC proposes that the EU takes full responsibility for the protection of CSOs and the creation of a system allowing them to operate while facing financial uncertainty,</p>	<p>The Commission outlines that civil society organisations and human rights defenders are crucial for the well-functioning of our societies.</p> <p>They are essential watchdogs, drawing attention to threats to the rule of law, promoting democratic values and contributing to making those in power accountable, and promoting and</p>

<p>marginalisation and governmental soft or hard repression. Thirdly, CSOs at national level should be supported to participate in the programming and monitoring of EU funding by providing them with technical support (access to information, knowledge, skills, etc.), funding and protection.</p>	<p>protecting the rights enshrined in the Charter of Fundamental Rights of the EU on the ground, spreading a culture of values. They are part of the checks and balances of healthy democracies.</p> <p>In the 2022 Charter Report, the Commission recognised that they should work in an enabling environment where their own fundamental rights are respected in the first place, and they are not under attacks.</p> <p>The founding Treaties of the EU recognise the importance of civil society participation and dialogue. Article 11 of the TEU requires EU institutions to give citizens and representative associations the opportunity to make known, and publicly exchange, views in all areas of EU action. Consultation and dialogue mechanisms also enable CSOs and rights defenders to present their views on EU legislation and policy throughout the policy cycle from the initial preparation of the initiative to the negotiations between the co-legislators. In line with the Better Regulation provisions on the involvement of stakeholders, civil society organisations have been involved in the programming/evaluation of EU funding, including the CERV.</p>
<p>2.4.3. As in several other opinions, the EESC advises the European Commission to draft an EU Civil Society Strategy in which it would outline a comprehensive vision of civil society development, its role in upholding our democratic systems and the way to work at all levels for the benefit of citizens and communities.</p>	<p>Fostering a supportive environment for civil society organisations is a shared responsibility of the EU and its Member States.</p> <p>The Commission is using a toolbox to contribute to the protection of the civic space. All the Commission's actions (funding, monitoring, enforcement actions, etc.) form part of a coherent whole, and the Commission efforts are</p>

	including by providing targeted support services.
2.5.2. The civil society protection objectives should be treated as key democratic conditionality and be built into the EC planning, especially of the disbursement of funds. The EESC considers justified the option of the EC to link the Recovery and Resilience Facility to Member State reforms of the judiciary, anti-corruption frameworks, public administration and digitalisation of their justice systems. A link to the quality of civic space and the way civil society is treated also needs to be operationalised.	The CERV Regulation also include Regulation 2020/2092 on a general regime of conditionality ²⁷ , which aims to protect the EU's financial interests when rule of law breaches in a Member State risk affecting the sound financial management of the EU budget.
2.5.3. The section "Civil Society Organisations as essential actors for the rule of law" from the European Commission Rule of Law Report, should be expanded and more detailed. The EC should formulate detailed recommendations dedicated to particular Member States and follow up on their implementation. The timeline for the collection of inputs to the report and the publication of its final version should be better aligned with the realities of CSOs' daily operations (it setting respective dates over the end of year holidays and summer should be avoided).	See under reply to 1.8. as regards the assessment of the situation of civil society. The Annual Rule of Law Reports are prepared in line with a well-established methodology ²⁸ . The assessment contained in the Rule of Law Report relies on a variety of sources, including input provided by Member States, as well as by stakeholders, including civil society, through a targeted consultation. The input received from stakeholders is published on the Commission's website, for those stakeholders who agree to such publication. The Commission is pro-actively reaching out to stakeholders to inform them about the consultation process and has listened to their suggestion for improving the user-friendliness of the online survey. The period for contribution was also extended in past years, in line with the suggestions from stakeholders. The

²⁷ OJ L 433I, 22.12.2020, p. 1.

²⁸ https://commission.europa.eu/strategy-and-policy/policies/justice-and-fundamental-rights/upholding-rule-law/rule-law/rule-law-mechanism/2023-rule-law-report_en#methodology

	<p>country visits conducted to prepare the reports also include meetings with stakeholders. For the 2023 Rule of Law Report, the Commission received 250 stakeholder contributions, and held more than 530 meetings across all 27 Member States with around 750 interlocutors, including civil society organisations – this number has been progressively increasing with every edition of the report.</p>
<p>2.5.5. Comprehensive and comparative assessments are also available. The Index compiled by CIVICUS is a good example of monitoring practice, identifying five types of civic spaces: open, narrowed, obstructed, repressed, and closed. The European excellent academic and policy expertise pools can also be mobilised to further advance a detailed assessment of the functioning of CSOs at all levels. In this respect, the EESC recommends making the functioning and activity of CSOs a key area of research in social sciences, to be funded through various programs and actions .</p>	<p>The Commission has been conducting research on the role of public spaces on the participatory democracy infrastructure. In particular, how different public spaces connect or can be harnessed to implement invited forms of citizen engagement, namely by analysing issues on inclusiveness, ownership, human rights and how public spaces are enhanced or hindered as 'democracy infrastructure' by their use and their governance. The Commission supports the recommendation on the need for social research on CSOs, but suggests the research on civic spaces to be extended to include everyday democratic practices of ordinary citizens in public spaces.</p>
<p>2.6.2. However, the allocation of funds to CSOs under the CERV programme is still insufficient and not geared toward offering CSOs the support they deserve in these critical times. The EC needs to move towards a more proactive and calibrated approach. First, it needs a more fine-grained assessment of the severity of obstacles and challenges at the national level. CSOs from the countries where the pressures are higher and more immediate should have larger sums earmarked, especially when there is an active and coordinated government attempt to</p>	<p>The CERV programme is implemented under direct management by the Commission, under the lead of Directorate-General for Justice and Consumers. It follows the rules laid out in the EU Financial Regulation, which sets out the principles under which the Commission may award grants and requires them to be awarded in keeping with the principles of equal treatment, transparency, co-financing, as well as requires that awards are not cumulative, retroactive, for profit or lead to double</p>

<p>weaken and marginalise them.</p>	<p>financing.</p> <p>The funding distribution under the CERV programme strictly complies with the above, with the rules and objectives established in the CERV Regulation, as well as the Work Programmes prepared by the Commission and approved by the Member States.</p> <p>The Financial Regulation foresees that grants are awarded following open and competitive calls for proposals, which are publicly available on the Funding & Tender Opportunities Portal.</p> <p>The design of the calls for proposals under the CERV and Justice programmes is based on a systematic assessment of the contexts and target groups they address; this is based on regular policy inputs sourced through different tools (e.g. rule of law report, citizenship report, charter report, etc.).</p> <p>In specific cases, CERV calls for proposals allow grantees to redistribute funding to small, grassroots CSOs in remote areas, thus facilitating an even more tailored approach to address specific challenges and contexts.</p>
<p>2.6.3. While the EESC welcomes the structuring of the CERV program and the flexibility of funding to meet existing needs, it is still concerned that very active CSOs, especially those playing a watchdog role, may not fit into these priorities and access funds necessary to pursue their indispensable role.</p>	<p>The calls for proposals on protecting and promoting Union values specifically foresee the possibility to fund CSOs watchdog and monitoring activities on EU policies and rights and values under the EU Treaties and the Charter. They also foresee the possibility to fund capacity building for CSOs on watchdog and advocacy methods.</p>
<p>2.6.5. The EESC reiterates a key recommendation from a previous opinion: in order to improve access to financing for the</p>	<p>The CERV programme reserves a particular attention to the accessibility of funding for civil society organisations at</p>

<p>smallest organisations and the most disadvantaged sectors of society, the European Commission should provide for a variety of financing arrangements and further simplify administrative formalities (including related to application and reporting), revising unrealistic unit costs and lump sums (to also recognise effects of inflation), providing training and guidelines on the implementation of contracts and financial obligations, while ensuring consistent interpretation by its various branches of the Regulation on the financial rules . The EESC also encourages the European Commission to enlarge overhead levels that CSOs can use for their operational costs (up to 20% of the grants) and to limit co-funding rates for intermediaries. Project-grant management and spending rules should be avoided in relation to core funding.</p>	<p>local, regional, national and transnational level, including local grassroots civil society organisations, as well as to the capacity of beneficiaries. Amongst other means, this is particularly ensured by the financial support to third parties, which also include provisions for capacity building requirements (with methodological support to access and implement funds).</p> <p>The Commission and EACEA regularly organise info sessions to provide information to potential applicants to calls for proposals. They also organise training sessions for grant beneficiaries at the start of their projects' implementation.</p>
<p>2.6.6. In its 2017 Opinion on the financing of CSOs, the EESC put forward the proposal for the European Commission "to establish a European fund for democracy, human rights and values within the EU, equipped with an ambitious budget, directly open to CSOs across Europe and managed independently, similarly to the European Endowment for Democracy, with the participation of representatives of the EESC." We reiterate our support for such an instrument, emphasising the pressing need for it and the indispensable easing of access to it by EU CSOs.</p>	<p>See under reply to 1.3.</p>

<p>N°7 EU Global Health Strategy COM(2022) 675 final EESC 2023/1885 – REX/573 581th Plenary Session – September 2023 Rapporteurs: Paulo BARROS VALE (PT-I), Carlos Manuel TRINDADE (PT-II), Danko RELIĆ (HR-III) DG INTPA – Commissioner URPILAINEN</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.7. The EESC recommends that the EU Global Health Strategy reinforces its health workforce policies taking into account (a) that health personnel must benefit from improved working conditions through upward convergence and upward levelling of working conditions within the EU and globally, and that (b) the health care workforce migration is certainly a complex and difficult issue, but one that needs to be properly and urgently addressed – the concept of "circular migration" must be taken into account in this context.</p> <p>3.2. The EESC emphasises the need to address the root causes of ill health, including social determinants and environmental factors, and to prioritise actions that tackle them and promote a healthy environment^{1,2,3,4}. Furthermore, the EESC advocates for improving working conditions, addressing climate change impacts and reducing health inequalities. The EESC underlines that social inclusion is vital in promoting mental health and well-being.</p> <p>4.10. One key issue relating to the global health workforce is the incredibly significant migration of health professionals from low and middle income countries to high income</p>	<p>The Commission is aware of the essential role of qualified and committed health professionals in delivering equitable, pertinent and quality health care globally, as well as of related challenges such as personnel shortages and the importance of the development of right skills. In line with the Global Gateway²⁹, this challenge, including working and living conditions and the strategy of circular migration mitigating and creating opportunities to bring back and retain talents home, are being dealt with in the EU cooperation programmes, in particular those aimed at Universal Health Coverage in partnership with the World Health Organization.</p>

²⁹ [Global Gateway \(europa.eu\)](https://europa.eu)

<p>countries. This trend will become even more noticeable in the future, as shortages in the health workforce in developed economies seem to be increasing. The EESC recognises that this is certainly a complex and complicated issue, but one that needs to be properly and urgently addressed. The issue of "circular migration" must be considered in this context⁸.</p>	
<p>1.8. The EESC recommends a global health strategy and mission that will focus on the principle of "more health and fewer diseases" by adopting national and transnational strategies for health promotion, disease prevention and the dissemination of health knowledge. It will raise awareness among the public about healthy habits, such as physical activity, healthy eating, disease prevention, respect for animals, the environment and the ecosystem, as well as the protection of the environment, people and animals.</p> <p>5.2. The EESC reinforces the need to define a global health strategy and mission that will focus on the principle of "more health and fewer diseases" by adopting national and transnational strategies for health promotion, disease prevention and the dissemination of health knowledge. It should also raise awareness among the public about healthy habits, such as physical activity, healthy eating, disease prevention, respect for animals, the environment and the ecosystem, as well as the proper use of health services.</p> <p>5.2. The EESC strongly recommends that countries support independent national public institutes with their own budget appropriate to the mission of "More Health and Less Disease". The institutes must include professionals from different strategic areas</p>	<p>The Commission considers this recommendation highly relevant to promote globally healthy lifestyles, fully in line with one of the overarching priorities of the Global Health Strategy to deliver better health and well-being of people across the life course and deeply intertwined with the Sustainable Development Goal (SDG) 12.8 on ensuring that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.</p>

<p>enabling coordinated work in a team. Education, architecture, engineering, physics, medicine, veterinary medicine and other areas of global health, as well as students, municipalities, and the environment must all be factored into the development of a strategy, with education programmes for global health starting in schools and continuing in polytechnic education and universities, and involving healthy cities and municipalities ("cities that walk"⁹ and 15-minute cities). The strategies should also incorporate engineering, including bioengineering and information technologies, and expand to all health units and all municipalities, based on the protection of the environment, people and animals.</p>	
<p>1.14. The EESC calls for improved governance at country level, where action takes place. The implementation challenge is of critical importance. Change management needs to consider the complexity of health systems, shifting from fragmented uncoordinated actions towards more systemic approaches. This requires an identifiable body in public administrations capable of strategic analysis, planning and management. The participatory atmosphere, culture and continuous engagement expected in good governance demands a shift from a hierarchical intelligence culture towards collective, distributed and collaborative intelligence. The EESC calls for the establishment of a civil society engagement mechanism for the effective implementation of a co-constructed strategy.</p>	<p>The Commission (the Directorate-General for International Partnerships (DG INTPA), the Directorate-General for Health and Food Safety (DG SANTE) and the Secretariat-General), regularly organises the Global Health Policy Forum where civil society organisations (CSOs) are invited to discuss the agenda and present and debate on progress and challenges of the Global Health Strategy (GHS).</p>
<p>2.3. Building on ideas from EU Member States, this strategy suggests practical ways to improve coordination. This includes facilitating information- and intelligence-sharing among the EU and Member States and strengthening upstream coordination with</p>	<p>An EU Member States' group will regularly discuss the progress and challenges of the GHS, particularly to maximise EU coordination and deliver greater impact by joint EU programmes and dialogues. Besides, in the Team</p>

<p>Member States in the G7, G20, and OECD forums. Achieving the goals of this Strategy requires more coordination between the Commission, the Member States and partners.</p>	<p>Europe Initiatives (TEIs) related to the GHS, notably regional initiatives in sub-Saharan Africa, the EU together discusses joint work, dialogue and implementation.</p>
<p>3.3. Acknowledging that individual behaviour contributes significantly to a person's health⁵, the EESC stresses that health services, including hospitals and healthcare providers, also play a key role in influencing peoples' health. Consequently, the EESC highlights the need to address political, socio-economic and environmental factors. This includes advocating for policies prioritising health in all its components in trade agreements, development cooperation and other areas of EU external engagement.</p>	<p>Through the Interservice Group on Global Health, the Commission aims at ensuring that health is considered a priority in all relevant actions and that there is policy coherence between external actions, including trade agreements, to promote better health for all.</p>
<p>3.7. The EESC underscores the significance of increasing access to inclusive preventive services and strengthening primary healthcare systems. It advocates for expanding access to preventive services for all, empowering patients through health literacy initiatives and patient-centred care models, promoting digital health technologies and investing in low-income and marginalized communities, with a particular focus on their health needs.</p> <p>4.4. In many countries, major efforts in health service infrastructure development are needed. Ensuring universal access to essential care for everyone is an extremely high priority. The EESC suggests that this need should not override the importance of adopting key principles of quality of care, currently universally recognised as relevant for health system development. Person-centred care is one of these principles. This includes ensuring that everyone has "voice and choice" in all decisions on their healthcare, within the policy framework adopted in each country and in the context of</p>	<p>In line with one of the Global Health Strategy's priorities to strengthen health systems and advance Universal Health Coverage, and its emphasis on strengthening Primary Health Care, and in line with Global Gateway, and the Global Health Strategy, the EU supports health promotion, disease prevention, health literacy and patient centred models (the voice and choice approach, health democracy), including the use of digital health technologies as planned in the upcoming regional programme in Sub Saharan Africa on digital health.</p>

<p>major investments in general, health and digital literacy. It is also important to ensure that medical prescriptions of different sorts factor in their consequences on the living conditions and life experiences of patients⁶.</p>	
<p>3.9. The EESC recognises that mental health is interconnected with various social, economic and environmental factors. It advocates for policies prioritising mental health in all areas of EU external engagement, including trade agreements, development cooperation and other relevant initiatives. By integrating mental health considerations into these areas, the EESC aims to promote a comprehensive approach to health and well-being, ultimately fostering a more inclusive and sustainable Europe for all its citizens.</p>	<p>The Commission welcomes the pertinent comment on mental health, given it is growing globally, including in low- and middle-income countries. In fact, mental health promotion and care services are being considered in the programmes aimed at Universal Health Coverage.</p>
<p>4.5. The EESC calls for special attention to be given to the transition from fragmented and episodic care to continuous, integrated care. This relates to both long-term care in the case of communicable diseases and persons with multimorbidity, very often associated with the aging process. Functional integration relates to the capability of effectively managing patient pathways as they seek the various kinds of services they need.</p>	<p>Within the work on the future global health initiatives, the EU aims at gradually integrating earmarked and disease-specific funding and implementation channels, with integrated patient care, given the frequent multimorbidity and applying the equity principle also across diseases and health conditions.</p>
<p>5.1. The EU (with its Member States) is developing close interactions with the United Nations and United Nations organisations including the World Health Organization, which include better preparedness, prevention and response to pandemics (International Pandemic Treaty). The EESC recommends implementing the organisation of health in the EU and Europe, before positioning itself at the heart of a global strategy by adapting it to the specific conditions and objective limits</p>	<p>While acknowledging the internal needs of the EU, the Commission is also committed to continue working with all WHO member States to progress towards an ambitious and effective global Pandemic Agreement which through cooperation and collaboration and the implementation of a One Health approach, would allow to more effectively prevent, predict, prepare and respond to health threats and prevent</p>

<p>of each of the health systems concerned.</p>	<p>inequity in case of future pandemics.</p>
<p>The EESC underlines the importance of:</p> <ul style="list-style-type: none"> - supporting the Directorate-General for Health and the European Health Emergency Preparedness and Response Authority (HERA)¹⁰ so they can plan joint actions with national institutes; - creating the conditions for effective cooperation between health actors, including public and private institutions, in terms of response and prevention abilities, as well as training and research; - improving resilience through national and transnational solidarity, promoting social justice on a global scale; - strengthening a strategic plan to set up foresight provisions for global health, by the ethical principles defined by National Councils on Ethics for the Life Sciences¹¹. 	<p>The Commission takes note of this relevant recommendation to intensify the dialogue and constructive collaboration with Horizon Europe, and in particular the European and Developing Countries Clinical Trials Partnership to enhance research abilities, foresee main research challenges and ensue Life Sciences Ethics across its external dialogues and cooperation.</p>
<p>5.8. The EESC insists on effectively improving international cooperation mechanisms on the prices of medicines also through public procurement, easing access to new therapies under favourable conditions.</p>	<p>The Commission is committed to promote a better access to medicines globally, including through global health initiatives such as the Global Fund to Fight AIDS, Tuberculosis and Malaria, Gavi, CEPI and others. The Commission supports mechanisms such as differential pricing and joint procurement to progress towards global fair access to essential health products.</p>
<p>6.3. The EESC supports the contention that global health challenges require partnerships and international cooperation, where the EU can play a significant role, to be broadened. Granting the EU a seat as observer in the WHO could be a crucial step in that direction, which the EESC would support wholeheartedly. The principles outlined in the WHO Report on "Health for All: transforming economies to deliver what</p>	<p>Enhancing international cooperation through partnerships is one of the underlying principles of the Global Health Strategy which seeks to enhance and expand partnerships at both the bilateral and regional level, based on equal footing, co-ownership, mutual interest and strategic priorities.</p> <p>The Commission welcomes the Committee's support in the call for</p>

<p>matters" deserve special attention in global health governance¹². The capabilities and skills of health diplomacy need to be further developed and can play a key role here.</p>	<p>granting the EU observer status at the World Health Organisation (WHO), given its significant role and support to global health challenges.</p>
<p>6.5. The EESC would like to stress the need to pursue cooperation strategies and actions for development with countries particularly in need where basic socioeconomic conditions seriously impair their capacity for health promotion and protection. It is suggested that "cooperation for socioeconomic development" become a visible part of the EU Global Health Strategy.</p>	<p>Living conditions, largely related to international and subnational socioeconomic justice, are one of the main influencing factors in ensuring good health, hence the Commission welcomes the Committee's recommendation to link the EUGHS actions to socioeconomic development through a health-in-all-policies approach.</p>
<p>6.6. The EESC calls for the establishment of a civil society engagement mechanism for the effective implementation of a co-constructed strategy. Civil society as an intermediary body relaying the needs of the field in health policies (participatory research) need to be involved. Civic health spaces need to be strengthened. The social economy and mutual insurance companies can also play an important role.</p>	<p>The Global Health Policy Forum, which was relaunched in 2022 to involve civil society organisations, serves such purpose.</p>

<p>N°8 A digital euro and the legal tender status of euro banknotes and coins (Exploratory opinion requested by the Spanish presidency) EESC-2023-00814 – ECO/616 581st Plenary Session – September 2023 Rapporteur: Antonio GARCÍA DEL RIEGO (ES-I) Co-rapporteur: Stefano PALMIERI (IT-II) DG FISMA – Commissioner MCGUINNESS</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>4.5. The digital euro could have an impact on the current European payments ecosystem which has not yet been accurately estimated. The digital euro is planned to cover many of the cases relating to daily payments, where electronic payment means are already currently available. The EESC believes that, to be successful and widely adopted, it must be clear to users what the differentiating and/or value-added factors are compared to the existing means of payment. The EESC believes it should be carefully examined whether a temporary system of compensation should be envisaged for the intermediaries distributing the digital euro.</p>	<p>The impact on the European payments ecosystem is difficult to reliably estimate <i>a priori</i> as it will be highly dependent on various technical design choices still to be taken by the European Central Bank (ECB), as well as on external factors such as digital euro demand and the take up of specific use cases. The Impact Assessment accompanying the digital euro proposal³⁰ includes some rough estimates of digital euro related one-off adjustment costs for payment service providers (PSPs) based on the Impact Assessment on the Instant Payments Regulation³¹, and feedback received as part of the targeted public consultation.</p> <p>The Impact Assessment explains the differentiating/value-added factors of the digital euro in relation to the objectives set out in Section 2 of that Impact assessment. In particular, the specific objectives of the digital euro are: i) to reinforce the euro’s monetary anchor in the digital age by ensuring that central bank money in both its physical and future digital form is widely available to and accepted by all euro-</p>

³⁰ SWD(2023) 233 final.

³¹ SWD(2022) 546 final.

	<p>area residents/businesses and tailored to their needs, while preserving financial stability; and ii) to strengthen the EU’s open strategic autonomy by increasing the euro’s competitiveness vis-à-vis other currencies, third country central bank digital currencies and “stablecoins” not denominated in euro.</p> <p>The digital euro proposal³² acknowledges that costs will emerge for both the distributing and acquiring intermediaries. In view of that, Article 17 of the proposal proposes a system of compensation via fees on digital euro payment services. The aim is to ensure that while intermediaries are compensated for the costs incurred, merchants are not overcharged as a result of the acceptance obligation deriving from the digital euro’s legal tender status. Article 17 also foresees that basic digital euro services should be free of charge for natural persons.</p>
<p>4.6. At the same time as the digital euro project, the development of instant payments is also highly prioritised by the authorities and the Commission issued a proposal for a Regulation on instant payments in October 2022. In many instances, the digital euro could cover some of the same cases as instant payments-based payment solutions. The EESC understands that any overlap or duplicative investment should be avoided and the relationship between these two important initiatives should be fully clarified by the authorities, not least because the adoption of digital money could radically transform the international monetary/financial system, with significant implications for the European and</p>	<p>The digital euro proposal stresses that in order to reduce the fragmentation of the European retail payments market, and to support competition, efficiency and innovation in that market, and the development of payment instruments across the Union in keeping with the objective of the Commission’s retail payment strategy, the digital euro should be, to the extent possible, compatible with private digital payment solutions, building on functional and technical synergies. Article 26 of the proposal is aimed at ensuring synergies and avoiding duplications. As such, the aim is for the digital euro to facilitate the development of pan-European and</p>

³² [COM/2023/369 final](#).

<p>global economy.</p>	<p>interoperable retail payment solutions, including the full roll-out of instant payments.</p>
<p>4.8. The legal tender status of the digital euro included in the Commission legislative proposal, with harmonised rules for when merchants need to accept the digital euro mandatorily, is welcomed. The requirements on acceptance could provide for the exceptional possibility of temporary exemption for certain (types of) payees in specific, carefully considered situations. The EESC proposes a gradual deployment of the digital euro with an ambitious pre-set schedule to facilitate adoption by merchants with the final goal of universal mandatory acceptance of the digital euro.</p>	<p>In view of the principle of proportionality, Article 9 of the digital euro proposal provides for possible exceptions to the mandatory acceptance of digital euro.</p> <p>Recital 4 of the digital euro proposal states that the digital euro should support a variety of use cases of retail payments, while it does not prescribe a deployment approach. The uses cases are further documented in the impact assessment, including in Annexes (for instance, the ‘innovative’ use cases). The decision on the deployment approach of the different use cases would be left to the European Central Bank. What the regulation proposes is the concurrent availability of online and offline: Article 26 states that the digital euro shall be available for both online and offline digital euro payment transactions as of the first issuance of the digital euro.</p>
<p>4.9. The legal tender status is crucial to achieve the digital euro objectives. In any case, the EESC is of the opinion that, in general, the adoption of a digital euro should be accompanied mostly by the acceptance of users (consumers and businesses). The success of the digital euro depends on security, confidence, wide acceptance and easy accessibility without costs for citizens and economic agents. The real challenge of the digital euro is cultural, not only technological or legal. For this reason, it is important to ensure in all EMU countries that there is an adequate flow of information and training for European citizens and economic</p>	<p>A number of provisions in the legislative proposal aim to make access to the digital euro as easy and convenient as possible for natural persons. This includes Article 17(1), which prescribes that basic digital euro services should be provided free of charge, and Article 22, which stipulates that the digital euro shall have usage and service features that are simple and easy to handle, including for persons with disabilities, functional limitations or limited digital skills, and older persons. Article 22 furthermore clarifies that the digital euro shall comply with the accessibility</p>

<p>actors (SMEs, etc.), capable of making them understand the usefulness of the digital euro project.</p>	<p>requirements laid down in the European Accessibility Act³³. In terms of the adequate flow of information, Article 13(8) and recital 13 of the digital euro proposal stress that Member States, their relevant authorities and payment service providers should deploy information and educational measures to ensure the necessary level of awareness and knowledge of the different aspects of the digital euro.</p>
<p>4.10. For the EESC, the objective to build the digital euro as European "public good" free of charge is important. Obviously – like cash – there will be systemic costs but these should be borne by society as a whole and not by users in terms of fees for core services.</p>	<p>The digital euro proposal foresees in Article 17(1) that Payment Service Providers (PSPs) should offer basic digital euro services free of charge to natural persons. PSPs can charge users for services beyond that and would also be allowed to charge merchants (within the limits set by the Regulation) as well as to charge an inter-PSP fee.</p> <p>As regards costs for the public sector, the Eurosystem is expected to bear its own costs related to setting up and running the digital euro infrastructure as explained in recital 41.</p>
<p>4.11. Legal tender status for the digital euro should not be understood as meaning the absence of limits on holding and using it. This is currently the case with the legal tender of cash, as currently in some Member States people cannot pay cash over a certain threshold. For the EESC, it is important that the functioning of the digital currency is standardised for all countries in the same way as the harmonisation of these thresholds. Limits on cash usage do not hinder the concept of legal tender status which implies a general obligation of acceptance. The EESC</p>	<p>Legal tender status relates to the use of the currency as a means of payment. Limits to the store of value function aim at ensuring financial stability. Importantly, the Regulation stipulates to this end that any limit to the digital euro's store of value function should 'ensure the usability and acceptance of the digital euro as a legal tender instrument'.</p> <p>The Commission fully agrees that the functioning of the digital euro should be standardised and has therefore proposed</p>

³³ Directive (EU) 2019/882 of the European Parliament and of the Council of 17 April 2019 on the accessibility requirements for products and services; OJ L 151, 7.6.2019, p. 70–115.

<p>is of the view that this principle should continue to apply when considering the legal tender status of a digital euro.</p>	<p>that transaction limits and holding limits for the offline digital euro be harmonised by a Commission implementing act (Article 37). In addition, the limits to the use of the digital euro as a store of value, set by the European Central Bank (ECB), should be applied uniformly across the euro area, as required under Article 16(3).</p>
<p>4.12. The EESC believes it is crucial to safeguard financial stability and financing of the economy. Therefore, it should be ensured that the lending potential of credit institutions, and hence their funding base, is not unduly affected. For this purpose, the ECB should initially set a limit for digital euro holdings, which would not interfere with the usability of the digital euro as a means of payment, thanks to the waterfall and reverse waterfall mechanism. It is essential to start introducing the digital euro gradually while establishing a pre-set calendar that leads to full application in the short term.</p>	<p>The Commission agrees with the objective that digital euro uptake should not impact credit institutions' credit provision capacity. Therefore, the Regulatory proposal includes provisions that oblige the ECB to develop instruments to limit the digital euro's store of value function so as to avoid structural or cyclical bank disintermediation. Estimates by the ECB and the Commission suggest that for instance a holding limit set at an appropriate level would be compatible with both an unimpaired payment functionality and a contained impact on bank funding.</p>
<p>4.13. In the online model, transaction settlement relies on permanent connectivity to the ledger, which acts as a unique source of accurate information. In the offline model, which can be deactivated by the user, transactions are settled locally between payer and payee without relying on connectivity to the ledger. For users, it represents the closest approximation to physical cash and it offers an opportunity to expand the availability of services. The EESC considers that since the offline model may imply risks, usually related to the so-called "double spending problem" or to the risk of counterfeiting, safeguards have to be put in place to develop concrete technical solutions for the digital euro launch. In such a way, the digital euro</p>	<p>Article 2(15) of the digital euro proposal defines offline payment transactions as digital euro payment transactions made in physical proximity, where authorisation and settlement take place in the local storage devices of both payer and payee.</p> <p>The Impact Assessment stresses that a tamper-proof secure solution is required to avoid illegitimate change in balances and double spending in offline payments, and that the corresponding hardware-software solution needs to be developed and procured by actors within the digital euro ecosystem. Detailed measures, rules and standards governing</p>

will provide EU citizens with an additional value beyond what existing online and offline digital payment services already offer. In order to avoid illicit activities being conducted using the digital euro, the EESC believes it is important, for both online and offline transactions, to ensure adequate application of anti-money laundering/counter-terrorist financing rules, and the same efforts to tackle tax evasion, as with current digital payment means. It should be guaranteed that supposedly increased privacy through offline transactions does not stimulate illicit activities.

the hardware-software solution could be further specified by the ECB in accordance with Article 5(2) of the digital euro proposal.

While offline digital euro payment transactions have similarities with transactions in cash and should be treated in a similar way in terms of privacy, specific holding and transaction limits for offline proximity payments are essential to mitigate of anti-money laundering and counter-terrorist financing risks.

Article 37 of the digital euro proposal provides for an adjusted anti-money laundering and counter-financing framework for offline digital euro payment transactions. To mitigate the risks of illicit activities and to ensure uniform conditions for the application of holding and transaction limits, the proposal states that the Commission is empowered to adopt implementing acts to set holding and transaction limits for offline usage of the digital euro.

<p>N°9 New economic governance rules fit for the future COM(2023) 240 final COM(2023) 241 final COM(2023) 242 final EESC-2023-02275 – ECO 622 581st Plenary Session – September 2023 Rapporteur: Rapporteur: Javier DOZ ORRIT (ES-II) Co-rapporteur: Luca JAHIER (IT-III) DG ECFIN – Commissioner GENTILONI</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.3. The EESC thinks that obliging any Member State with a budget deficit of over 3% to cut that deficit by an average of 0.5% of GDP annually, in all but exceptional circumstances, is likely to result in overly restrictive fiscal policies at a time when economies may be facing headwinds. It therefore proposes replacing this requirement with something more adaptable to Member States' specific circumstances, that should secure long term debt sustainability.</p>	<p>According to the Commission's proposal, the deficit based excessive deficit procedure (EDP) will remain broadly unchanged, including the possibility to modulate the recommended annual fiscal adjustment to take into account the specific circumstances.</p>
<p>1.4. The EESC calls for public investment – at least on the green transition and defence – to be treated separately when deciding whether any excessive deficit procedure should be opened. This would allow all Member States to undertake the public investment needed to address the common priorities stated in the proposed legislative package.</p>	<p>Investment is a relevant factor to be taken into account in the report to be established in accordance with Article 126(3) of the Treaty on the Functioning of the European Union (TFEU) that informs the opening of excessive deficit procedures.</p>
<p>1.6. The EESC calls for a definition of public investment to be adopted which expands the eligible non-current public expenditure beyond the formation of fixed capital so that it includes the formation of natural and human capital allowing for public investment in green and social objectives, in line with the</p>	<p>According to the Commission's proposal, the possibility to extend the fiscal adjustment period in case of commitment to implement investment and reforms will provide fiscal space that Member States can use to finance other priorities.</p>

<p>guidance issued by the European Commission to Member States for drafting their national Recovery and Resilience Plans, which implement the Recovery and Resilience Fund.</p>	
<p>1.7. The EESC calls for further and in-depth scrutiny by the co-legislators, before the adoption of the new Regulation on of the Debt Sustainability Analysis (DSA) methodology, to avoid any unintended automatic consequences arising from new austerity policies, in particular considering the social impact of the measures to be eventually foreseen.</p>	<p>The Debt Sustainability Analysis (DSA) is a transparent technical tool already highly scrutinised by Member States. It is based on a methodology that takes into account relevant variables affecting debt sustainability.</p>
<p>1.8. The EESC considers that sanctions under the Excessive Deficit Procedure should not be applied automatically, based on a division of countries into categories founded on public debt ratios.</p>	<p>No amendments have been proposed to the existing regulation on enforcement mechanisms, in force since 2011³⁴. This regulation does not lead to automatic application of sanctions.</p>
<p>1.9. The EESC is convinced that the "technical trajectory" should be first in the hands of national governments, subject to the opinion of independent national fiscal bodies, and, at a second stage, be the result of a technical dialogue with the European Commission in order to strengthen national ownership of the process.</p>	<p>According to the Commission's proposal, the technical trajectory is meant to be a technical tool, based on a transparent methodology, to guide the preparation of the plans by the Member States. As such, it cannot be the object of negotiation.</p>
<p>1.10. The EESC reiterates its call for the social partners and civil society organisations to be involved in the proposed regulation, with an obligation for permanent and structured consultation procedures at the different stages of the new economic governance framework. The EESC and CoR should also be included in the "Semester dialogue".</p>	<p>The Commission's proposal foresees a European Semester dialogue to include relevant stakeholders. The interaction with social partners, civil society organisations and other relevant stakeholders happens at various levels throughout the cycle of the European Semester.</p> <p>While adhering to the clear institutional</p>

³⁴ Regulation (EU) 2021/167 of the European Parliament and of the Council of 10 February 2021 amending Regulation (EU) No 654/2014 concerning the exercise of the Union's rights for the application and enforcement of international trade rules; OJ L 49, 12.2.2021, p. 1–5.

	<p>set up for economic and fiscal surveillance established by the Treaty, the Commission keeps an open dialogue with the European Economic and Social Committee and the European Committee of the Regions throughout the year.</p>
<p>1.11. National and the European Parliaments, each in their own sphere of action, have a role to play in the EU economic governance framework, to strengthen democratic accountability.</p>	<p>Recognising the central role that national parliaments have in budgetary decisions, a key objective of the reform of the economic governance framework is to enhance national ownership of the rules. The Commission would certainly favour the involvement of national parliaments in the preparation of national medium-term plans.</p> <p>The Commission's proposal highlights the importance of an economic dialogue with the European Parliament to increase the accountability for the decisions taken.</p>
<p>3.10. That is why the EESC disagrees with the mechanical application – irrespective of the debt indicator and any specific national circumstances such as progress in meeting common green and social priorities – of the deficit adjustment benchmark of 0.5% of GDP per year. This is a "one fits all solution" that goes against the logic of such a reformed framework. We do prefer more space for specific negotiations with each government concerned, to ensure a more solid and long-term debt sustainability.</p>	<p>The correction should be consistent with a minimum annual adjustment of at least 0,5% of gross domestic product (GDP) as a benchmark for the years when the general government deficit is expected to exceed the reference value. This is in line with the Treaty considering a breach of the 3% of GDP deficit threshold as a gross policy error to correct.</p> <p>However, the Council can modulate the adjustment according to the specific circumstances. Furthermore, according to the Commission's proposal, the corrective path should put the debt ratio on a plausibly downward path or keep it at a prudent level. Thus, differences in debt indicators are taken into account, with the objective to ensure debt sustainability.</p>
<p>3.17. In light of the above, the EESC</p>	<p>The Commission is currently focussing</p>

<p>considers it necessary for the European institutions to address without delay the debate on creating their own fiscal capacity and increasing their budgetary resources beyond the current 1.1% of GDP, in order to finance European common goods with sustainable investments: the commitments arising from the development and implementation of "open strategic autonomy", boosting the productivity and competitiveness of European businesses, fair green and digital transitions, integration and training of new workers, implementation of the European Pillar of Social Rights, etc . Beyond 2026 – the end of the RRF – the EU needs to have strong and permanent common investment instruments in place. It should also be considered that the consolidation of a euro debt market strengthens the international role of our common currency and lowers the interest rate of European debt. The EESC underlines the recent ECB Opinion that recalls the need for a permanent central fiscal capacity of sufficient size in the longer run.</p>	<p>on the implementation of the Recovery and Resilience Facility³⁵, which provides a very substantial, though temporary, support for investment and reforms.</p>
<p>4.3. The EESC regrets that while the Commission states as one of the goals of the proposed reform the increasing of national ownership, it has left to the discretion of MS the extent to which the social partners would be involved in the design and implementation of the economic, employment and social policies which would be included in the FSPs. In the EESC's view, the FSPs should report on how stable and structured consultations with the social partners, civil society and stakeholders have been carried out and which of the results of these consultations have been considered in the plan, as well as in its review and evaluation.</p>	<p>The Commission strongly supports the involvement of social partners in the preparation of national policies.</p> <p>On a proposal from the Commission, the Council also adopted (in June 2023) a Recommendation on the role of social dialogue at national level³⁶. It provides guidance to Member States on how to best promote social dialogue and strengthen collective bargaining. Among others, it recommends that Member States ensure the involvement of social partners in the design and implementation of economic,</p>

³⁵ Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility; OJ L 57, 18.2.2021, p. 17–75.

³⁶ COM(2023) 38 final (eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52023DC0038)

<p>The new regulations should give legal expression to the ECOFIN Council conclusions of 14 March 2023, which underlined that "MS should systematically involve the social partners, civil society and other relevant stakeholders in a timely and meaningful way at all stages of the European Semester and the policy-making cycle, as this is key to the successful coordination and implementation of economic, employment and social policy".</p>	<p>employment and social policies, including in the context of the European Semester. This approach allows Member States to determine how to best achieve these objectives, taking into account their specific circumstances.</p>
<p>4.5. The EESC and the CoR should also be included in the European Semester dialogue at EU level (Art. 26); there is no justification for their absence when the legislative package mentions other technical committees that are less relevant in the Treaty.</p>	<p>In line with the Treaty, the Commission and the Council implement economic and fiscal surveillance. The committees mentioned in the regulation are Council committees.</p>

<p>N°10 Guidelines for the employment policies of the Member States COM(2023) 599 final EESC 2023/2548 – SOC/777 581st Plenary Session – September 2023 Rapporteur: Carlos Manuel TRINDADE (PT-II) DG EMPL – Commissioner SCHMIT</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.2. The EESC calls on the Member States to apply the upward convergence principle to labour market operation, and calls on the Commission to develop a process to implement this principle.</p>	<p>The Commission is fully committed to foster upward convergence among Member States in line with the principles of the European Pillar of Social Rights. To this end, the Joint Employment Report (JER) monitors every year labour market and social developments and assesses the progress towards the 2030 EU headline and national targets on employment, skills and poverty reduction.</p> <p>Additionally, in light of the discussions on a potential social convergence framework that took place in the Employment Committee (EMCO) and in the Social Protection Committee (SPC), in preparation of the Employment, Social Policy, Health and Consumer Affairs Council (EPSCO) meeting of June 2023, the Commission’s proposal for the 2024 JER as part of the Autumn Package launched on 21 November 2023 for the first time includes a stronger country-specific focus. This contributes to better analysing risks to upward social convergence in the EU.</p>
<p>1.4. [...] take steps to strengthen both the role of the social partners and their involvement in designing and implementing employment, social and economic reforms and policies, including by building their capacity.</p>	<p>The Commission fully supports the involvement of social partners in the design and implementation of employment and social policies, and where relevant wider economic policies. For instance, social partners are consulted by the Commission at all key moments of the European Semester (ahead and after the adoption of the Semester</p>

	<p>Autumn and Spring Packages).</p> <p>In January 2023, the Commission presented a new initiative to strengthen social dialogue at EU and national level, including in relation to the involvement of social partners in relevant reforms³⁷.</p> <p>Capacity building of social partners has an increased importance in the programming period 2021-2027 in the Common Provisions Regulation (CPR)³⁸ and the European Social Fund Plus (ESF+) Regulation³⁹. Member States are required, where relevant, to allocate an appropriate amount of their resources coming from the Funds for the administrative capacity building of social partners' organisations and civil society organisations (CPR, Article 9). So far, Member States have programmed approximately EUR 1.07 billion (or EUR 771 million Union contribution) of the total ESF+ funding to support capacity building of social partners, and civil society organisations.</p>
<p>1.8. The EESC advocates facilitating access to the labour market, in particular by increasing the participation rate of women, young people, persons with disabilities, inactive people, low-skilled citizens, people from non-EU countries and people from other vulnerable groups. This would foster the economic and social sustainability of businesses and help to raise employees' qualifications and improve working</p>	<p>The Commission supports the inclusion of under-represented and disadvantaged groups in the labour market through a range of policy measures and financial instruments, such as the ESF+, the European Regional Development Fund (ERDF) and the Recovery and Resilience Facility (RRF).</p> <p>EU cohesion policy (notably the ESF+ and ERDF) plays an important role in fostering equal access to inclusive and quality</p>

³⁷ COM(2023) 38 final (eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52023DC0038)

³⁸ Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy; OJ L 231, 30.6.2021, p. 159–706.

³⁹ Regulation (EU) 2021/1057 of the European Parliament and of the Council of 24 June 2021 establishing the European Social Fund Plus (ESF+) and repealing Regulation (EU) No 1296/2013; OJ L 231, 30.6.2021, p. 21–59.

conditions. This goal can be achieved by fully harnessing digital technologies and environmental sustainability tools adopted and promoting lifelong learning. The EU and the Member States should strengthen sustainable employment in rural regions, in particular by increasing the competitiveness of SMEs and micro-enterprises and regional production, for example by supporting social economy enterprises and promoting entrepreneurship, including through appropriate tax policy and support funds.

employment, paying particular attention to rural and remote areas and to disadvantaged groups. In addition, Common Agricultural Policy (CAP) funds contribute to improve employment opportunities in rural areas.

The Commission's Demography Toolbox Communication of 11 October 2023⁴⁰ presents the comprehensive set of policy tools available to Member States to empower all generations – including parents, younger and older people – to realise their full potential in the economy and society at large, notably through better access to the labour market.

The Commission made skills its priority through the European Year of Skills, and by putting forward an ambitious adult learning target for the EU by 2030 in the context of the European Pillar of Social Plan Action Plan.

In June 2022, the Council adopted a Recommendation on ensuring a fair transition towards climate-neutrality⁴¹. It notably underlines the need to promote adult participation in training and to ensure support for on-the-job training.

With the Digital Decade⁴², the Commission set out its strategic vision for a fair digital transition, including headline targets for up- and re-skilling and effective uptake of digital tools by businesses and public administrations.

The Commission is currently developing the actions of the Disability Employment Package⁴³, a deliverable of the Strategy for the Rights of Persons with Disabilities 2021-2030. The Package focuses on all stages of employment, from recruitment to transition

⁴⁰ [COM 2023 577 1 EN.pdf \(europa.eu\)](#)

⁴¹ [Recommendation on ensuring a fair transition towards climate-neutrality](#)

⁴² [Digital Decade](#)

⁴³ [Disability Employment Package to improve labour market outcomes for persons with disabilities - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

	<p>into the open labour market.</p> <p>Additionally, the Commission is committed to ensuring a business-friendly regulatory environment that helps small and medium-sized enterprises (SMEs) to be productive, competitive and resilient. In September 2023, the Commission presented its relief package for SMEs⁴⁴, which includes a set of measures to improve access to finance and skilled workforce, and to support SMEs throughout their business lifecycle.</p> <p>Also in September 2023, the Commission adopted a taxation proposal for a Head Office Tax system for SMEs⁴⁵. This system would simplify and reduce compliance costs for SMEs operating cross-border through permanent establishments. Such SMEs would have the option to interact with only one tax administration, rather than having to comply with multiple tax systems.</p> <p>The Commission's entrepreneurship education policy promotes entrepreneurship as a mindset for all European citizens and at all levels of formal and informal education. This is defined by a set of competences established by the European Entrepreneurship Competence Framework (EntreComp).</p> <p>A Commission proposal for a Council recommendation on developing social economy framework conditions⁴⁶ was adopted in June 2023. The proposal identifies a wide range of areas, including taxation and access to funding, where Member States can support social economy entities effectively. It also reiterates its commitment to improve access to funding for social enterprises, for example, under InvestEU.</p>
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⁴⁴ [SME Relief Package \(europa.eu\)](https://europa.eu)

⁴⁵ [Head Office Tax System for SMEs \(europa.eu\)](https://europa.eu)

⁴⁶ COM (2023) 316 final.

<p>1.11.3. Efforts are needed to reintegrate those furthest from the labour market in order to reduce the inactivity rate. This is especially important in the current context of serious labour force shortages across the EU. Member States, especially those identified as low performers in the Social Scoreboard, should be encouraged, also through the consistent use of EU resources, to facilitate an enabling framework for employers to employ people with disabilities or activate self-employment opportunities where possible. Social economy entities are key in this respect.</p>	<p>The Commission promotes the activation of under-represented and disadvantaged groups and agrees that this is also particularly important given the current labour and skills shortages. The EU headline target on employment sets the ambition to at least 78% of the working-age population in employment by 2030.</p> <p>In this context, the European Semester provides relevant horizontal and country-specific guidance to Member States on the activation and labour market integration of those furthest from the labour market.</p> <p>Skills policies, supported by the European Skills Agenda and boosted by the European Year of Skills, are an important part of activation policies. The EU budget and NextGenerationEU provide a sizeable EUR 64.8 billion for skilling, re-skilling and up-skilling, notably through the Recovery and Resilience Facility (RRF) and the ESF+.</p> <p>The ESF+ includes strengthened support to youth employment. Moreover, the ALMA (Aim, Learn, Master, Achieve) initiative aims to help disadvantaged young people not in employment, education or training find their way into the job market.</p> <p>The role of social economy entities in integrating disadvantaged and under-represented groups in the labour market is a cornerstone in the Commission’s proposal for a Council recommendation on developing social economy framework conditions⁴⁷. The EPSCO Council adopted the Recommendation on 27 November 2023.</p>
<p>2.12. [...] the EESC calls for the following proposals to be duly taken into account by the Commission: (i)</p>	<p>Regarding point (i), The Commission's legislative package on the Economic Governance Review (EGR) recognises that it</p>

⁴⁷ COM(2023) 316 final.

<p>exploring the feasibility of introducing a "golden rule for public investment" in order to allow Member States to allocate sufficient funding to support the green and digital transitions and meet EU targets; (ii) maintaining successful EU solidarity mechanisms, such as the Recovery and Resilience Facility; (iii) ensuring that conditions for access to public funding are met in the Member States and that companies that do not comply with tax obligations and labour legislation are excluded from access to public funding.</p>	<p>is essential to reduce high public debt and to promote sustainable growth. High levels of investment will be needed to achieve a fair twin transition, increase social and economic resilience (including through upskilling and reskilling), increase territorial cohesion, reduce energy dependencies, and increase defence capabilities, both at the national level and in support of Europe's common priorities. At the same time, it remains crucial to ensure debt sustainability and build fiscal buffers.</p> <p>The legislative package does not propose a 'golden rule' to exclude investment from the EU fiscal rules. This issue was discussed extensively as part of the public debate on the economic governance review and no consensus emerged. The Commission's proposal provides powerful incentives for reforms and investment because it provides for the possibility to spread the fiscal adjustment over up to 7 years instead of 4 which effectively means a more gradual consolidation path. Negotiations among the co-legislators - the Council and the European Parliament - are ongoing.</p> <p>Regarding point (ii), the RRF is a temporary instrument supporting measures implemented until 31 December 2026. Milestones and targets must be achieved by August 2026 and any payment under the RRF must be executed by December 2026. The funding of the RRF is underpinned by the Regulation establishing a European Union Recovery Instrument (EURI Regulation)⁴⁸ that contains a clear deadline for committing and using the funds. As a result, all payments must be made by 2026. Any change to these deadlines would</p>
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⁴⁸ [EUR-Lex - 32020R2094 - EN - EUR-Lex \(europa.eu\)](#)

	<p>require an amendment of the RRF Regulation⁴⁹ and the EURI Regulation⁵⁰.</p> <p>In addition, the increased borrowing capacity of the EU for NextGenerationEU, which was made possible through the Own Resources Decision⁵¹, includes 2026 as a deadline for the borrowing capacity of the Commission. Any change in the Own Resources Decision would require the unanimity in the Council and an entry into force only after approval by each and every Member State in accordance with their constitutional requirements, including, in almost all cases, ratification by national parliaments.</p> <p>Regarding point (iii), Article 136 of the Financial Regulation defines the exclusion criteria for participating in award procedures. A person or entity in breach of its obligations relating to the payment of taxes or social security contributions (Article 136(b)), or guilty of grave professional misconduct by having violated applicable laws or regulations (Article 136(c)), cannot participate in an award procedure for implementing EU funds in direct and indirect management.</p> <p>In accordance with Article 142(5) of the Financial Regulation Member States' authorities in shared management, when awarding contracts, need to take into account EU exclusion decisions 'as appropriate and on their own responsibility'.</p> <p>The Commission's proposal for a targeted recast of the Financial Regulation⁵² –</p>
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⁴⁹ Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility; OJ L 57, 18.2.2021, p. 17–75.

⁵⁰ Council Regulation (EU) 2020/2094 of 14 December 2020 establishing a European Union Recovery Instrument to support the recovery in the aftermath of the COVID-19 crisis; OJ L 433I, 22.12.2020, p. 23–27.

⁵¹ Council Decision (EU, Euratom) 2020/2053 of 14 December 2020 on the system of own resources of the European Union and repealing Decision 2014/335/EU, Euratom; OJ L 424, 15.12.2020, p. 1–10 ([EUR-Lex - 32020D2053 - EN - EUR-Lex \(europa.eu\)](#))

⁵² COM(2022) 223 final ([com_2022_223_1_en_act_part1_final.pdf \(europa.eu\)](#))

	<p>currently in the legislative process – aims at introducing targeted and proportionate extension of the Early Detection and Exclusion System to shared management. This would constitute an important step to allow the Commission to exclude entities for certain misconducts and, at certain conditions, from receiving funds disbursed also in shared management. The Commission is always open to take further steps to achieve uniformity with regard to conditions for access to EU funding and will continue to take all necessary actions to ensure that the EU funding is implemented in the most efficient and effective manner.</p>
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<p>N°11 Drone strategy 2.0 (Own initiative opinion) COM(2022) 652 final EESC 2023/1646 – TEN/792 581st Plenary Session – September 2023 Rapporteur: Maurizio MENSI (IT-III) DG MOVE – Commissioner VĂLEAN</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>Conclusions and recommendations</p>	
<p>1.2. The EESC highlights that the development of the drone market requires regional and local planning that takes into account mobility as a service with a multi-domain approach. Coordination will be necessary with relevant national and local authorities</p>	<p>The Commission welcomes the opinion of the Committee that regional and local planning should take into account mobility as a service with a multi-domain approach as well as the need for a coordination with relevant national and local authorities for the development of the drone market. Connectivity to local airports and other modal hubs, including with public means of transport, should be prioritised.</p>
<p>1.4. The EESC believes that integrated land, air and maritime dimensions could become an important factor in territorial development. The cost related to managing U-space should not be charged to the current airspace users (airlines, commercial aircraft operators).</p>	<p>The Commission recalls that the cost for managing U-space, in particular the pricing (and related oversight) of the Common Information Services (CIS), as well as the pricing of access to data necessary for such services are addressed in the SES2+ recast proposal⁵³, in which the Commission proposes to establish clear pricing and data sharing rules necessary for the development of the U-Space market.</p>
<p>1.5. The EESC highlights that it is essential that a high level of physical and cyber security of drones be guaranteed, not least to</p>	<p>The Commission welcomes the position of the Committee about cyber security aspects related to drones. They are</p>

⁵³ [EUR-Lex - 52022DC0652 - EN - EUR-Lex \(europa.eu\)](#)

<p>ensure national security. Cyber security should also prevent the hacking of UAS communication and therefore prevent the malicious use or control of UAS. Protecting UAS communication systems helps maintain the integrity and safety of urban airspace.</p>	<p>addressed in several Flagship Actions included in the Drone Strategy 2.0 and covering for example the adoption of a Counter UAS (drones) package, an amendment to the Aviation Security rules or the definition of criteria for a voluntary ‘European Trusted Drone’ label.</p>
<p>1.7. The EESC considers it essential for proper coordination between the responsible authorities to be established quickly. To this end, the already existing systems of rules and regulations will need to interact in order for drone activity to be treated as an integral part of different business sectors. Taking into account multilevel governance, the Commission should adopt guidelines to guide industrial development.</p>	<p>The Commission shares the Committee’s opinion and, as outlined in the Drone Strategy, is funding the development by the European Union Aviation Safety Agency (EASA) of an online platform as a ‘pilot project Sustainable Innovative Air Mobility (IAM) Hub’ that will provide support to the authorities, cities, industry and other stakeholders for Innovative Air Mobility implementation.</p>
<p>1.8. The EESC believes that, as the introduction of new air mobility will most likely affect and change many aspects of our society, to ensure that maximum benefits are drawn and it gains public and political acceptance, the EU should engage in a wide competence and acceptance-building process involving all stakeholders, industrial sectors and the public. The aim is to foster understanding, gather diverse perspectives, and build broad-based support for the integration of new air mobility technologies, ensuring that they are aligned with societal needs and aspirations.</p>	<p>The Commission shares this view and recalls that one of the goals of the creation of the IAM Hub is to support a sustainable IAM implementation by authorities, communities, municipalities, industry and stakeholders and increasing public knowledge on the environmental impact of drones.</p>
<p>General comments</p>	
<p>B. Challenges associated with UAS</p>	
<p>3.4. It is difficult to regulate the flight of small drones, several thousand of which are sold every year and are easily available. However, even if they are small, such drones</p>	<p>The Commission shares the concerns expressed by the Committee regarding the illegal use of drones and has published on 18 October 2023 a</p>

<p>present considerable safety risks for ground installations such as fuel depots. So far, no serious accidents have occurred, but there have been reports of criminals using drones to take illegal items into prisons. The Commission should monitor, over time, the current appropriateness of both privacy rules and insurance systems.</p>	<p>Communication on countering the potential threat posed by drones⁵⁴. The Communication was announced as a flagship action under the Drone Strategy 2.0. It aims at establishing the EU's policy on this complex and sensitive topic, including taking stock of existing counter-drone support measures and presenting a strategic vision for further activities.</p> <p>Member States are in charge of ensuring the proper application of privacy rules. Under EU rules, drone operators must ensure that they hold an appropriate insurance cover as required by Union or national law. Member States are responsible for applying national rules with regards to insurance for aircraft of less than 20kg of Maximum Take Off Mass, as well as Regulation on insurance requirements for air carriers and aircraft operators (OJ L 138, 30.4.2004, p. 1–6)⁵⁵.</p>
<p>3.6. The costs of managing U-space should not be charged to current airspace users (airlines, commercial aircraft operators). These activities should be kept completely separate, making sure that the "users pay principle" is applied: airlines pay for the services they get from air navigation providers, and drone operators should also be paying for the services they get. This could be addressed by the pricing requirements for data exchanges as proposed by the Commission in the SES2+ (Single European Sky) reform, to ensure a level playing field in access to and pricing of necessary data.</p>	<p>The Commission welcomes the position of the Committee inviting the EU co-legislators to swiftly adopt the amended proposal for a Regulation of the European Parliament and the Council on the implementation of the Single European Sky (recast).</p>
<p>C. The environmental issue</p>	

⁵⁴ [COM COM\(2023\)0659 EN.pdf \(europa.eu\)](#)

⁵⁵ Regulation (EC) No 785/2004 of the European Parliament and of the Council of 21 April 2004.

<p>3.10. To encourage private investment and the development of new innovative services for various sectors, legal and technical certainty should be ensured. To this end, the Commission should issue guidelines based on a harmonised EU approach to promote investment.</p>	<p>The Commission agrees that in order to encourage private investment legal and technical certainty based on a harmonised EU approach should be ensured. Therefore, with the support of EASA and in close consultation with industry stakeholders, including drone and electric Vertical Take Off and Landing' aircraft (eVTOL) manufacturers and drones, a roadmap until 2030 in the field of Innovative Air Mobility has been set to support the development of new innovative services as outlined in the Drone Strategy 2.0.</p>
<p>D. The drivers of drone strategy</p>	
<p>3.14. The strategy appears to pay less attention to issues such as responsibility, in both B2B and consumer relations including with respect to cross-border operations and in situations where several modes are involved. The EESC considers it important to agree on common EU principles in this regard, including for relations with third countries, before the market for drone mobility and freight services develops.</p>	<p>The Commission recalls that in line with Article 41 of Regulation on unmanned aircraft systems and on third-country operators of unmanned aircraft systems⁵⁶, flights may only be performed by third country operators after a flight authorisation has been requested and issued by the competent authority of the first Member State where the UAS operator intend to operate in compliance with Regulation on the rules and procedures for the operation of unmanned aircraft⁵⁷. As stated in the Drone Strategy 2.0, the Commission will closely examine how regulations are implemented by the competent authorities. Ensuring harmonised implementation practices should also contribute to ensure a level playing field between Member States/regions, for example in case of cross border operations. More coordination between competent</p>

⁵⁶ Regulation (EU) 2019/945.

⁵⁷ Regulation (EU) 2019/947.

	authorities should help to avoid the risk of de-harmonised national implementations of EU rules.
4. Specific comments	
<p>4.2. The new air mobility intends to enhance the intermodal dimension by being integrated with other mobility systems, so as to create a flexible, intelligent and capillary network throughout the country . Although integration with the terrestrial domain seems obvious, the connection with the internal waterway and maritime domain is equally important.</p> <p>Integrated land, air and maritime dimensions will be an important factor in territorial development. The challenge will be the safe integration of UAS into airspace and the definition of appropriate tariffs for services to be sustainable and affordable for businesses and users. In particular, the drones market is growing, but, despite expectations of a speedy introduction of such services, the parties concerned are still working out which drone operators will supply which services in U-space and how high the costs are going to be.</p>	<p>The Commission shares the Committee’s opinion that for Innovative Air Mobility operations, it is necessary to support the transitioning phase and ensure a smooth integration of these new operational concepts in the current aviation domain, as well as the future multimodal transport system including internal waterway and maritime domain.</p> <p>Drone services should be promoted on the basis of inclusivity, affordable access and sustainability, and not be restricted to the ‘wealthy few’.</p>
<p>4.3. It is essential that a high level of physical and cyber security of drones be guaranteed, not least to ensure national security. This applies first and foremost to technological and construction components, with a need for procurement procedures capable of verifying the suitability of suppliers, as the European Commission indicated, moreover, for the 5G network and equipment, in its recommendation of 26 March 2019. In addition, there is the necessary protection of the software involved, in order to prevent hostile parties from taking control of drones, as well as the improper collection of data. Therefore, it is necessary to assess whether</p>	<p>The Commission shares the Committee’s opinion that it is essential that a high level of physical and cyber security of drones be guaranteed. Flagship Action 12 of the Drone Strategy 2.0 covers the need to identify key underlying technology enablers such as Artificial Intelligence, robotics, semi-conductors, batteries, EU space services and mobile telecommunications. As stated in the Drone Strategy, drone operational and payload communication, as well as drone traffic management solutions, should benefit from the bandwidth and ultra-reliable low latency</p>

<p>measures on cyber security, passenger security checks and counter-UAS systems are adequate and to carefully evaluate drones that use AI, under the prospective EU AI Regulation.</p>	<p>of 5G and future 6G cellular networks. To satisfy the high bandwidth demands of 5G and upcoming 6G systems, it is crucial to efficiently use the limited spectrum resources. Therefore, the Commission intends to develop a Strategic Drone Technology Roadmap in order to identify priority areas to boost research and innovation, reduce existing strategic dependencies and avoid the emergence of new ones.</p>
<p>4.4. The EESC notes that Regulation (EU) 2023/203 on requirements for the management of information security risks with a potential impact on aviation safety for organisations and competent authorities applies to various players, including U-space service providers and CISP, as well as innovative air mobility operators. It is therefore necessary to provide for European cooperative management of information security, in order to manage cybersecurity risks.</p>	<p>While sharing the Committee’s position, the Commission would like to recall that in September 2022 it adopted a proposal for a Cyber Resilience Act⁵⁸, aiming at establishing horizontal cybersecurity rules for products with digital elements, hardware and software, accessing the internal market. The proposed new regulation aims at introducing mandatory cybersecurity requirements relating to the properties of these products, including as regards cybersecurity by design and by default, as well as vulnerability handling requirements. As proposed by the Commission, drone systems, as products with digital elements, would be covered by these new rules, with the exception of those developed exclusively for national security or defence purposes, as well as for those drones subject to certification requirements.</p>
<p>4.5. The EESC considers it essential for proper coordinating action between the responsible authorities to be taken quickly. Companies from various industries are using drones without regarding themselves as "aeronautical companies", but they have to</p>	<p>The Commission shares the Committee’s opinion and recalls that one of the main Action area of the Drone Strategy 2.0 is to ensure sustainability and societal acceptance by proposing a number of</p>

⁵⁸ COM(2022) 454 final.

<p>interact and coordinate with the traditional aeronautical industry. The authorities in charge of the various business segments will have to discuss and coordinate strategies, policies and operational practices so that they do not become an obstacle to the development of the market. This is an important challenge at EU and national level, and related measures should be an integral part of the EU's drone strategy 2.0 as well as national ones.</p>	<p>recommendations and future initiatives to address the need for coordination between various competent authorities.</p>
<p>4.6. As the EU Drone Strategy 2.0 points out, drones can be utilised in almost every industrial and societal sector and have an almost unlimited number of potential applications. At the same time, awareness of this potential may be low in some sectors. Similarly, planning of necessary infrastructure on land and in the air must now embrace a new element, the usage and characteristics of which is to some extent not well known. In order to draw maximum benefits from this new technology while at the same time minimising risks and ensuring it gains public and political acceptance, the EU should engage in a wide competence and acceptance-building process involving all stakeholders, industrial sectors and the public.</p>	<p>The Commission agrees with the Committee's position and recalls that tools such as the Sustainable Urban Mobility Plans (SUMPS) should be leveraged by Member States as a mechanism to integrate alternative delivery solutions offered by Urban Air Mobility in urban mobility planning and help to address mobility challenges for the entire functional urban area, including synergies with spatial, energy and climate plans. The creation of the online platform to support a sustainable IAM implementation by authorities, communities, municipalities, industry and stakeholders should be used by local administrations and municipalities to ensure social acceptance of the deployment of Innovative Air Mobility.</p>

N°12 CO2 emission class of heavy-duty vehicles with trailers
COM(2023) 189 final
EESC 2023/3043 – TEN/815
581st Plenary Session – September 2023
Rapporteur: Bruno CHOIX (FR-I)
DG MOVE – Commissioner VĂLEAN

**Points of the European Economic and
Social Committee opinion considered
essential**

European Commission position

The follow-up given by the Commission to this opinion will be included in a subsequent report.

N°13 Revision of the Directive on Ship-Source Pollution
COM(2023) 273 final
EESC 2023/2154 – TEN/809
581st Plenary Session – September 2023
Rapporteur: Constantine CATSAMBIS (EL-I)
DG MOVE – Commissioner VĂLEAN

**Points of the European Economic and
Social Committee opinion considered
essential**

European Commission position

The follow-up given by the Commission to this opinion will be included in a subsequent report.

<p>N°14 European Maritime Safety Agency COM(2023) 269 final EESC 2023/2847 – TEN/810 581st Plenary Session – September 2023 Rapporteur: Kaia VASK (EE-II) DG MOVE – Commissioner VÁLEAN</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>Conclusions and recommendations</p>	
<p>1.3. The Committee welcomes the proposal to expand the activities of EMSA; however, it has serious doubts as to whether EMSA has the human and financial resources to perform these additional activities properly. The proposed increase in EMSA's resources is insufficient given the extent of the proposed increase in the Agency's tasks and the scale of the EU's ambitions for maritime policy.</p>	<p>The Commission agrees that adequate resources for the European Maritime Safety Agency (EMSA) will be necessary to allow the Agency to discharge the additional tasks. The Commission notes that the proposed increase of resources is very important in relative terms and is based on careful consideration of the tasks attributed to EMSA.</p>
<p>1.5. The Committee believes that the Agency could play a substantial role in supporting the training of Port State Control inspectors of the Member States and officials of the Flag State Administrations to conduct targeted inspections as regards the implementation and enforcement of the MLC 2006 in relation to the implementation of seafarers' rights and working and living conditions on board ships.</p>	<p>The Commission and EMSA are working with the Member States and the Paris Memorandum of Understandings (MoU) to develop professional training curricula to allow for the in-service training of inspectors. This will allow the inspectors to develop and to improve their skills and take account of technological or environmental developments.</p>
<p>1.6. The Committee would like to see EMSA more engaged with the recommendations of the Commission's Study on social aspects within the maritime transport sector (published in 2020).</p>	<p>The Commission has proposed that EMSA gathers and analyses data on the implementation of the Maritime Labour Convention 2006, which should contribute to better enforcement and overall help improving the onboard working and living conditions of seafarers.</p>
<p>1.7. The Committee would like to see a more</p>	<p>The Commission notes that the</p>

<p>active and substantial participation and contribution by the social partners. This will improve EMSA's relations with external stakeholders and increase the visibility and transparency of the Agency's activities.</p>	<p>consultation of industry representatives and social partners with expertise in the relevant topics is foreseen in the proposal in the context of studies carried out by EMSA.</p>
<p>General comments</p>	
<p>3.10. The Committee would like to see EMSA having a more prominent role in the European Marine Casualty Information Platform (EMCIP), and for this to be reflected in the updated mandate. It is important for EMSA to be able to compare, evaluate and share lessons learned, especially in the most serious cases.</p>	<p>The Commission notes that EMSA operates the Marine Casualty Information Platform (EMCIP).</p>

<p>N°15 Revision of Directive on Maritime accident investigation COM(2023) 270 final EESC 2023/2982 – TEN/817 581st Plenary Session – September 2023 Rapporteur: Sam HÄGGLUND (SE-II) DG MOVE – Commissioner VĂLEAN</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>Conclusions and recommendations</p>	
<p>1.4. The EESC supports the obligation for Member States' investigation authorities to notify all very serious marine casualties to the European Maritime Casualty Information Platform (EMCIP). Further, EMCIP data should be made public and investigation reports should be published as soon as is practical.</p>	<p>The Commission welcomes the position of the Committee that data derived from safety investigation should be made public to allow for lessons to be learned from previous accidents and notes that all safety investigation reports prepared by member states accident investigation authorities are published and accessible on the public portal of the European Maritime Casualty Information Platform (EMCIP) website⁵⁹.</p>
<p>General comments</p>	
<p>3.3. Data on accidents in the fishing capture sector is poor and there is a lack of a consistent approach across the EU. A lack of data, particularly for accidents or "near misses", is potentially hiding a much bigger problem. Fishing remains a dangerous occupation and the Commission's proposal is a step in the right direction to improve safety standards in the industry.</p>	<p>The Commission agrees that the lack of data particularly as regards the small fishing vessel sector is an issue but is of the view that its proposal is a measured and proportionate response, which should allow for a better overview of the safety picture to be developed.</p>
<p>3.12. Whilst the implementation of the Directive has contributed to the publication of accident reports within prescribed deadlines, their publication should be further</p>	<p>The Commission agrees that it is important that accident investigation reports are published as quickly as possible but given the heterogenous</p>

⁵⁹ [Accident Investigation - European Marine Casualty Information Platform \(EMCIP\) - EMSA - European Maritime Safety Agency \(europa.eu\)](https://europa.eu/european-maritime-safety-agency/)

accelerated. It is important that the facts about a maritime accident be published as soon as possible for the families of the victims. Waiting for an answer for several years is inhumane and may affect the necessary payment of insurance money that can secure the family's future.

nature of accidents underlines that it is not possible to fix a 'one size fits all' time limit for conclusion of the investigation and publication of the report. Accidents differ as regards their scope and complexity and the current Directive places an obligation on accident investigation bodies to produce at least an interim report within 12 months of the date of the accident. The Commission does not propose to change this requirement.

<p>N°16 Revision of port State control Directive COM(2023) 271 final EESC 2023/2988– TEN/818 581st Plenary Session – September 2023 Rapporteur: Panagiotis GKOFAS (EL-III) DG MOVE – Commissioner VÁLEAN</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>Conclusions and recommendations</p>	
<p>1.3. In administrative terms, the Commission will ensure that there will be no significant overlaps or contradictions with regard to the implementation and revision of the Flag State Directive. The EESC underlines how important it is that the new EU regulation guarantee consistency with the IMO regulatory framework.</p>	<p>The Commission agrees with the position of the Committee that the Member States’ responsibilities as regards their flag state and port state responsibilities are complementary and that there should not be any duplication, contradiction or overlap between this proposal and the proposal on flag state responsibilities. Consistency and alignment with the relevant international instruments- be they International Maritime Organisation (IMO), International Labour Organisation (ILO) or Paris Memorandum of Understandings (MoU)- is essential.</p>
<p>1.5. The EESC shares the common concerns about the need to align Member State and EU legislation with international standards, as set out in international conventions and agreements such as the most recent acts and initiatives of the Paris MoU and the International Maritime Organization (IMO). A transition period of one to three years should be implemented to enable the Member States to adapt effectively to the revised legislation.</p>	<p>The Commission agrees that alignment with the most recent developments in the international regulatory environment is essential and the Directive has been drafted in this regard. The Commission recognises that a period of adjustment is required but is of the view that this should be as short as possible – firstly because the Directive once adopted is immediately being superseded by changes at the international level and secondly because all of the changes that have been adopted at the IMO or Paris MoU and which are being introduced in the Directive have already been agreed</p>

	to by the Member States.
1.6. The amendments of the Directive must take into account core EU policy priorities related to the Green Deal, the EU and UN Sustainable Development Goals agenda, human and workers' rights and social cohesion. Thus, the revised parts of the Directive must provide clarity on minimum working conditions for seafarers, the conservation of waters and fish, and environmental protection as a whole.	The Port State Control (PSC) amendment and indeed the entire maritime safety package of 5 texts take these important policies into account. However, the port State control Directive is an enforcement rather than a standard setting legislative text. The standards that are being enforced by means of port State control are established either in the relevant international conventions of the IMO or ILO or in other dedicated EU legislation.
1.9. A careful review and redesign of environmental criteria must be conducted on a permanent basis, in order to avoid competition distortions in the international shipping sector, at the expense of European fleets.	The Commission agrees that the issue of environmental criteria is very important; however, it notes that the criteria used to select vessels for inspection apply equally to EU and non-EU flagged ships, so there should be not disadvantage imposed on the EU fleet.
1.10. PSC requires a qualitative and quantitative upgrade of personnel, since the new regulation, based on IMO rules, is more demanding, and inspection skills must be improved technically and operationally. It is therefore essential to finance the upskilling and reskilling of PSC officers via up-to-date training courses. The EESC welcomes the fact that the European Maritime Safety Agency (EMSA) has been made responsible for designing and offering training courses to the EU Member States' agencies to enable them to better fulfil the Directive's provisions.	The Commission agrees that properly trained and qualified port State control officers are at the heart of a coordinated and harmonised inspection regime. In this regard the Commission and the European Maritime Safety Agency (EMSA) are working with the Member States and the Paris MoU to develop professional training curricula to allow for the in-service training of inspectors. This will allow the inspectors to develop their skills to improve and take account of technological or environmental developments.
1.11. The EESC embraces the intention of the Commission to expand the role of EMSA; nevertheless, it is obvious that the effective performance of all these prescribed duties requires additional human and financial	The Commission agrees that adequate resources for EMSA will be important to allow the Agency to discharge its new obligations arising under this Directive. The issue of EMSA resources is

<p>resources. EMSA must be further supported in terms of instruments, financial means, expertise and personnel in order to upgrade the level of training and develop know-how for port State control. This acquired knowledge should be disseminated to national authorities, which also need to advance their expertise and level of cooperation.</p>	<p>addressed in the accompanying legal proposal for the revision of the EMSA Founding Regulation.</p>
<p>1.13. New investment in technological and digital means and upgrades of port infrastructure will be very important in meeting the objectives of the revision, and the EU budget must make provision for such types of funding.</p>	<p>While acknowledging the importance of the issue of port infrastructure, the Commission underlines it is not the subject of the current proposal that concerns the inspection of foreign flagged ships calling to the ports of the EU Member States.</p>
<p>1.15. The EESC recommends that the Commission review the implementation of the amended Directive less than ten years after its adoption (see point 22), and that this also be accompanied by an intermediate evaluation report drawn up by the European Parliament, the EESC and national stakeholders. The engagement of social partners is vital towards this direction.</p>	<p>The Commission agrees that adequate and timely review of the amended Directive is important to assess its efficiency and effectiveness. Nevertheless, it is essential that enough time has passed following adoption to allow for transposition. The Commission also bases its reviews on visits carried out by EMSA to Member States to verify implementation and it would be better to have a sufficient number of such visits to be able to prepare a meaningful review.</p>
<p>General comments</p>	
<p>3.4. New types of risks are emerging, new administrative tasks must be carried out and therefore new skills need to be developed in these demanding port inspection procedures. EMSA must assist the Member States at operational and administrative level, so as to improve their monitoring performance and the skills of their personnel, who must adapt to new technological, digital and green challenges. Workers' safety, security and</p>	<p>The Commission agrees with the Committee that PSC is becoming more complex and that the administrative burden on Member States authorities is increasing. To assist the Member States, EMSA and the Commission are working to provide additional training and digital solutions to help the Member States to discharge their obligations.</p>

<p>pollution risks are additional significant factors that have to be assessed by port authorities and Member States in a unified and harmonised manner.</p>	
<p>3.5. It has been reported that inspections currently lack the tools and digital capabilities to become more effective by increasing the use of electronic versions of certificates and other documents. It is essential to develop a unified, digital registry of incoming and outgoing vessels and ships in all European ports, making further progress based on IMO regulations and international conventions.</p>	<p>The Commission welcomes the assessment of the Committee that increased digitalisation is an essential means to improve the efficiency and effectiveness of inspections. The switch from paper based statutory certificates to electronic versions would allow for better prepared and more ship-based inspections.</p>
<p>3.6. Member States with limited human and financial resources, which are often the first to be called on in the EU, are having difficulty in effectively complying with their inspection commitments. The EESC sees investment in personnel and infrastructure as a preliminary step towards harmonisation and the equal allocation of administrative burdens across Member States.</p>	<p>The Commission agrees that investment in personnel and infrastructure is essential to assist to comply with their obligations. The enhanced use of EMSA training and digital solutions should help the Member States in this regard.</p>
<p>3.7. The current targeting system does not allow for more emphasis to be placed on environmental aspects and for "greener" vessels to be rewarded. Therefore, it is necessary to restructure the incentive mechanism and risk profile assessment of ships and vessels calling at EU ports. The "Fit for 55" package aims to reduce the EU's total greenhouse gas emissions by 55% by 2030 and achieve climate neutrality by 2050. Maritime transport activities are expected to adapt accordingly. Noise, air pollution and carbon emissions are compound factors that increase the risk of substandard shipping.</p>	<p>More emphasis on less environmentally performing ships during PSC inspections can be a useful tool to allow the Union to meet its environmental goals.</p> <p>The proposed changes to the ship targeting system does not reward greener vessels but rather seeks to shift some of the inspection focus on to less green vessels.</p>
<p>3.9. Fishing vessels have until now been excluded from the scope of PSC, but it has been reported that in the case of large ones</p>	<p>The legislative proposal contains an initiative whereby a system of port State control will be introduced for larger</p>

<p>(above 24 metres) they are experiencing serious problems regarding safety, deteriorating working conditions and overfishing. Therefore, it is necessary to improve fishing vessels' safety standards, via a concrete mechanism of targeted inspections, implementing a period of adaptation.</p>	<p>fishing vessels (24 metres and above) to which a number of international conventions apply. This should improve the safety, working conditions and environmental performance of this vessel segment in the same way that has been done for maritime transport vessels.</p>
<p>Specific comments - optional</p>	
<p>4.1. Training and upskilling programmes for employees, professionals and employers (e.g. Erasmus+) and exchanges of good practices between national agencies must be designed and implemented in line with European common integrated training projects, to enhance PSC officers' capacity to meet the growing inspection needs.</p>	<p>The development of professional training scheme and common curricula for port State control through the active cooperation of the Member States, the Paris MoU and EMSA is very important and included in Article 22 of the Directive.</p>
<p>4.2. The protection of sea animal welfare must not be neglected in the new Directive, which must help consolidate fishing procedures and limits and make inspections of the impact of pollution on blue ecosystems more efficient.</p>	<p>The PSC proposal is an enforcement tool which applies rules developed elsewhere either at the EU or international level - as and when rules relating to sea animal welfare are developed these can be enforced in a harmonised and standardised way through port State control.</p>
<p>4.3. Port state authorities must be trained properly, prepared and able to manage potential serious risks in the maritime sector (water pollution, security issues in navigation, tsunami effect, destruction of infrastructure due to climate phenomena, migration flows by sea etc.).</p>	<p>While the issues mentioned by the Committee are very important, they do not fall within the scope of port State control.</p>
<p>4.4. The EESC considers targeted programmes for the recruitment of young people and women desirable, to address the issues of brain drain and gender inequality in the maritime sector.</p>	<p>The recruitment, training and retention of young people and women in the maritime sector is an area to which the Commission attaches great importance, it is not directly linked however to the legislation under consideration.</p>

<p>N°17 Revision of Directive on compliance with flag State requirements Proposal for a revision of Directive 2009/21/EC on compliance with flag State requirements COM(2023) 272 final EESC 2023/2992 – TEN/819 581st Plenary Session – September 2023 Rapporteur: Tanja BUZEK (DE-II) DG MOVE – Commissioner VĂLEAN</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>Conclusions and recommendations</p>	
<p>1.1. The European Economic and Social Committee (EESC) welcomes the initiative of the European Commission to revise Directive 2009/21/EC to ensure high quality and competitive shipping operating under EU Member State flags in a uniform manner, as well as that Member States comply with their obligations as flag States.</p>	<p>The Commission welcomes the position of the Committee that recognises the importance of flag States as first line of defence ensuring a level playing field in the EU and internationally and where competition should be on quality operations.</p>
<p>1.2. The EESC stresses the importance of ensuring clarity and consistency between International Maritime Organisation (IMO) regulations and the relevant EU legislative framework, in particular the port State control and the proposal to update Directive 2009/18/EC to increase maritime safety and the protection of the marine environment, which are also proposed to be revised.</p>	<p>The Commission agrees with the Committee’s position that Member States’ responsibilities, as regards their flag state and port state responsibilities, are complementary and that there should not be any duplication, contradiction or overlap. Consistency and alignment with the relevant International Maritime Organisation (IMO) instruments are essential.</p>
<p>1.6. The EESC suggests that EU flag States should be more engaged with the recommendations of the Commission's study on social aspects within the maritime transport sector (published in 2020)⁶⁰,</p>	<p>The Commission has proposed that EMSA gathers and analyses data on the implementation of the Maritime Labour Convention 2006 in view of assisting Member States in the improvement of</p>

⁶⁰ European Commission, Directorate-General for Mobility and Transport, *Study on social aspects within the maritime transport sector: final report*, Publications Office, 2020, <https://data.europa.eu/doi/10.2832/49520>.

<p>including to achieve a common approach in the implementation and enforcement of the MLC 2006. The EESC in particular recommends that training provided by EMSA to EU flag State authorities be continued, reinforced and extended to cover MLC 2006-related aspects in more detail.</p>	<p>the onboard working and living conditions of seafarers.</p> <p>The Commission and the European Maritime Safety Agency (EMSA) are working with the Member States to continue to develop professional capacity building to allow for the in-service training of flag State inspectors. This will allow the inspectors to develop their skills to improve and take account also of the Maritime Labour Convention (MLC) and related aspects.</p>
<p>1.10. The EESC calls on the Commission to adopt implementing acts to ensure proper monitoring of the recognised organisations (ROs). The EESC believes that the effectiveness of the current system can be put into question because of the involvement and double role of the classification societies. EU Member State flags are increasingly delegating their surveying responsibilities to ROs and this raises the question of whether flag States are fulfilling their obligation.</p>	<p>The Commission draws attention to the important proposal to include the measure of an EU recognised organisation (RO) oversight and monitoring scheme, complementing the bilateral monitoring done by Member States in relation to the ROs they use. This includes the proposal for ensuring that Member States perform supplementary flag State inspections for the very purpose to verify the work, on board, performed by ROs on their behalf. Such inspections should consider the type and size of the Member State flagged fleet and be efficient and targeted for ships where there is a risk.</p>
<p>General comments</p>	
<p>3.5. The EESC, [however], regrets the missed opportunity to lead beyond international minimum requirements and create a European maritime space for more competitive and economically, environmentally and socially sustainable EU shipping with clear and transparent rules, with this providing a good example of high</p>	<p>The Commission notes that the proposal is fully in line with the objectives and ambitions of the 2009 Communication and action plan with a view to establishing a European maritime transport space without barriers⁶¹, especially as regards the digitisation aspects, both in the flag State and port</p>

⁶¹ COM(2009) 10 final.

<p>quality shipping services for others to follow.</p>	<p>State control Directives. The Commission's objective is to use digitalisation as tool for effective and efficient shipping contributing to quality shipping that is safe and sustainable in a transparent manner.</p>
<p>3.7. The EESC welcomes the provision for the establishment of a high level group on flag State matters under the provisions of the new Article 9a for discussing flag State issues and facilitating exchanges of experience between the Member States' national authorities, flag State experts and inspectors. However, the EESC would also strongly welcome a substantial contribution from the social partners through their participation in this group, as well as other relevant maritime industry stakeholders.</p>	<p>The Commission welcomes the Committee's support and fully agrees that there is a need for a forum to discuss flag State related matters. This expert group is foreseen to include ad hoc industry stakeholders, including from the social partners, depending on issues being under discussion.</p>
<p>3.8. The EESC welcomes the provision for the introduction of electronic documents that are to be recorded, kept, reported and shared as well as being interoperable with EMSA-hosted databases, moving away from paper-based certification systems towards higher efficiency.</p>	<p>The Commission welcomes the Committee's support and fully agrees that it is time for maritime transport to become digitalised, fully in line with the Commission's twin and complementary objectives of sustainability and digitalisation.</p>
<p>3.9. The EESC believes that any revision of the flag State requirements Directive must ensure that flag States fully implement seafarers' rights onboard their ships and underlines the importance of enforcing Directive 2013/54/EU concerning certain flag State responsibilities for compliance with and enforcement of the MLC 2006 and the Directive 2009/13/EC implementing the sectoral social partner agreement concluded by the European Community Shipowners' Associations (ECSA) and the European Transport Workers' Federation (ETF) on the MLC 2006.</p>	<p>The Commission welcomes the Committee's support and fully agrees with its statement. It is for this reason the MLC aspects have been regulated separately both for flag State and port State, and that emphasis has been put on the importance of the Maritime labour Convention.</p>

<p>3.10. The EESC believes that the new proposal should encourage the European flag States to enhance their control level. The EU should take the lead against flags of convenience by showing an excellence level of requirements and control over its vessels.</p>	<p>The Commission welcomes the Committee's support and fully agrees with the need for Member States to exercise their responsibilities as flag States fully in line with the mandatory IMO Instruments Implementation code (III-Code) continuing the quest for a level playing field at EU and International level.</p>
<p>Specific comments</p>	
<p>4.3. In this regard, the EESC suggests that EU flag States and EMSA be more engaged with the recommendations of the Commission's 2020 study on social aspects within the maritime transport sector, in particular:</p> <ul style="list-style-type: none"> - Achieve a common approach in the implementation and enforcement of the MLC 2006 by increasing levels of cooperation and exchange of information between EU port and flag State authorities, and doing so through: - Publication of a guidance document by EMSA offering advice on how to address the vague or ambiguous provisions of the MLC 2006. It could also provide a list of the most frequent problems detected during port State inspections of ships under each flag, as well as explanations and clarifications on each flag State's specific documentation and certificates; - Reinforcement of training provided by EMSA to EU flag State administrations and officials as well as port State control officers, ensuring that it covers aspects related to the MLC 2006 in enough detail. It is important to focus on those MLC 2006 deficiencies that are more serious, such as non-payment of salaries, social security issues and other 	<p>The Commission underlines that:</p> <ul style="list-style-type: none"> - the proposal in the flag State directive is to establish a high-level group on flag State matters, assisted by EMSA, to discuss and develop such and other relevant flag State guidance. - the proposal for a flag State directive includes a proposal for a flag State performance scheme in article 8.2b, which would include parameters for measuring and supporting efficient flag State administrations, including, but not limited to only, port State control records. -the Commission and EMSA are working with the Member States to develop professional capacity building to allow for the in-service training of flag (and port) State inspectors. This is now also proposed in both the Flag State and Port State Directives and will allow the inspectors to develop their skills to improve and take account of technological or environmental developments as well as MLC, International Safety Management (ISM) and other crew related issues. It also provides for a natural platform for best practice exchange.

<p>detainable deficiencies. Moreover, training sessions could include activities that encourage discussions between EU flag State authorities to improve communication and exchange of information and good practices.</p>	
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**N°18 Minimum breaks and rest periods for occasional passenger transport
COM(2023) 256 final
EESC 2023/2929 – TEN/816
581st Plenary Session – September 2023
Rapporteur: Mateusz SZYMAŃSKI (PL-II)
DG MOVE – Commissioner VÁLEAN**

**Points of the European Economic and
Social Committee opinion considered
essential**

European Commission position

The follow-up given by the Commission to this opinion will be included in a subsequent report.

<p>N°19 Revision of EU marketing standards for agricultural products COM(2023) 201 final EESC 2023/2432 – NAT/884 581st Plenary Session – September 2023 Rapporteur: Kerli ATS (EE-III) DG AGRI – Commissioner WOJCIECHOWSKI</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.3. The EESC urges the adoption of more ambitious measures to protect European honey producers, enforce rigorous marketing standards, conduct systematic testing and traceability checks on honey imported into the EU, and require country of origin labelling for honey blends. This labelling should include the respective percentage share of each honey origin, presented in descending order.</p>	<p>Member States are responsible for controlling that marketing standards are respected on their territory.</p> <p>The Commission is proposing the compulsory labelling of countries of origin for honey blends, providing the information requested by consumers. Requiring percentage shares in addition increases costs and waste, without giving a verifiable information to consumers, in the absence of an analysis method allowing to trace the geographical origin corresponding to the administrative borders of a country. Checks need to rely on operators' documentation and labels will need to be adjusted for each batch, without the product being distinctively different.</p> <p>The verification of compliance with Union agri-food chain legislation through official controls is of fundamental importance. The Union has already established a comprehensive body of rules governing official controls on products intended for import into the EU and on products placed on the EU market. To verify compliance with the applicable Union rules, the competent authorities must perform official controls on consignments of those products upon their arrival at the border</p>

	<p>control post. In particular, consignments of honey and other apiculture products for human consumption must be subjected to 100% documentary and identity checks, and physical checks (which can include testing) must be performed at a minimum frequency rate of 15%. In case of suspicion of a non-compliance, competent authorities are required to perform official controls to confirm or to eliminate that suspicion.</p> <p>The results of the recent EU action ‘From the Hives’ coordinated by the Commission has demonstrated the need to strengthen the requirements in the honey sector.</p> <p>Under the intensified official controls procedure, the frequency rate of physical checks is increased to 100% for consignments of the same origin, where the responsibility of the listed establishment of origin is clearly linked to the non-compliance, including in case of suspicion of fraud. In this regard, to allow Member States to apply intensified official controls on consignments of honey and apiculture products intended for human consumption presented at Union border control posts for import into the Union, the Commission has adopted on 15 September 2023 a Delegated Regulation amending Delegated Regulation (EU) 2022/2292⁶² [C(2023) 6136] establishing that honey and apiculture products intended for human consumption may only enter the Union if dispatched from, obtained and/or</p>
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⁶² Commission Delegated Regulation (EU) 2022/2292 of 6 September 2022 supplementing Regulation (EU) 2017/625 of the European Parliament and of the Council with regard to requirements for the entry into the Union of consignments of food-producing animals and certain goods intended for human consumption (OJ L 304, 24.11.2022, p. 1).

	<p>prepared in establishments that appear on lists drawn up and kept up to date in accordance with Article 127(3) of Regulation (EU) 2017/625⁶³.</p> <p>This Delegated Regulation is currently subject to the scrutiny of the European Parliament and of the Council. The Commission is also assisting Member States competent authorities by investing in the development of harmonised and updated analytical techniques. These are needed in the framework of intensified official controls to be able to detect adulteration and deter fraudster operating in the honey sector.</p> <p>The Commission is launching a project addressing the need for validated methods of analysis that are fit-for-purpose to detect new types of sugar-based adulterants used in honey. Upon completing successfully the validation of those methods, they may be set out as official control methods for detecting honey adulteration through Commission's implementing acts.</p>
<p>1.4. Efforts should be made to overcome challenges in analysing and quantifying the percentage share of each honey origin in honey blends. The EESC strongly emphasises the need for prompt action in finding a reliable and accessible analytical method, which it considers a precondition to the implementation of mandatory origin labelling in order to protect consumers from fraud.</p>	<p>There is no distinctive characteristic in honey that changes when crossing the administrative border of a country. There is therefore no possibility to have an analysis method that can quantify the percentage share of honey depending on its country of origin. This can only be done on the basis of operators' accounts and production process.</p>
<p>1.5. Efforts should be made to develop a traceability system where all honey sold</p>	<p>The Regulation of 28 January 2002 laying down the general principles and</p>

⁶³ Regulation (EU) 2017/625 of the European Parliament and of the Council of 15 March 2017 on official controls and other official activities performed to ensure the application of food and feed law, rules on animal health and welfare, plant health and plant protection products (OJ L 095 7.4.2017, p. 1).

<p>commercially, whether produced in or imported into the EU, has an identification code that allows the honey to be traced back to the harvesting beekeeper. The EESC believes that this proposal would facilitate administrative checks to verify the percentage shares in honey blends, but considers it important to ensure that companies (specially small- and medium-sized ones) are not burdened with excessive costs.</p>	<p>requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety (OJ L 31, 1.2.2002, p. 1)⁶⁴ already foresees that food business (including importers) shall identify at least the business from which the food has been supplied, to ensure that on investigation, traceability can be assured through all stages of production, processing and distribution.</p>
<p>1.6. The EESC emphasises the need for specific labelling requirements for industrially processed honey to enhance consumer awareness and promote healthier choices. Labels stating "ultrafiltered" and "pasteurised" should be included to clearly communicate the changes that occur during these processes, which reduce the natural properties and benefits of honey. Accurate labelling is crucial to guide consumer decision-making, drive demand for sustainable beekeeping practices and support beekeepers who prioritise bee welfare and habitat preservation.</p>	<p>On 'ultra-filtered' honey: the composition criteria of honey, as laid down in the Honey Directive (Annex II), do not allow the removal of pollen or any other constituent particular to honey. The only exception to this rule is "filtered honey" that is defined as honey obtained by removing foreign inorganic or organic substances in such a way as to result in a significant removal of pollen. 'Filtered honey' needs to be labelled as such and cannot be marketed under the term 'honey'.</p> <p>On 'pasteurised' honey: the Honey Directive (Annex I) does not allow for such a product: 'Honey is the natural sweet substance produced by Apis mellifera bees from the nectar of plants or from secretions of living parts of plants or excretions of plant-sucking insects on the living parts of plants, which the bees collect, transform by combining with specific substances of their own, deposit, dehydrate, store and leave in honeycombs to ripen and mature'. Furthermore, in accordance with Annex II (Composition criteria for honey), except for baker's honey for industrial uses, it must 'not have been</p>

⁶⁴ Regulation (EC) No 178/2002 of the European Parliament and of the Council.

	<p>heated in such a way that the natural enzymes have been either destroyed or significantly inactivated’.</p>
<p>1.7. The EESC asks for an evaluation of the potential that allowing the indication "no fruit juices contain added sugars" to be displayed alongside the product name could encourage greater juice consumption, to the detriment of whole fresh fruits. To address this, the EESC proposes that nectar producers be required on the one hand to include the statement "contains added sugars" when applicable and to gradually phase out the statement "with no added sugars" on the other hand. This measure promotes transparency and empowers consumers to make well-informed choices regarding their dietary preferences.</p>	<p>The statement ‘no fruit juices contain added sugars’ is intended to inform consumers of an intrinsic characteristic of fruit juices, allowing them to make informed decisions when choosing among beverages.</p> <p>As for nectars, where added sugars are allowed, there is no obligation to include the statement “contains added sugars” similarly as this is a case for other beverages on the market to which sugar has been added.</p>
<p>1.8. The EESC considers that increasing the fruit content of extra jams beyond the current 450 g/kg will not result in a final product with less sugars. On the other hand, it supports increasing the fruit content in standard jams to 400 g/kg. This compromise proposal not only supports healthier choices but also contributes to maintaining competitiveness in the food industry.</p>	<p>Where the quantity of fruit used to manufacture jams is increased, the amount of added sugar needed to reach the minimum content of dry matter is reduced and quality of the final products increases.</p> <p>On the fruit content, a lower increase would not have a real impact as the vast majority of jams marketed in the Union already have a fruit content equal or above 450 g/kg. The economic impact of the adaptation for the industry would be rather limited while it will have a positive impact on primary producers (higher demand of fruit) and on consumer (healthier products available).</p>

N°20 Water Politics: Between Desertification and Securitization - Time for a Blue Diplomacy
(Own-initiative opinion)
EESC 2023/858 – REX/570
581st Plenary Session – September 2023
Rapporteur: Ioannis VARDAKASTANIS (EL-III)
Co-rapporteur: Milena ANGELOVA (BG-I)
DG ENV – Commissioner SINKEVIČIUS

Points of the European Economic and Social Committee opinion considered essential

European Commission position

The follow-up given by the Commission to this opinion will be included in a subsequent report.

N°21 The EU Maritime Security Strategy and its Action Plan
JOIN(2023) 8 final
EESC 2023/2550 – REX/576
581st Plenary Session – September 2023
Rapporteur: Anastasis YIAPANIS (CY-III)
Co-rapporteur: Mateusz SZYMAŃSKI (PL-II)
DG MARE – Commissioner SINKEVIČIUS

**Points of the European Economic and
Social Committee opinion considered
essential**

European Commission position

The follow-up given by the Commission to this opinion will be included in a subsequent report.

<p>N°22 Conservation and control measures applicable in the area covered by the Convention on future multilateral cooperation in the North-East Atlantic fisheries COM(2023) 362 final EESC 2023/3331 – NAT/883 581st Plenary Session – September 2023 Rapporteur: Francisco Javier GARAT PÉREZ (ES-III) DG MARE – Commissioner SINKEVIČIUS</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>3.1. The Committee believes that the conservation and enforcement measures adopted by NEAFC should be transposed into EU law, with a view to achieving their uniform and effective implementation within the EU. It therefore supports the proposal put forward by the Commission.</p>	<p>The Commission thanks the Committee for its opinion and support to the proposal.</p>
<p>3.2. The Committee believes, however, that the transposition procedure is still not based on an efficient mechanism, since these measures are amended every year and the EU's bureaucratic procedures are very slow, leading to a continuous time-lag between the rules adopted by NEAFC and EU legislation.</p>	<p>The Commission shares the Committee's view on the need for more agile implementations, in particular of technical aspects. For this purpose, the proposal includes the possibility of implementing amendments to certain procedures and technical aspects of the regulation via Commission's implementing acts, following a decision by the North-East Atlantic Fisheries Commission (NEAFC) and in accordance with the content of that NEAFC decision.</p>
<p>3.3. With regard to the measures laid down in Chapter III of Title III, the Committee considers that these measures should be excluded for coastal fleets operating within 200 miles of the exclusive economic zones of the EU Member States and that the control of activity within them should remain the responsibility of the Member States.</p>	<p>The Commission would like to note that the scope of the measures relating to the control of pelagic stocks in the North East Atlantic cover the NEAFC Convention Area, including waters under the jurisdiction of NEAFC Contracting Parties including the EU, and not only the NEAFC Regulatory Area. This is indicated both in Article</p>

	<p>54b of Regulation establishing a Union control system for ensuring compliance with the rules of the common fisheries policy ⁶⁵ and in Article 78 of the Commission Implementing Regulation (EU) No 404/2011⁶⁶.</p> <p>The Commission considers that the control measures for these pelagic stocks should continue to apply to the entire migratory range of these stocks in the North-East Atlantic, given that excluding catches from jurisdictional waters would not be in line with the long-standing agreements on control measures for these stocks. Furthermore, such exclusion would jeopardise the level playing field between operators deriving from the application of the same control standards regardless of where the fishing activities on these stocks take place.</p> <p>The Commission would like to note that Article 52 (i.e. Chapter III of Title III) would only become applicable as of 1 January 2026, in order to give sufficient time to operators to adapt to the new measure.</p>
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⁶⁵ Council Regulation (EC) No 1224/2009 of 20 November 2009 establishing a Union control system for ensuring compliance with the rules of the common fisheries policy, amending Regulations (EC) No 847/96, (EC) No 2371/2002, (EC) No 811/2004, (EC) No 768/2005, (EC) No 2115/2005, (EC) No 2166/2005, (EC) No 388/2006, (EC) No 509/2007, (EC) No 676/2007, (EC) No 1098/2007, (EC) No 1300/2008, (EC) No 1342/2008 and repealing Regulations (EEC) No 2847/93, (EC) No 1627/94 and (EC) No 1966/2006 (OJ L 343 22.12.2009, p. 1).

⁶⁶ Commission Implementing Regulation (EU) No 404/2011 of 8 April 2011 laying down detailed rules for the implementation of Council Regulation (EC) No 1224/2009 establishing a Community control system for ensuring compliance with the rules of the Common Fisheries Policy (OJ L 112 30.4.2011, p. 1).

<p>N°23 Customs reform package COM(2023) 258 final EESC 2023/1888 – INT/1006 581st Plenary Session – September 2023 Rapporteur: Anastasis YIAPANIS (CY-III) DG TAXUD – Commissioner GENTILONI</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.3. The Committee advocates for a clearly defined strategy to integrate AI into customs systems, while preserving ethical considerations at every stage of the process.</p>	<p>The EU Customs Data Hub foreseen in the reform will provide a wide range of advanced data analytics, also using artificial intelligence. This will be in line with the AI regulation proposed by the Commission⁶⁷ in the broader context of its Artificial Intelligence strategy.</p>
<p>1.5. To assist entrepreneurs in adhering to the regulations surrounding the EU's multiple packages of sanctions on Russia and Belarus, legally binding official interpretations are needed, alongside proactive measures from authorities to ensure compliance and address existing weak spots across the EU.</p>	<p>The Commission provides detailed guidance⁶⁸ to customs authorities and stakeholders on the EU measures following the Russian invasion of Ukraine. However, this matter is not to be regulated in the Union Customs Code (UCC).</p>
<p>3.5. The EESC notes that little emphasis has been placed on the human resources and skills needed to drive the proposed customs change forward.</p>	<p>The Commission agrees on the need to ensure appropriate and trained human resources to implement the proposed reform. This aspect falls under the overall goal of the reform to make the customs union acting as one. While the UCC cannot legislate directly on such matter, it does foresee a role for the EU Customs Authority (EUCA) in promoting common training and exchange of staff between Member States. Also, an analysis on the human resources needed for the EUCA can be found in section 3.2.3. of the Financial Legislative Statement of the proposal.</p>
<p>4.1. The Committee considers the 30-day</p>	<p>The reform does not modify the corresponding</p>

⁶⁷ COM(2021)206 final.

⁶⁸ https://taxation-customs.ec.europa.eu/customs-4/international-affairs/eu-measures-following-russian-invasion-ukraine_en

<p>deadline for a customs authority to simply verify whether the conditions for the acceptance of an application for a decision are fulfilled to still be long, and takes the same view regarding the 120-day deadline for taking a decision after the application is accepted. This is not in line with the objective of streamlining the customs system, and the deadlines should be further reduced.</p>	<p>rules currently in force, since the 2022 UCC evaluation found that the introduction of common, binding time-limits for taking customs decisions was seen as a major positive aspect of the Regulation laying down the Union Customs Code⁶⁹ (EU) by many stakeholders. Also, the evaluation did not find that the time-limits for taking customs decisions are not appropriate. It found on the contrary that stakeholders greatly appreciated the benefits deriving from removing a scenario in which applicants had to wait for an unknown and potentially indefinite period of time for customs administration to process their applications, the uncertainty around the time frames being sometimes a burden on traders). Therefore, the Commission does not consider necessary to modify these rules.</p>
<p>4.2. (...) the EESC does not agree with the proposal to consider an application denied if the customs authority fails to respect the set deadlines for communicating its decision. (...) Contrary to the current proposal, the Committee thinks it more suitable that any application should be considered accepted if the customs authority fails to respect the set deadlines.</p>	<p>The consequences of the administrative silence in respect of an application for a customs decision may be different from Member State to Member State. The Regulation laying down the Union Customs Code⁷⁰ is silent about this, which creates a situation of legal uncertainty for economic operators. The Commission proposes a solution to close this gap in line with general principles of administrative law which do not provide for a general rule whereby an application should be considered accepted if customs fail to respond within the set deadline. The current proposal protects the applicant in that it creates an attackable act.</p>
<p>4.3. The Committee deems it necessary to establish which authority decides whether the conditions set out in point (c) of the second subparagraph of Article 6(6) of the proposal are met. Furthermore, the ambiguity in point (f) of the same second subparagraph of Article 6(6) leaves room for any kind of</p>	<p>The competent authority as per Article 6(6)(c) is the one of the place of establishment of the applicant, as stated in Article 6(1) third subparagraph (standard rule).</p> <p>The Commission would like to clarify that there is no change in Article 6(6) compared to the current UCC rule, since no specific problems were</p>

⁶⁹ Regulation (EU) 952/2013.

⁷⁰ Idem.

<p>interpretation. The EESC deems that these aspects should be clarified within the Regulation itself, and not by means of delegated acts (as is proposed for point (f)).</p>	<p>identified in the 2022 UCC evaluation on this aspect. The specific cases referred to in Article 6(6)(f), where the right to be heard does not apply, are already regulated in the Regulation as regards detailed rules concerning certain provisions of the Union Customs Code⁷¹. Therefore, the room for manoeuvre for Member States is very limited.</p>
<p>4.4. The EESC deems it necessary to establish within this Regulation the "reasonable period of time" within which the authorities are to be deemed to have released the goods where they have not selected them for any control, as mentioned in paragraph 6 of Article 60, rather than adopt delegated acts in accordance with Article 261.</p>	<p>The Commission remains open to further discussions on whether this aspect should be regulated in the basic act or in delegated rules.</p>
<p>4.5. The Committee calls for clarification on the make-up, remit and possible budgetary implication of the crisis response cell that is to be permanently available during crises (Article 204).</p>	<p>The specific title on crisis management is meant to provide for solutions to crisis situations directly in the UCC. The EU Customs Authority will elaborate appropriate procedures and protocols to address crisis situations in a uniform way (e.g. application of common risk criteria, mitigation measures and collaboration framework). However, the adoption of binding measures will remain with the Commission, via implementing decisions. These measures may consist in stricter, or more flexible rules according to the type of crisis to face.</p>
<p>4.7. (...) the Committee finds the criteria for granting the status of AEO set out in Article 24 to be vague and subject to interpretation</p>	<p>The Commission disagrees with this statement as the proposal is meant to address the shortcomings identified in the UCC evaluation, the Authorised Economic Operator (AEO) fact-finding visits that were conducted by the Commission in 2019/2022 to take stock of the implementation practices and potential weaknesses of AEO programme (with the aim to improve the concept and its harmonised implementation) and the European Court of</p>

⁷¹ Regulation (EU) 2446/2015.

	<p>Auditors Audit on the AEO Programme (Special report No 13/2023). The reform maintains and reinforces the AEO rules in force today, with stronger requirements on monitoring the AEO status to reduce the considerable discretion leading to divergent practices among Member States today. Technical improvements regarding the criteria as such, the performance measurement, the management of the programme, in particular the granting of benefits, are also introduced with the goal to ensure uniform application.</p>
<p>4.9. The EESC considers that the timeframe for implementing the new concept of traders could be reduced, should the data hub be available before 2032.</p>	<p>The Commission notes the suggestion to anticipate the implementation of the reform, which depends on several procedural, legal and technical factors. It reminds that the Data Hub should be available in the first phase for e-commerce transaction as from 2028.</p>
<p>4.13. The EESC (...) calls for a system that will protect sensitive data from being released outside this context and full accountability for the entities and persons that will have access to sensitive data within the Hub.</p>	<p>Title III of the proposal includes extensive data protection provisions that were validated by the European Data Protection Supervisor (EDPS). Sensitive data, that is, data revealing ethnical origin, religious beliefs, etc. should not be at all part of the data used by customs in its controls, nor it will be part of data required to clear goods. Moreover, the data hub foresees very strict criteria for the access to any kind of data, not only personal data.</p>
<p>4.14. The EESC considers that each authority should designate a specific contact point, person or persons (...) calls on the Commission to make this mandatory through implemented acts, as mentioned in Article 31(14), including full accountability for the authority's contact point, person or persons with access to sensitive data.</p>	<p>The possibility for the authority concerned to designate a specific contact point in the context of the data protection measures for the EU Customs Data Hub is already foreseen in the proposal, with the empowerment for implementing rules laid down in Article 31(14)(d). However, the mandatory nature of such 'appointment' can be discussed further.</p>
<p>4.17. The Committee sees fit to have a common data analytics system for interpreting such large amounts of data, including data mining programmes in the EU</p>	<p>The Commission agrees to the suggestion. The EU Customs Data Hub will include applications for activities like data analytics, data miners, <i>inter alia</i>.</p>

<p>Customs Data Hub.</p>	
<p>4.18. (...) Data analytics programmes must be set up even before the EU Customs Data Hub becomes operational.</p>	<p>The Commission welcomes the suggestion.</p> <p>Such work is already being carried out in the Commission, as indicated in the 2020 Customs Action Plan with the initiative on the EU Joint Analytics Capabilities and ICS2 analytics. Outcome of this work will be integrated and further developed in the EU Customs Data Hub.</p>
<p>4.22. EU companies should be granted unrestricted access to all laws, regulations, guidelines, and pertinent advice concerning their customs-related operations, regardless of their location within the EU(...)</p> <p>The EESC specifically asks for a designated role for the EU Customs Agency in supporting SMEs, which should be added to Article 208 of this Regulation.</p>	<p>The EU Customs Authority will not have a direct connection with traders, including small and medium-sized enterprised (SMEs). But it will endeavour to ensure the customs legislation is implemented in a uniform way by providing, <i>inter alia</i>, practical and operational guidance to Member States Customs Authorities.</p>
<p>4.23. The EESC considers that the member designated by the European Parliament within the Management Board of the EUCA, as proposed in Article 212(2), should have the right to vote, and that all of the other members of the Board should have equal rights.</p> <p>It is not clear or mentioned if the members of the EUCA Management Board are to be remunerated for their work, nor the origin of the funding.</p>	<p>The Commission notes the recommendation, but would like to recall the following:</p> <ul style="list-style-type: none"> - Given that the customs union is an EU exclusive competence, a stronger role for the Commission in the Management Board in relation to specific tasks that are not policy related is needed. A stronger Commission role for selected key administrative matters has been recommended by the European Parliament in past discharge resolutions. - The Joint Statement and Common Approach on EU decentralised agencies endorsed by the three institutions in July 2012 provides where appropriate the presence of a member designated by the European Parliament in the Management Board. However, the common approach does not foresee voting rights for the European Parliament. The Parliament is fully involved in determining the budget for the agency through the budgetary procedure. Furthermore, the European Parliament, and exercises control ex post on each decentralised agency through the discharge procedure for that agency. If the Parliament also

	<p>seeks a vote in the management board of the agency, it would be both responsible for the management of the agency and then control this through the discharge of that same agency. These are conflicting roles that must be avoided.</p>
<p>4.24. The EESC considers that all of the decisions of the Managing Board should be taken by unanimity. If that is not possible, decisions should be taken on the basis of a majority of 2/3 of the votes, and the Commission votes should never have the power to overrule. All of the members of the Board should have equal voting power. Similarly, the decisions within the Executive Board should not be conditioned by the need for one positive vote from one of the Commission's representatives.</p>	<p>The Commission disagrees with the suggestion:</p> <p>The Commission would like to stress that the voting rules for the Management Board included in the proposal are in line with the above-mentioned Common Approach: the default is absolute majority voting except for appointing Executive Director, Single Programming Document and the budget, for which a 2/3 majority applies. An unanimity requirement would make decision-making in the Management Board more difficult and burdensome and would therefore result in less efficiency.</p> <p>The Commission has proposed a strengthened role of the Commission in the Management and Executive Board in relation to specific administrative issues, also taking into account that the EU Customs Authority will be established in an area of exclusive Union competence.</p>
<p>4.25. Should the EU Customs Authority proposal be given the green light, the EESC sees no reason to wait until 2028 for it to become operational (Article 238) and urges that it become operational two years after the entry into force of this Regulation (even one year after could be possible).</p> <p>The same goes for the deadline of January 2032 for traders to utilise the EU Customs Data Hub.</p>	<p>The Commission welcomes the Committee's support but needs to balance ambition with realism.</p> <p>It is foreseen that the EU Customs Authority already is established in 2026 and would become operational in 2028. This would leave a period of approximately two years between adoption of the founding act and start of operations, which could be devoted to the activities necessary for starting up the new body. The Commission shall be in charge of the setting up of the EU Customs Authority and executing tasks like preparation of first budget, the selection procedure for Executive Director, nominations of Management Board and Executive Board members, preparation of headquarters building, recruitments of staff, etc.</p> <p>As regards the EU Customs Data Hub, the planned date for having data hub capabilities for</p>

ecommerce is 2028, which reflects the time needed to adopt the proposal and the delegated and implementing rules for the implementation of the data hub itself. The same goes with the entry into application of the EU Customs Data Hub for other traders in 2032.

Bringing the Hub into operation is not a purely technical exercise. It involves a significant transformation of working methods to be synchronised across independent actors including: the Member States customs and other authorities which depend on customs; all traders (meaning, all of the EU's import and export operations); the EU Customs Authority.

The Hub will create a platform enabling far quicker and cheaper change in future, because it will directly host the processes. However, the transition from the current model requires changes from the current legacy of trade and customs IT systems and business processes. These are not in the control of the Commission or the EUCA and are not uniform today. While it could be technologically feasible to make a Hub as such available sooner, it could not be made to work properly without working through the business process redesign with the operating actors, allowing time for the ensuing IT and process adaptations on their side, and delivering in parallel the supporting implementing and delegated acts to ensure clarity and certainty. An early 'big bang' would likely fail due to lack of readiness of essential actors, or agreement on operational details.

N°24 Patent package COM(2023) 221 final COM(2023) 222 final COM(2023) 223 final COM(2023) 224 final COM(2023) 231 final COM(2023) 232 final EESC 2023/2306 – INT/1035 581st Plenary Session – September 2023 Rapporteur: Rudolf KOLBE (AT-III) DG GROW – Commissioner BRETON	
Points of the European Economic and Social Committee opinion considered essential	European Commission position
<p>The follow-up given by the Commission to this opinion will be included in a subsequent report.</p>	

N°25 For a resilient, sustainable and responsible European Union supply chain of critical raw materials
(Own-initiative opinion)
EESC 2023/879 – INT/1021
581st Plenary Session – September 2023
Rapporteur: Cinzia DEL RIO (IT-II)
DG GROW – Commissioner BRETON

Points of the European Economic and Social Committee opinion considered essential

European Commission position

The follow-up given by the Commission to this opinion will be included in a subsequent report.

<p>N°26</p>	<p>The Single Market at 30 – how to further improve the functioning of the Single Market (Exploratory opinion requested by the Swedish Presidency) EESC 2023/148 – INT/1011 578th Plenary Session – April 2023 Rapporteur: Felipe MEDINA (ES-I) Co-rapporteur: Angelo PAGLIARA (IT-II) DG GROW – Commissioner BRETON</p>
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.3. The ongoing geopolitical challenges will have an influence on the functioning of the Single Market, supply systems and the resilience of the European economy. The EESC welcomes the move to reduce critical dependencies on third countries and calls on the European Commission to adopt all necessary measures to update European industrial policy by preserving and strengthening the Single Market and benefits for consumers, workers, and businesses.</p>	<p>The Commission continuously assesses the possible need for policy action to strengthen the Single Market and to ensure the competitiveness and resilience of the EU. It presented its overall vision in the context of the current geopolitical landscape and corresponding initiatives in its Communication ‘The Single Market at 30’⁷².</p> <p>For instance, the Green Deal Industrial Plan for the Net-Zero Age complements the ongoing efforts to transform the industry under the EU Industrial Strategy. The Plan aims notably at securing the volumes needed for critical raw materials and ensuring that users can benefit from the low costs of renewables and is underpinned by the new initiatives on critical Raw Materials Act and a Net-Zero Industry Act. Both acts aim at raising the resilience in supply chains of the Single Market with the latter strengthening its attractiveness for investments in the manufacturing capacity of net-zero technologies</p> <p>The Commission’s Communication ‘The</p>

⁷² European Commission, *The Single Market at 30*, COM(2023) 162, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2023:162:FIN>

	<p>Single Market at 30’ emphasises that the full functioning of the Single Market underpins the EU’s prosperity through constituting the essential foundation of long-term competitiveness. The Communication ‘Long-term competitiveness of the EU: looking beyond 2030’⁷³ places the Single Market at the core of the EU competitiveness, being conducive to safe and quality products as well as high labour and environmental standards. The Communication also identifies trade and open strategic autonomy as one of the main drivers of long-term competitiveness. As part of this, the Communication points to reducing trade dependencies on critical raw materials as well as other strategic products and technologies, including by continuing to build partnerships to strengthen supply chains.</p>
<p>1.6. [...] The EESC believes that a review should be carried out at the preliminary stages of European legislation – a compulsory impact analysis prior to any legal initiative, and a public consultation – to make the initiative more transparent and improve its objectives. Along the same lines, the Better Regulation agenda and REFIT programme should concentrate on achieving greater openness and integration of the markets for goods and services, to achieve the greatest benefit for citizens and the European economy, -analysing if superfluous legislation exists and concentrating mainly on those areas where harmonisation is necessary and enhancing existing social protection legislation.</p>	<p>As part of its better regulation policy, the Commission launches a public ‘Call for Evidence’ at an early stage. It sets out a preliminary analysis of the main elements for feedback by the interested public, which is also published. As a rule, an impact assessment is conducted for initiatives that are likely to have significant impacts and it includes a public consultation.</p> <p>In the regulatory fitness and performance programme (REFIT), the Commission presents every year an overview of its efforts to simplify or remove superfluous legislation. The aim of the programme is that EU laws deliver on their objectives at a minimum cost for the benefit of citizens</p>

⁷³ European Commission, *Long-term competitiveness of the EU*, COM(2023) 168, <https://eur-lex.europa.eu/legal-content/DE/TXT/PDF/?uri=CELEX:52023DC0162>

<p>4.1., 6.3.</p>	<p>and businesses. The Commission presents every year an overview of its efforts for simplification and burden reduction in the Annual Burden Survey.</p> <p>The Commission, in its recently presented long-term Competitiveness Strategy, has further committed to rationalise reporting obligations and reduce burden from reporting obligations by 25% with the aim to further alleviate the burdens on businesses and citizens. In the same strategy, a new competitiveness check has also been introduced, which presents in an integrated and transparent ways the relevant impacts on competitiveness of businesses.</p> <p>The Commission pays great attention to improving the quality and efficiency of its notification systems aimed at prevention of barriers to trade through national legislative proposals. In cooperation with Member States, it continues to improve the notification procedures.</p>
<p>1.7. The EESC considers that greater emphasis must be put on implementation, simplification and enforcement, especially regarding Member States. The EESC calls on them to strictly implement and enforce common rules and avoid further national regulations when these are not necessary.</p> <p>1.9. The EESC considers that the existing number of legal instruments available to the European Union to defend its internal market are sufficient and commensurate with needs: the TRIS procedure, mutual recognition of legislation, SOLVIT, the 28th regime, the complaints procedure, CEN-CENELEC, standards, etc. These are essential instruments for the protection of the Single Market, but their potential is not always exploited as they must be more</p>	<p>The Commission has announced in its Communication ‘The Single Market at 30’ the design of an early warning system (Supply-chain Alert Notification Monitoring System) with the goal of providing evidence for policy to be better prepared for improved resilience and that it would monitor progress towards maximising the Single Market’s benefits in the context of the new realities.</p> <p>Additionally, the Communication underlines the critical importance of correct and timely transposition of EU law. To this end, the Commission is pursuing a strategic approach to enforcement and will continue to monitor and promote an ambitious implementation of Single Market rules.</p>

<p>efficient and useful.</p>	<p>The Commission recently published its stocktaking report⁷⁴ on its methods for monitoring the application of EU law, its Annual Report⁷⁵ on monitoring the application of EU law⁷⁶ and the Single Market Scoreboard for 2022⁷⁷.</p> <p>The stocktaking exercise identified areas for improvement in the way the Commission and Member States ensure enforcement and implementation of EU law. It recommended, for example, an increased support to Member States for the implementation of EU law, reinforced transparency of the Commission's enforcement actions and a more systematic monitoring of the implementation of regulations. The Commission will now start its work to put the recommendations in practice.</p> <p>The stocktaking report also concludes that many of the instruments listed by the Committee (SOLVIT⁷⁸, Complaints, etc.) play an essential role in the implementation of EU law, and proposes recommendations to make some of them more efficient (e.g. complaints-handling).</p> <p>The Communication 'The Single Market at 30' recommended that especially SOLVIT should be fully exploited, including urgent action by Member States to ensure that national SOLVIT centres be adequately resourced. The Commission proposed in this Communication also that each Member State should establish a dedicated Single Market Office to address Single</p>
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⁷⁴ https://commission.europa.eu/publications/stocktaking-report-commission-working-methods-monitoring-application-eu-law_en

⁷⁵ https://commission.europa.eu/law/application-eu-law/implementing-eu-law/infringement-procedure/2022-annual-report-monitoring-application-eu-law_en

⁷⁶ https://commission.europa.eu/publications/2022-annual-report-monitoring-application-eu-law_en

⁷⁷ <https://single-market-scoreboard.ec.europa.eu/>

⁷⁸ https://ec.europa.eu/solvit/what-is-solvit/index_fr.htm

	<p>Market barriers complementarily to tools such as SOLVIT.</p> <p>The Commission reaches out to Member States to provide them with additional support aimed at improving the application of the TRIS notification (prevention of technical barriers to trade) procedure. Recently, the Commission launched the Single Notification Window, an on-line platform allowing for a single-entry point to all relevant notification procedures in the Single Market.</p> <p>The Internal Market Information system (IMI) facilitates cross-border administrative exchanges between thousands of public administrations. IMI keeps expanding beyond the 19 policy areas and the 95 administrative procedures already supported, proving to be an efficient tool for the implementation and enforcement of single market rules.</p>
<p>1.8. The EESC urges the Commission to evaluate each regulation in terms of its contribution to the competitiveness of companies and the well-being of citizens, and to identify barriers to be systematically removed and eliminated.</p> <p>6.4.</p>	<p>The Commission systematically evaluates EU legislation, according to the legal provisions, and when revising existing legislation, in line with the evaluate-first principle. Evaluations assess the five criteria, which are: effectiveness, efficiency, EU added value, relevance and coherence. This includes competitiveness of companies and well-being of citizens, where relevant. Lessons learnt from evaluations inform impact assessments. In 2022, the evaluate-first principle has been respected in 90% of the cases scrutinised by the Regulatory Scrutiny Board, which means that evaluations have been further mainstreamed into the policy development process and culture of the Commission⁷⁹.</p>

⁷⁹ European Commission, *Regulatory Scrutiny Board - Annual Report 2022*, Publications Office of the European Union, 2023, https://commission.europa.eu/system/files/2023-05/RSB_2022_1.pdf

1.5. [...] In spite of a huge effort regarding the implementation of the Single Market rules, most of the regulatory burden continues to be generated at national level. [...] the EESC recommends that the EU institutions act more proactively and swiftly to come up with legislation in time to foster harmonisation. [...] In this connection, the EESC highlights that TRIS mechanism should be reinforced [...]

4.4., 4.6.-4.7. and 6.8.

Many burdens relate indeed to national regulation as well as administrative practices, which, in the first instance, have to be addressed directly by Member States. Many such barriers are not amenable to legislative harmonisation and hence reducing obstacles at national level remains the major objective.

The Commission strives to eliminate remaining obstacles to free movement and to adapt the market to new developments such as the digital transformation and the transition to a less carbon-intensive and more sustainable economy.

For example, burdensome administrative requirements for posting workers have been identified as a persisting barrier. Against this backdrop, the Commission has started working with a large group of Member States with a view to voluntarily introducing a common e-declaration for posted workers. The Commission is urging all Member States to work towards finalising their work on the common list of information requirements by end of 2023 for the implementation to be feasible in 2024.

The Technical Support Instrument, which is the EU programme that provides tailor-made technical expertise to EU Member States to design and implement reforms, helps Member States to improve public administration and create an enabling business environment.

The Once-only Technical System will ensure that a document submitted once to a public administration can be safely transferred to other public administrations.

	<p>To improve compliance with Single Market rules, the Commission intends to simplify the notification obligations of Member States by setting up a single-entry point for Single Market notifications. Guidance and information technology solutions have been improved to facilitate compliance with notification obligation under the Services Directive. An updated version of the TRIS was introduced on 16 May 2023 to ensure a more seamless communication between all relevant partners and the publication of Commission and Member States' reactions to notified drafts.</p> <p>The Commission proposes also that each Member State establishes a dedicated Single Market Office, that, with senior leadership and appropriate resources, should proactively raise issues and propose solutions within the national decision-making system to prevent unintended impediments to cross-border business to arise.</p> <p>The Commission intends to explore with Member States how to make best use of the Proportionality Test Directive for services at large instead of just for professions by adapting the Services Directive notification tool and providing additional guidance to Member States on applying the proportionality criteria.</p> <p>These accelerating measures together with those mentioned in reply notably to points 1.7. and 1.9. are expected to resolve issues more efficiently.</p>
<p>1.10. [...] The EESC recommends enhancing cooperation and agreements with like-minded countries.</p>	<p>Trade agreements with New Zealand, and Chile have been concluded in 2022. Negotiations are advanced with Australia, Indonesia and India.</p> <p>In line with the EU's Action Plan on</p>

	<p>Critical Raw Materials, the EU has been developing Memoranda of Understanding with resource-rich third countries in the area of raw material value chains. In particular, the EU has signed such Strategic Partnerships with Canada (2021), Ukraine (2021), Kazakhstan (2022), Namibia (2022), Argentina (2023) and Chile (2023) with more partnerships expected to be signed in the coming months. This is in line with the upcoming Critical Raw Materials Act which foresees dedicated partnerships with third countries in this area.</p> <p>The Net-Zero Industry Act also foresees dedicated partnerships with third countries.</p>
<p>1.11. In the area of goods and services, the EESC recognises the positive impact of joint purchasing [...] These kinds of [...] must be clearly supported by the EU institutions.</p> <p>6.9. [...]</p>	<p>The Commission continuously seeks to improve public procurement rules and practices in the EU, including monitoring the application of public procurement law, education and advisory activities, and specific aspects like aggregation, which concerns both joint purchasing and the use of Central Purchasing Bodies.</p> <p>The Commission launched in April 2023 the Public Buyers community⁸⁰, stimulating proactively the collaboration among public buyers and with the specific aim these buyers obtain better prices and higher quality goods and services together.</p>
<p>1.14. The EESC [...] believes that the best way to provide new momentum to European industrial policy and investment in green technologies is to develop a European Sovereignty Fund.</p>	<p>The Temporary Crisis and Transition Framework ('TCTF') adopted on 9 March 2023, and amended on 20 November 2023, allows further flexibility for Member States to grant aid limited in the form of investment support for manufacturing of net-zero technologies in the EU, on a temporary basis and in a transparent</p>

⁸⁰ <https://public-buyers-community.ec.europa.eu/>

	<p>manner. This framework maintains incentives to invest in less developed regions, to avoid a subsidy race within our own EU Single Market. On 20 June 2023, the Commission proposed a regulation establishing the Strategic Technologies for Europe Platform (STEP).⁸¹ It will improve access to for finance strategic projects in clean technology, deep/digital technologies and biotechnologies and will serve as a precursor to a fully-fledged Sovereignty Fund that would be created in the future.</p>
<p>1.15. [...] the EESC considers that a necessary reflection on the criteria for allocating State aid, their effects, their utility, and their resilience must be deeply analysed. [...].</p>	<p>The State aid Scoreboard is the Commission’s benchmarking instrument for State aid. It was launched in July 2001 to provide a transparent and publicly accessible source of information on the overall State aid situation in the Member States and on the Commission's State aid control activities.</p> <p>In addition, State aid rules stipulate that for certain large or novel measures, an evaluation by the Member State needs to take place.</p> <p>New State aid rules are in principle adopted in line with the Better Regulation Guidelines. If this is not possible due to urgency, such as for crises frameworks, the Commission monitors closely how those frameworks are used and adjusts where necessary. The Commission published its finding in several policy briefs which are available on its website.</p>
<p>5.4. [...]The EESC asks for a redesign of employment and skills support measures and investment in the skill sets of future workers [...].</p>	<p>The EU Pact for Skill is the first flagship action under the EU Skills Agenda. It fosters cooperation among all stakeholders for investments in skills for all working-</p>

⁸¹ European Commission, *Proposal for a regulation establishing the strategic technologies for Europe Platform*, COM(2023)335, https://commission.europa.eu/system/files/2023-06/COM_2023_335_1_EN_ACT_part1_v11.pdf

	<p>age people. 18 large-scale partnerships of stakeholders in all 14 ecosystems have joined the Pact for Skills. They have committed to up- or re-skill at least 10 million people. Altogether the Pact has over 1 500 member organisations, including large multinational companies, small and medium-sized enterprises, local training providers and chambers of commerce.</p> <p>The Pact works in synergy with other EU initiatives promoting cooperation on skills, such as the European Alliance for Apprenticeships, the Blueprints for Sectoral Cooperation on Skills, the Centres of Vocational Excellence and the Digital Skills and Jobs Coalition.</p> <p>The Pact can help members access significant EU funding opportunities to support upskilling actions. These include the European Social Fund+ to adapt employees and companies to changes in the labour market and to reskill people out of work; the European Regional Development Fund to support industrial transformation; the Just Transition Fund to reskill workers in regions affected by economic and environmental transition.</p> <p>As stated in the Green Deal Industrial Plan, the Commission will explore how better to align public and private financial support for skills development, including the treatment of training expenditure by companies as an investment.</p>
<p>5.5. Digital infrastructure is crucial [...] The EESC therefore invites the European Commission [...] to overcome the existing digital divide in the EU. [...]</p>	<p>The Commission shares the view that the availability of digital infrastructure is a crucial precondition for the digital transformation of our businesses and</p>

	<p>society.</p> <p>The Commission's Digital Decade Policy Programme (DDPP)⁸² has two targets for 2030 to provide ubiquitous coverage with digital infrastructures in the EU and thus overcome the existing digital divide: i) gigabit for everyone and ii) at least 5G in all populated areas⁸³. Additionally, the Digital Decade Policy Programme (DDPP) includes two targets for 2030 to help digitalising small and medium-sized enterprises and closing the digital divide: i) more than 90% of SMEs with at least a basic level of digital intensity and ii) 75% of EU companies using Cloud, AI, or Big Data..</p> <p>To reach these targets, the Commission and Member States are investing in the network of European Digital Innovation Hubs (EDIHs). EDIHs are one-stop shops that provide tailor-made digitalisation support to low- and high-digitalised SMEs and public sector organisations in different Member States and sectors.</p> <p>As of today, 151 hubs were selected to receive funding from the Commission's Digital Europe Programme⁸⁴ (DIGITAL), that is dedicated to support the roll out of digital technologies across the economy. Additional 77 hubs that received a 'Seal of Excellence' for their good quality but could not be funded through DIGITAL will</p>
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⁸² Decision (EU) 2022/2481 of the European Parliament and of the Council of 14 December 2022 establishing the Digital Decade Policy Programme 2030, <https://eur-lex.europa.eu/eli/dec/2022/2481/oj>

⁸³ To support and create the right framework for ensuring that the targets are met, the Commission presented in February 2023 a set of actions including: 1) a [proposal for a 'Gigabit Infrastructure Act'](#), a regulation that will put forward new rules to enable faster, cheaper and more effective rollout of Gigabit networks across the EU; 2) a [draft Gigabit Recommendation](#), to provide guidance to National Regulatory Authorities, in order to incentivise faster switch-off of legacy technologies and accelerated Gigabit networks deployment.and 3) an [exploratory consultation on the future of the connectivity sector and its infrastructure](#).

⁸⁴ Regulation (EU) 2021/694 of the European Parliament and of the Council of 29 April 2021 establishing the Digital Europe Programme and repealing Decision (EU) 2015/2240, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32021R0694>

	<p>be funded by Member States through their own budget or other available EU funds such as the Recovery and Resilience Facility and the European Regional Development Fund.</p> <p>The Network of EDIHs will be extended to countries associated to DIGITAL. A call for EDIHs in associated countries was published on Funding & Tenders⁸⁵ and will be open from 20 December 2023 until 10 April 2024. The following associated countries will have access to the call: Albania, Kosovo⁸⁶, Montenegro, North Macedonia, Serbia, Türkiye and Ukraine.</p>
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⁸⁵ [Funding & tenders \(europa.eu\)](#)

⁸⁶ This designation is without prejudice to positions on status and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

<p>N°27 Green Deal Industrial Plan COM(2023) 62 final COM(2023) 161 final EESC 2023/1157 – INT/1027 580th Plenary Session – July 2023 Rapporteur: Sandra PARTHIE (DE-I) SG.D1/DG GROW – President VON DER LEYEN/ Commissioner BRETON</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.2. [...] The EU therefore has to reassess its policy priorities to improve its structural and sustainable competitiveness. In view of the need to strengthen the competitiveness of EU businesses, a competitiveness check must be embedded in the EU's decision-making processes, ensuring a balance between the economic, social and environmental dimensions of the decision-making processes for legislative proposals.</p>	<p>In an increasingly challenging geopolitical context, the EU needs to build on its strengths and achieve more than merely catching up on growth and innovation. In the Communication ‘Long-term competitiveness of the EU: looking beyond 2030’⁸⁷, the Commission proposed to work along nine mutually reinforcing drivers. The Commission also announced a new competitiveness check ensuring that the impact assessments present in an integrated manner the expected impacts on competitiveness.</p>
<p>1.3. The EESC is convinced that it will not be possible for either the Green Deal, the Digital Decade, or the industrial, space or automotive sectors to be successful in the future without a strong industrial base. Nor will it be possible without secure and sustainable sources of critical raw materials. As a priority, the EESC asks for an audit to be carried out to identify how the EU can control and improve its value chains and avoid excessive dependencies</p>	<p>Strengthening EU’s industrial basis to accelerate EU’s twin transition has been one of the pillars of the Commission’s industrial strategy and the Green Deal Industrial Plan (GDIP).</p> <p>Following COVID-19, the Commission has regularly monitored its key supply chains and assessed EU’s strategic dependencies⁸⁸. The Commission has also put forward legislative and non-legislative actions to enhance EU’s capacities, including the Chips Act and the Net Zero Industry Act; and to ensure an effective</p>

⁸⁷ COM(2023) 168 final.

⁸⁸ SWD (2022) 41 final. SWD (2021) 352 final.

	legislative framework for crisis management with the Single Market Emergency Instrument.
<p>1.7. Public procurement and decisions on how to disperse public funding are important tools for steering industrial policy. It must be ensured that the respective decisions by EU Member States, including State aid and subsidies, do not distort the single market or threaten economic convergence and social cohesion across the EU, but rather target regional development. The EESC criticises the fact that the current Commissions proposals on the Green Deal Industrial Plan (GDIP) and the Net-Zero Industry Act (NZIA) do not take this sufficiently into account.</p>	<p>The Commission agrees that public procurement and funding decisions by EU Member States should not distort the single market or threaten economic convergence and social cohesion.</p> <p>The economic impact of the COVID-19 outbreak and Russia’s war of aggression against Ukraine has been severe and unprecedented. The Commission took swift action by adapting the rules to support those that need it, while preserving a level playing field in the Single Market. A Temporary Crisis and Transition Framework was adopted on 9 March 2023, and amended on 20 November 2023, which gives further flexibility for Member States to grant State aid limited to carefully defined areas, on a temporary basis and in a transparent manner. These temporary efforts allow for crucial support and investments needed to withstand and recover from crisis, move away from fossil fuels and develop a net-zero economy.</p>
<p>2.4. The global economic context has changed dramatically in recent years; the EU can no longer rely on a functioning multilateral rules-based economic and trade system but faces increasing global market distortions, due to measures such as the US Inflation Reduction Act [...], or the longer-standing protectionist Chinese subsidy regimes, [...]. The EU has to respond forcefully and identify the political tools, measures and instruments it needs to become faster, more innovative and attractive once again for investors, while</p>	<p>The Commission is aware of the need to accelerate investments in GDIP priorities and to channel public resources where they are needed the most. To this aim, it recently proposed a Strategic Technologies for Europe Platform (STEP)⁸⁹. STEP will help direct EU funding at the identified investment needs of EU industry while preserving the level playing field in the Single Market, including by creating a Sovereignty Portal aimed at simplifying access to EU funding opportunities. It complements the GDIP to speed up access</p>

⁸⁹ COM(2023) 335 final.

<p>maintaining its social and environmental values.</p> <p>3.2.2. The EESC therefore highlights that funding support needs to be workable, timely, and more easily accessible for both operating costs and capital expenditure, for all sizes of enterprises, including SMEs. It calls for an evaluation of existing instruments with the aim of identifying and ramping up the most successful ones. The EESC believes that the GDIP needs to identify when and where public finance is essential for supporting the transition of important industries based on clear conditions, and conversely where private finance can fill the gap, provided the appropriate regulatory incentives are put in place</p>	<p>to funding for the net zero industry, including investments in the supply of critical raw materials. At the same time, private investment will be essential to meet the goals of the GDIP.</p>
<p>2.6. [...] We welcome the focus that the NZIA puts on the skills and human resources gaps that are currently slowing the transition down. However, how the stated goals and objectives are to be implemented, and what effective actions will be taken, remain unaddressed.</p>	<p>The third pillar of the Green Deal Industrial Plan underlines the importance of skills to achieve the green transition and puts forward a number of concrete actions, building on ongoing work such as the implementation of the Skills Agenda. For instance, a new Pact for Skills large-scale partnership on renewable energy was launched in March 2023. The GDIP also refers to the need to attract talents from outside of the EU. This is the objective of the Commission's Skills and Talent Mobility Package, adopted on 15 November 2023⁹⁰. The Net-Zero Industry Act (NZIA) proposal complements these actions by setting the framework for the development of Net Zero Initiative (NZI) Academies, which aim to roll out up-skilling and re-skilling programmes in strategic industries. Work is currently ongoing to set up these Academies, while</p>

⁹⁰ [European Commission adopts Skills and Talent Mobility Package | European Website on Integration \(europa.eu\)](https://european-council.europa.eu/media/en/press-summaries/default/19284.pdf)

	<p>the Skills Academy is already delivering concrete results, achieving important milestones in terms of upskilling and reskilling, aiming to contribute to close the gap of approximately 800 000 workers.</p>
<p>2.7. The EESC therefore calls on the European Commission to be more specific as to what effective actions it intends to undertake to improve locational factors and the competitiveness of Europe's economies and to set the EU apart from its systemic rivals. These actions should focus on improving connectivity within the Single Market for all Member States, including by developing and upgrading infrastructure and interconnections for transport and energy, including grids.</p>	<p>The Commission strongly supports the development and upgrade of infrastructure in order to improve the functioning of the single market and the security of energy supply. On 23 June 2022, the revised Trans-European Networks for Energy (TEN-E) Regulation laying down new EU rules for cross-border energy infrastructure entered into force. In addition, a new call for proposals for key cross-border EU infrastructure projects was launched on 18 April 2023. Moreover, the REPowerEU chapters as part of the Recovery and Resilience Facility (RRF) are envisioned to support critical energy infrastructure in order to accelerate the energy transition and reduce the dependence on Russian fossil fuels.</p> <p>On digital infrastructure, the digital part of the Connecting Europe Facility (CEF Digital) contributes to investing in digital connectivity, in particular in deploying very high-capacity networks (including 5G systems) and deploying new or a significant upgrade of existing backbone networks (including submarine cables).</p> <p>On transport, the proposed revision of the TEN-T Regulation will contribute to increasing connectivity across Europe, fostering the resilience of the transport system and the shift towards sustainable modes of transport.</p>
<p>2.9. The EESC also sees a role for consumers in advancing the transition to net-zero by 2050. Their choices for or against products, and their support,</p>	<p>The Commission also considers the role of consumers to be essential to support the green transition. With the Circular Economy Action Plan, the Commission</p>

<p>tolerance or lack thereof for manufacturing and production conditions in the EU, but also in third countries, are an important element in bringing about change. The EESC supports their empowerment and underlines the need for conscious decisions by consumers.</p>	<p>presented several actions empowering consumers to support and accelerate the transition to net-zero by 2050.</p>
<p>3.1.2. The NZIA proposes a set of measures to improve the enabling conditions for net-zero technology manufacturing, including a simplified regulatory environment with e.g. faster permitting procedures and one-stop shops in the administration. It is critically important for these faster permitting procedures to apply throughout the value chain of net-zero technology projects, without prejudice to the social and environmental objectives set by the Regulation. While the EESC agrees with this approach, it urges the legislators not to limit these improvements to net-zero technologies but to make them the default for all economic sectors.</p> <p>3.1.3 The EESC points out that, ultimately, transforming European industry goes well beyond clean-tech manufacturing, because Europe is home to a lot of energy-intensive heavy and primary industries that need to be decarbonised and are not included in the GDIP. A coherent industrial strategy for Europe consists of inclusive economic growth that ensures that all Member States and regions participate in and benefit from the green industrial transition. Therefore, it is crucial for the GDIP to avoid any fragmentation of the single market and to aim for cohesion between Member States and regions.</p>	<p>As regards 3.1.2., the Commission welcomes the overall support to the permitting provisions and the creation of one-stop shops and takes note of the Committee’s view.</p> <p>As regards 3.1.3. the Commission agrees that it is important to avoid any fragmentation of the single market and to aim for cohesion between Member States and regions.</p> <p>Net zero technologies cover a vast range of energy supply-side, demand-side, grid, storage, and Carbon capture and storage (CCUS) technologies with a technology readiness level (‘TRL’85) above 8. The list was designed to be as broad and technology neutral as possible in the identification of key technologies that are needed to reach EU’s net zero objective by 2050.</p> <p>Beyond clean tech, the Commission is supporting the transition of all industrial ecosystems, including energy intensive ones, in particular through the co-creation of transition pathways.</p>
<p>3.2.4. The EESC suggests that the GDIP should also focus on developing green</p>	<p>The Commission acknowledged in the GDIP that public procurement can play a</p>

<p>public procurement, as this makes public authorities buyers of green products. Resources under the GDIP, including updated national recovery and resilience plans, could cover costs linked to green public procurement, until it becomes a common requirement under EU law. Public support should be subject to conditions which aim to improve environmental protection, support companies in offering quality jobs, promote access to training and create high-quality apprenticeships. Furthermore, it is important to make public procurement calls more accessible for SMEs. To this end, the EESC calls on the Commission to set-up an easy-to-use database.</p>	<p>big role to further stimulate the demand for net-zero products at large scale. In this vein, NZIA seeks to boost diversification for net zero technologies by introducing sustainability and resilience criteria in public procurement and auctions, as well as actions to support private demand. Moreover, the Recovery and Resilience Plans (RRPs) contain measures supporting the green transition amounting to an estimated cost of EUR 252 billion or 50%. This includes, inter alia, measures amounting to EUR 23 billion contributing to the energy efficient renovation of public housing. Such measures directly contribute to greener public procurement. In addition, a number of sectoral legislations currently being adopted include provisions related to public procurement and related to green or social aspects, e.g. the Energy Efficiency Directive recast. Also, the Ecodesign for Sustainable Products Regulation (ESPR) proposal aims at leveraging the weight of public spending to boost the demand for more environmentally sustainable products by setting mandatory criteria for public procurement. At the same time, training and capacity building in the area of green procurement are essential to foster its take up by contracting authorities at any level.</p> <p>Regarding the database, it is recalled that the eForms Regulation introduces – inter alia - the possibility for Member States to collect information on the use of green procurement in public procurement calls above the EU thresholds. The use of the new eForms became compulsory from end October 2023. This should allow the availability of data on green public procurement as long as Member States avail themselves of this possibility.</p>
<p>3.3.1. [...] Against this background the</p>	<p>The Commission takes note of the</p>

<p>EESC calls on the European Commission to recognise the interdependencies between value chains and the role played by chemicals, raw materials, and in particular primary industries and processes in the transition to a net-zero and circular economy. The focus on net-zero technologies must not lead to the creation of new gaps in the European supply chains due to a lack of focus on the needs of other sectors, such as energy-intensive ones. If their concerns, such as high energy prices, are not addressed, the EU risks losing important, perhaps even strategic, parts of industrial ecosystems.</p>	<p>Committee’s opinion. The Net-Zero Industry Act proposal follows a value chain approach, to ensure that the whole value chains underpinning the production of net-zero technologies are supported. The Commission has also on 14 March 2023 proposed measures to revise the rules on electricity market design. It aims at making the EU energy market more resilient and making the energy bills of European consumers and companies more independent from the short-term market price of electricity. This can be done by way of using more long-term contracts, such as power purchase agreements, and investment support should be structured as two-way contracts for difference. The aim is to better protect consumers, accelerate the deployment and better integration of renewables in the energy system, but also to enhance protection against market manipulation stability and predictability of the cost of energy and thereby contribute to the competitiveness of the EU industry.</p>
<p>3.4.3. Regarding the proposal for net-zero academies, the EESC points to existing, well-established qualification and vocational education structures in the EU and underlines that there is no legal basis to introduce (professional) training policy provisions of this kind via a regulation. The draft regulation does not reflect the reality in companies and in the EU Member States, which is also demonstrated by the fact that no continuous involvement of the social partners, nor other relevant organisation is envisaged. While the EESC therefore advocates that education and training aspects of the proposal for a regulation should be dealt with in the framework of a recommendation, as is standard practice in this policy area, the</p>	<p>The NZIA does not create new education and/or training institutions: the proposed Academies will develop learning content and offer this to education and training providers in Member States to use as part of their education and training activities. This is an offer, not an obligation and therefore supports the action of Member States, in line with the Treaties.</p> <p>The NZIA creates a model for co-operation, which actively involves and brings together industry, social partners, and education and training providers (including chambers of commerce) to design and deploy education and training courses to reskill and upskill workers required for net-zero technology industries. Article 25 of the NZIA specifically</p>

<p>Committee calls on the EU institutions to at least actively involve social partners as well as the European chamber network in the activities of European Net Zero Industry Academies and Net-Zero Europe Platform.</p> <p>3.4.4. Calculations by the European Commission show that there is significant job creation potential in net-zero technology, with 180 000 workers needed in fuel cell hydrogen manufacturing, 66 000 in photovoltaic solar manufacturing and 800 000 in battery production. The EESC therefore asks the Commission and Member States to not only support framework conditions for the necessary skills development within the EU, but to also speed up and standardise work permits for qualified workers coming from outside the European Union.</p>	<p>mentions social partners, as one of the stakeholders to be mobilised for the roll-out of the training programmes developed by the Academies. The role of social partners as regards skills is also recognised in several instances in the recitals of the proposal.</p> <p>With reference to promoting the attraction of workers from third countries, Article 25 proposes as one of the tasks of the EU Net-Zero Platform on Skills to promote adequate working conditions in jobs in net-zero technology industries, including the attraction of skilled workers from third countries.</p> <p>On 15 November 2023, the Commission adopted the ‘Skills and Talent Mobility Package’⁹¹, which includes a proposal for an EU Talent Pool to facilitate matching third-country nationals with employers in the EU, and an initiative on the recognition of qualifications of third-country nationals. In addition, legislative negotiations are ongoing on the review of the Single Permit Directive, which addresses migration procedures for migrant workers as well as their rights once in the EU.</p>
<p>3.6.1. Chapter VII of the NZIA proposals sets up a structure, the Net-Zero Europe Platform, intended as a reference body in which the Commission and Member States can discuss, exchange information, and share best practices on issues related to this Regulation. However, the EESC wants to underline that the Commission should seek input not only from experts but predominately from representatives of the net-zero industry and related trade unions.</p>	<p>The Platform is a reference body, in which the Commission and Member States can discuss, exchange information, share best practices on issues related to this Regulation, and in which the Commission may get input from third parties such as experts and representatives e.g., from the net-zero industry.</p> <p>The involvement of and collaboration with third parties and stakeholders from the net-zero industries is foreseen in the Net-Zero</p>

⁹¹ [European Commission adopts Skills and Talent Mobility Package | European Website on Integration \(europa.eu\)](https://european-council.europa.eu/media/en/press-room/item/30247)

<p>The EESC welcomes the push for better coordination and should be involved in the platform, to structurally contribute the views of workers, employers and civil society to its work.</p>	<p>Europe Platform. In addition to Article 25 mentioned above, as regards skills, the NZIA proposal also mentions the role of social partners under Article 10 as regards the selection criteria for the Net Zero Strategic projects.</p> <p>The Net-Zero Europe Platform intends to allow the Commission to coordinate jointly with Member States several actions stemming from the provisions of the proposal and is of the view that Article 29(8) should remain non-committal on the exact list of possible invitees, leaving the nature of the invitees adjustable to the topics addressed in the respective platform meetings.</p>
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<p>N°28 Further enhancing the EU's digital competitiveness (Exploratory opinion requested by the Swedish Presidency) EESC 2023/254 – INT/1010 578th Plenary Session – April 2023 Rapporteur: Gonçalo LOBO XAVIER (PT-I) Co-rapporteur: Philip VON BROCKDORFF (MT-II) DG CNECT – Commissioner BRETON</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.2. The EESC supports the position that the EU needs to provide a favourable business environment, based on a comprehensive strategy that brings together and aligns different policy areas, with competitiveness, the social dimension and impact of business on citizens' welfare being at the forefront. For the EESC, the aim should be to boost digital-driven competitiveness by improving the conditions, on the one hand, for the development and supply of digital solutions by EU enterprises, and, on the other hand, for the adoption and use of digital solutions across the wide variety of EU businesses, including sectors such as manufacturing, transport and logistics, retail, agriculture and construction, just to mention the more relevant ones.</p>	<p>As outlined in the Communication ‘Long-term competitiveness of the EU: looking beyond 2030’ of 16 March 2023⁹², digitalisation is the backbone of future competitiveness, boosting efficiency and innovation.</p> <p>As part of the effort to incentivise the adoption and use of advanced digital solutions by EU businesses, the EU is funding Testing and Experimentation Facilities (TEFs) under the Digital Europe Programme (DEP)⁹³ to test and experiment at scale state-of-the-art Artificial Intelligence (AI) solutions in real world environments. The selected TEFs projects focus on the following high-impact sectors: agri-food, healthcare, manufacturing, and smart cities and communities. Under the DEP, Horizon Europe⁹⁴ and the Connecting</p>

⁹² Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, Long-Term competitiveness of the EU: looking beyond 2030, COM(2023)168 final.

⁹³ Regulation (EU) 2021/694 of the European Parliament and of the Council of 29 April 2021 establishing the Digital Europe Programme and repealing Decision (EU) 2015/2240 (Text with EEA relevance), PE/13/2021/INIT, OJ L 166, 11.5.2021, p. 1–34.

⁹⁴ Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013 (Text with EEA relevance), OJ L 170, 12.5.2021, p. 1–68.

	<p>Europe Facility (CEF2)⁹⁵ programmes, the Commission is supporting the acceleration of research and innovation (R&I) in quantum computing, communication and sensing. These technologies will have a decisive impact in sectors including healthcare, finance, logistics, electronic communications, as well as national security and defence.</p>
<p>1.3. European citizens must be involved in the digital competitiveness strategy and must feel reassured when it comes to one of the most relevant topics regarding digital and data collection: cybersecurity. The EESC is of the view that the EU needs to promote a European data economy by enhancing the availability, accessibility and transfer of data, accompanied by appropriate data protection. To this end, the EU needs a more strategic approach to enable stakeholders to gather, store, pool, share and analyse data securely. It is crucial to accelerate initiatives towards sector-specific cross-European data spaces to enable better analysis and use of data for the benefit of European society, the EU and the competitiveness of its businesses. The data spaces could seed and boost new scalable industrial innovators and start-ups. A well-functioning single market of data is also crucial because it is intrinsically linked to the single market of goods, services, capital and</p>	<p>The European Strategy for Data of 2020⁹⁶ lays down a set of legislative and funding measures aiming at creating a single market for data that will ensure Europe’s global competitiveness and data sovereignty. The two major legislative initiatives stemming from the strategy, namely the Data Governance Act (DGA)⁹⁷ and the Data Act⁹⁸, aim at bringing more data for use and reuse. The DGA⁹⁹ will bring more trust in voluntary data sharing. The Data Act¹⁰⁰ will regulate who can access which data generated in the EU and under which conditions, and thus help more European companies, especially small and medium-sized enterprises, enter the market.</p> <p>Other measures announced in the strategy entail the investment in individuals’ and SMEs’ skills, and the set-up of common European data spaces in sectors and domains of public</p>

⁹⁵ Regulation (EU) 2021/1153 of the European Parliament and of the Council of 7 July 2021 establishing the Connecting Europe Facility and repealing Regulations (EU) No 1316/2013 and (EU) No 283/2014 (Text with EEA relevance), PE/52/2021/INIT, OJ L 249, 14.7.2021, p. 38–81.

⁹⁶ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, A European strategy for data, COM(2020) 66 final.

⁹⁷ Regulation (EU) 2022/868 of the European Parliament and of the Council of 30 May 2022 on European data governance and amending Regulation (EU) 2018/1724 (Data Governance Act), OJ L 152, 3.6.2022, p. 1– 44.

⁹⁸ Proposal for a Regulation of the European Parliament and of the Council on harmonized rules on fair access to and use of data, COM(2022) 68 final.

⁹⁹ The European Data Governance Act entered into force on 23 June 2022, and following a 15-month grace period, will be applicable as from 24 September 2024.

¹⁰⁰ The European Parliament and the Council reached a provisional political agreement on the Data Act on 27 June 2023.

<p>people, as well as to energy and transport systems.</p>	<p>interest.</p>
<p>1.4. For the EESC, investment in a comprehensive, effective and secure digital infrastructure is a necessary foundation for any digital development. That can be clearly seen in other geographic areas that are leading in some fields on a global scale. Besides digital networks, data centres, computing capacity etc., this must also cover access to low-carbon energy and the critical raw materials needed in digital products and systems.</p>	<p>The proposal for a Critical Raw Materials Act¹⁰¹, based on a number of background assessments performed by the Commission and the Joint Research Centre (JRC)¹⁰², aims at securing and diversifying the supply of raw materials for the EU’s climate and digital objectives, ultimately reducing the risks of supply chain disruptions affecting the EU industry and the functioning of the Single Market.</p> <p>While several funding programmes - Recovery and Resilience Facility (RRF)¹⁰³, DEP, CEF2, European Regional Development Fund (ERDF)¹⁰⁴ - already support investment in digital infrastructure, recent studies for the Commission¹⁰⁵ have highlighted the presence of a large investment gap, which is likely to adversely affect the EU competitiveness, towards the realisation of the digital infrastructure</p>

¹⁰¹ Proposal for a Regulation of the European Parliament and of the Council establishing a framework for ensuring a secure and sustainable supply of critical raw materials and amending Regulations (EU) 168/2013, (EU) 2018/858, 2018/1724 and (EU) 2019/1020. COM/2023/160 final.

¹⁰² Study on the Critical Raw Materials for the EU 2023 Final Report available at: <https://ec.europa.eu/docsroom/documents/54114/attachments/1/translations/en/renditions/native> and Supply chain analysis and material demand forecast in strategic technologies and sectors in the EU – A foresight study. Final Report available at: [RMIS - Raw Materials Information System \(europa.eu\)](https://rmis.europa.eu/). See also the factsheets prepared under the SCRREEN project. Available at: <https://screen.eu/crms-2023/>

¹⁰³ Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility, OJ L 57, 18.2.2021, p. 17–75.

¹⁰⁴ Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund, OJ L 231, 30.6.2021, p. 60–93.

¹⁰⁵ In particular, a Study conducted by WIK Consult “Investment and funding needs for the Digital Decade targets”, 2022, estimates that reaching the targets set out in the DDPP for gigabit connectivity would require a total investment of around EUR 148 billion including around EUR 43 billion of public funding if fixed and mobile networks are deployed independently. A further EUR 79 billion in investment may be required to ensure full coverage of transport paths including roads, railways, and waterways, bringing the required total investment to at least EUR 200 billion. The final study report is available at: [Investment and funding needs for the Digital Decade connectivity targets | Shaping Europe’s digital future \(europa.eu\)](https://www.europa.eu/en/press-communications/infographic/investment-and-funding-needs-for-the-digital-decade-connectivity-targets-shaping-europes-digital-future)

	targets set out in the Digital Decade Policy Programme (DDPP) ¹⁰⁶ .
<p>1.6. For the EESC, it is clear that excellence in key technologies requires a significant increase in both public and private investment in research and innovation, the development of world-class RDI infrastructures, the attraction of talent, and the creation of ecosystems based on cooperation between businesses, universities and research institutions. While it is important to enhance the uptake of AI, quantum and other advanced technologies, it must also be recognised that many SMEs face big challenges in adopting even basic digital technologies. The EU and Member States should focus specific efforts on supporting and facilitating the digitalisation of SMEs. This will involve engaging SMEs in innovation hubs, data spaces and business ecosystems. It is also necessary to raise SMEs' awareness of the opportunities provided by digitalisation, the support available for skills development, and the technical expertise and guidance available on the regulation in this area.</p>	<p>To increase the digitalisation level of SMEs in Europe, the DDPP sets out that, by 2030, 90% of SMEs should achieve a basic level of digital intensity and 75% of businesses should take up AI, big data and cloud solutions.</p> <p>To this end, the EU and the Member States are investing a half billion euros over a period of 7 years in the network of European Digital Innovation Hubs (EDIHs)¹⁰⁷, i.e., one-stop shops to provide tailor-made digitalisation support to SMEs and to EU public sector organisations.</p> <p>As of today, 151 hubs were selected to receive funding from Digital Europe Programme. Additional 77 hubs have received a “Seal of Excellence” for their good quality. As they could not be funded through DEP, Member States may fund them via their own budget or other available EU funds, such as the RRF and the ERDF, subject to compliance with State aid rules.</p> <p>To raise awareness, support and facilitate the digitalisation of SMEs, on 31 May and 1 June 2023, the Commission organised the European Digital Innovation Hubs (EDIH) Network Annual Summit, gathering EDIHs, policy makers and public administrators from all over the EU.</p>
1.7. Once again here, the EESC maintains	The Commission fully agrees on the

¹⁰⁶ Decision (EU) 2022/2481 of the European Parliament and of the Council of 14 December 2022 establishing the Digital Decade Policy Programme 2030 (Text with EEA relevance), *OJ L 323*, 19.12.2022, p. 4–26.

¹⁰⁷ Established pursuant Regulation (EU) 2021/694 of the European Parliament and of the Council of 29 April 2021 establishing the Digital Europe Programme and repealing Decision (EU) 2015/2240 (Text with EEA relevance), *PE/13/2021/INIT*, *OJ L 166*, 11.5.2021, p. 1–34.

that people are one of the most important European assets that can change the pace of economic and social development. It is necessary for the Member States to invest decisively in education and training systems, including life-long learning, in order to respond to the current and future needs of both the development and application of digital tools and solutions. The EU must also encourage and facilitate the cross-border mobility of labour and talent, both within the EU and in cooperation with third countries. The EESC also maintains that the "golden years" section of the population must be involved and engaged in this process.

importance of lifelong learning. The European Skills Agenda (2020-2025)¹⁰⁸, with its 12 actions focused on jobs in a green and digital economy, aims at ensuring that the right to training and lifelong learning, enshrined in the European Pillar of Social Rights, becomes a reality across the EU. EU policy action in this area focuses on:

- providing guidance to Member States in equipping people with skills for the green and digital transitions;
- developing tools to support Member States in that objective, such as the recently updated Digital Competence Framework (DigComp)¹⁰⁹ and the SELFIE¹¹⁰ and;
- providing financial support to the development of digital skills through EU-funding through the RRF, European Social Fund Plus (ESF+)¹¹¹ and Erasmus Plus¹¹² in particular.

Throughout the ongoing European Year of Skills¹¹³, the Commission works together with stakeholders and Member States to promote skills development and investments in training and upskilling. One of the objectives is also to attract people from outside the EU with the skills needed and facilitate the

¹⁰⁸ [European Skills Agenda - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](https://european-council.europa.eu/media/en/press-areas/pages/press-release-2020-05-20-01.aspx)

¹⁰⁹ [DigComp Framework \(europa.eu\)](https://european-council.europa.eu/media/en/press-areas/pages/press-release-2020-05-20-01.aspx)

¹¹⁰ [SELFIE | European Education Area \(europa.eu\)](https://european-council.europa.eu/media/en/press-areas/pages/press-release-2020-05-20-01.aspx)

¹¹¹ Regulation (EU) 2021/1057 of the European Parliament and of the Council of 24 June 2021 establishing the European Social Fund Plus (ESF+) and repealing Regulation (EU) No 1296/2013, OJ L 231, 30.6.2021, p. 21–59.

¹¹² Regulation (EU) 2021/817 of the European Parliament and of the Council of 20 May 2021 establishing Erasmus+: the Union Programme for education and training, youth and sport and repealing Regulation (EU) No 1288/2013 (Text with EEA relevance), OJ L 189, 28.5.2021, p. 1–33.

¹¹³ Decision (EU) 2023/936 of the European Parliament and of the Council of 10 May 2023 on a European Year of Skills (Text with EEA relevance), OJ L 125, 11.5.2023, p. 1–11.

	<p>recognition of qualifications of third country nationals. Recognition of qualifications and validation of skills supports the labour mobility within the EU and with third countries.</p>
<p>1.8. To make the regulatory framework contribute to digital competitiveness, the EU must ensure that regulations are fit for purpose, encourage innovation and investment, and provide equal conditions and treatment in the single market. The EU also needs to cooperate with like-minded countries to enhance common international rules and standards. While maintaining high standards, any regulations must be conducive to the successful digitalisation and competitiveness of businesses. The public sector also needs to digitalise its own operations and services, including administrative processes. Speeding up the permit procedures for investments and other business operations is an example of urgent needs where digitalisation would be part of the solution.</p>	<p>On 1 November 2022, the Digital Markets Act (DMA)¹¹⁴ entered into force, offering a fair business environment for business users who depend on gatekeepers to offer their services on the Single Market, and giving innovators and technology start-ups new opportunities to compete and innovate in the online platform environment.</p> <p>The DDPP sets concrete targets regarding the digitalisation of public services, i.e. by 2030, 100% online accessible provision of key public services and, where relevant, possibility for citizens and businesses in the Union to interact online with public administrations and 100% access of Union citizens to their electronic health records and electronic identification means that are recognised throughout the EU.</p>
<p>1.11. The EESC believes that ambitious and challenging key performance indicators are fundamental here to boost and measure the EU's digital competitiveness. The current indicators (based on the Digital Economy and Society Index, DESI) and the targets set in the context of the Digital Compass should be assessed and complemented from the point of view of digital competitiveness, to monitor not only the enablers but also the benefits of</p>	<p>The DDPP aims to accelerate EU's digital transformation by setting out concrete targets and higher level objectives, such as digital inclusion, accessibility, climate action, competitiveness and leadership, etc. Progress towards these is monitored through the Digital Economy and Society Index (DESI)¹¹⁵. The Commission is working with the</p>

¹¹⁴ Regulation (EU) 2022/1925 of the European Parliament and of the Council of 14 September 2022 on contestable and fair markets in the digital sector and amending Directives (EU) 2019/1937 and (EU) 2020/1828 (Digital Markets Act), OJ L 265, 12.10.2022, p. 1–66.

¹¹⁵ [The Digital Economy and Society Index \(DESI\) | Shaping Europe's digital future \(europa.eu\)](https://european-council.europa.eu/media/en/press-communications/infographic/infographic_digital_economy_and_society_index_deesi_en.pdf)

<p>digital development such as new digital products and their share in the markets, more efficient production processes and the accompanying impact on productivity, and the deployment of digital solutions to societal challenges (e.g. health and climate). The monitoring of the indicators needs to address the progress over time in the EU and its Member States and involve comparison with international competitors. Motivation of citizens through better communication and their involvement in the process is also important.</p>	<p>Member States to further develop the DESI in line with the objectives and targets of the DDPP, bearing in mind also the administrative burden entailed. Furthermore, DESI data is completed by other data collection exercises, whenever needed and possible.</p>
<p>2.3. It is also important to realise that Europe's competitiveness as compared with its main competitor nations has deteriorated over the past years as evidenced in key economic indicators on competitiveness and productivity growth. Digitalisation, however, is an area where the EU has made important inroads and could be the basis for increased competitiveness and increased profitability for businesses and improved working conditions for workers. A forward-looking medium-term perspective is needed to chart the way forward in the process towards the digital transition.</p>	<p>The DDPP aims to empower businesses and people in a human-centred, sustainable and more prosperous digital future, including by creating and deploying digital capacities and technologies that are in line with European values and by enhancing EU competitiveness, leadership, and digital inclusion.</p>

<p>3.1. The EESC has called on the Commission to make the competitiveness agenda one of its priorities with the principal goal of enhancing the EU's competitiveness. The Commission initiatives in the area of digitalisation are all aimed at facilitating the digital transition in economies and societies across the EU. A successful transition, however, requires a firm and unrelenting commitment on the part of the Member States. This commitment is already expressed in Recovery and Resilience measures at individual Member State level but the EESC believes that the Member States may not all be moving towards digitalisation at the same pace and with the same intensity, which is crucial if the EU is to become more competitive.</p>	<p>With DDPP, the European Parliament, the Council, the Commission and the Member States committed for the first time to cooperate and to follow a common direction to achieve the EU's digital transition. The programme sets out a cooperation mechanism between the Commission and the Member States and invites Member States to join forces and pool resources through multi-country projects. As part of the Digital Decade process, Member States need to provide national trajectories towards the Digital Decade targets and the progress will be monitored annually.</p>
<p>3.4. The EESC is also of the view that in strengthening Europe's competitiveness, policy support for an entrepreneurial and a knowledge-based economy that can retain and attract talent and offer improved working conditions is crucial. This is what the EESC understands by a complete digital transition process in enterprise. For the EESC, it is clear that the EU needs to provide a favourable business environment as a whole, to be based on a comprehensive strategy that brings together and aligns different policy areas.</p>	<p>As mentioned in the replies to Points 1.6. and 1.7., the Commission is committed to enhancing the EU's competitiveness through comprehensive policy initiatives and investments in the field of skills, digitalisation of businesses, and through regulation that creates the right conditions for businesses to thrive in the EU.</p>
<p>4.2. The EESC has in previous opinions also recommended investment in the infrastructure necessary to support digitalisation across the EU. Again, the Recovery and Resilience Plans are intended to do just that. Our concern is that this investment may be largely directed towards the public sector. The EESC acknowledges that shifting towards digitalised public services in say the judiciary indirectly increases competitiveness through enhanced</p>	<p>The Commission agrees that investments in digital transformation are a pre-condition to a successful digital transformation. Of the total budget dedicated to digital investments included in the Recovery and Resilience Plans to date, 13% of the funds are dedicated to connectivity and 19% to digitalisation of businesses. The funding was committed taking into account the RRF rules, inter alia the need to effectively contribute to</p>

<p>efficiency. That said, enterprises also require a relatively high level of investment and, without available financial support, businesses of all size especially SMEs may struggle to keep up the financial outlay required to digitalise their work processes and invest in their workforce.</p>	<p>the digital transition, to the challenges identified in the framework of the European Semester, with a view also to ensure complementarity with other funding programmes.</p>
<p>4.5. Whereas the EESC acknowledges the EU's capacity in the field of digitalisation with inroads being made in both the legislative and technological aspects, we are of the view that both national and foreign direct investment, particularly to support research and innovation in the area of digitalisation, remains critical. This, in our view, will also enhance the EU's competitiveness in the global market. Aspiring for strategic autonomy in the production of semiconductors is positive, and the EESC is of the view that the EU can ill-afford to experience shortages that risk disrupting European industries. Semiconductors are at the core of the EU's industrial policy aiming to achieve strategic autonomy in the digital sphere. While these risks need to be mitigated, the EESC cautions against taking a protectionist approach which puts at risk research partnerships with digital tech companies worldwide.</p>	<p>The aim of the Chips Act¹¹⁶ is to increase resilience and security of supply in the field of semiconductors. R&I activities in semiconductor technologies currently take place largely under the Key Digital Technologies Joint Undertaking, and for a small part under the Horizon Europe Cluster 4 – Digital, Industry and Space work programme. After the entry into force of the Chips Act later this year¹¹⁷, the majority of R&I activities on semiconductor technologies will take place under the Chips Joint Undertaking (Chips JU)¹¹⁸ and Horizon Europe rules will apply with respect to eligibility to participate in research consortia. By default, all legal entities are eligible to participate¹¹⁹. However, for actions related to Union strategic assets, interests, autonomy or security, eligibility to participate may be limited to legal entities established only in Member States or to legal entities established in specified associated or other third countries in addition to Member States (Article 22(5)). The</p>

¹¹⁶ Proposal for a Regulation of the European Parliament and of the Council establishing a framework of measures for strengthening Europe's semiconductor ecosystem (Chips Act), COM/2022/46 final.

¹¹⁷ The European Parliament and the Council reached a provisional political agreement on Chips Act on 18 April 2023 following the Parliament's adoption of its position on 11 July and the [Council's approval](#) on 25 July 2023, the Act has been adopted. After its signature, the regulation will be published in the Official Journal of the European Union and will enter into force on the third day following its publication.

¹¹⁸ Proposal for a Council Regulation amending Regulation (EU) 2021/2085 establishing the Joint Undertakings under Horizon Europe, as regards the Chips Joint Undertaking, COM/2022/47 final.

¹¹⁹ Article 22(1) Regulation (EU) 2021/695 establishing Horizon Europe).

	Chips JU may apply such limitations in exceptional situations, such as setting up pilot lines.
<p>4.6. Sustainable economic growth based on a successful digital transition is essential for the prosperity of the EU. This is also in line with the EU's objective for a highly competitive social market economy, aiming at full employment and social progress and a high level of protection and improvement of the quality of the environment. The EESC believes that this can only be achieved by increasing productivity growth from current levels in all sectors of the economy. The EESC is of the view that digitalisation is playing and can continue to play a key role in attaining the above economic and social objectives. The EESC also notes that in manufacturing, productivity growth has been fastest in technology-driven industries, which supports the view that digitalisation can increase both profits for enterprises and real earnings for workers. Moreover, digitalisation is an essential way of advancing the green transition. The EU thus needs to maximise the opportunities by promoting simultaneously both tracks of the twin transition.</p>	<p>The Commission is actively promoting and supporting the green digital twin transition with a two-pronged strategy.</p> <p>1) It is promoting the development and use of digital solutions in climate critical sectors (such as energy, transport, construction, agriculture as well as in areas such as manufacturing, earth observation for climate and weather modelling and smart cities) that support the sustainability transition of these sectors¹²⁰.</p> <p>2) It is working to minimise the environmental footprint of digital sector by committing to work on making datacentres climate neutral in EU by 2030, greening the communication services and improving the durability and circularity of electronics.</p>
<p>4.7. To achieve real digital competitiveness in the economy and society, the EESC calls for a smart and combined strategy regarding skills. Several sectors are already preparing large-scale projects regarding the reskilling and upskilling of their workforce based on digitalisation and the green transition. The EESC calls for a coordinated programme for</p>	<p>The recent Commission's proposal for a Council recommendation on improving the provision of digital skills in education and training¹²¹ underlines the importance of a coherent approach to digital education and skills development. The proposal aims to promote the necessary structural reforms</p>

¹²⁰ The science-based methods assessing the green digital enablement' are being developed by the European Green digital Coalition (greendigitalcoalition.eu). Specific targets and principles for sustainable digitalisation have been adopted by all Member States in DDPP.

¹²¹ Proposal for a Council Recommendation on improving the provision of digital skills in education and training, COM(2023) 206 final.

skills that can allow the existing and new workforce to surpass the challenges involved and this must be a priority.

at national level in the EU countries to enable progress in the digital transformation of the education and training.

The Erasmus+ Programme supports this goal through actions such as the Alliances for Innovation, large-scale projects targeting sectoral cooperation on skills, and the Centres of Vocational Excellence, supporting local ecosystems to boost innovation and entrepreneurship with Vocational Education and Training (VET) skills, contributing to regional development, innovation, and smart specialisation strategies, especially in the context of digital and green transitions.

The actions are carried out in the context of the Pact for Skills¹²² that aims to mobilise and incentivize all relevant stakeholders to take concrete actions for the upskilling and reskilling of the workforce.

¹²² [Homepage of Pact for skills \(europa.eu\)](https://europa.eu)

<p>5.1. Digital competitiveness is vital for the overall competitiveness of the EU and should be seen as an essential part of the EU's competitiveness agenda. Considerable improvements in competitiveness are needed if the EU is to succeed amid fierce global competition. To this end, the EESC has also called for the introduction of a competitiveness check that conforms with EU policies and objectives, to be embedded in the EU's policy- and law-making processes. Proper governance structures are also needed to ensure that the competitiveness check and agenda fully materialise in practice.</p>	<p>The newly introduced competitiveness check ensures that the impact assessments of legislative proposals present, in an integrated manner, the expected impacts of each proposal on cost and price competitiveness, international competitiveness, the capacity to innovate and also on SME's competitiveness. To complement it, the Commission will work on how to better assess the cumulative impacts of different policy measures at the EU level with a view to develop a methodology. Furthermore, the 'one-in, one-out' approach aims at avoiding unnecessary burdens, where administrative costs, such as reporting obligations, certification or labelling are offset in the same policy area. The forthcoming Annual Burden Survey will report on the results achieved in this respect.</p>
<p>5.2. The EESC notes the current Better Regulation Guidelines and Toolbox but points out that, as highlighted by the Regulatory Scrutiny Board, there is an evident need for improvements, especially with respect to the implementation of the measures necessary to increase competitiveness.</p>	<p>The Commission's better regulation guidelines¹²³ already require to systematically assess and report on impacts on competitiveness. Tool # 21 on sectoral competitiveness operationalises the analysis of the expected economic impacts in all impact assessments, including SMEs and competitiveness impacts where significant impacts on companies are expected. The quality of this assessment is also covered by the scrutiny of the Regulatory Scrutiny Board (RSB), which may provide recommendations on how to improve action, where needed. The 2022 RSB annual report¹²⁴ highlighted that the analysis of competitiveness issues was the second</p>

¹²³ [Better regulation: guidelines and toolbox \(europa.eu\)](https://european-council.europa.eu/media/en/press-operations/infographic-120875.png)

¹²⁴ [Regulatory Scrutiny Board - Annual Report 2022 \(europa.eu\)](https://www.rsb.europa.eu/Annual-Report-2022)

	<p>most frequently assessed impact category in submitted draft impact assessments. It also featured among the most frequently made recommendations in RSB's opinions. The RSB is also tasked with an additional focus on competitiveness¹²⁵. Since March 2023, all impact assessments submitted to the RSB include a compulsory annex presenting a competitiveness check.¹²⁶</p> <p>The Commission is also stepping up its efforts to assess cumulative impacts. Impact assessments already examine expected impacts against a baseline scenario, that accounts for relevant policies, measures and foresight developments.</p>
<p>5.3. Finally, the EESC calls for an effective use of the financial resources allocated to innovation and R&D activities related to the digitalisation process. In this context, it is also fundamental to evaluate the impact and proper implementation of the existing programmes that may have been developed to create the conditions for digitalisation. The prioritisation of access to finance, regarding both private and public investment, may be well perceived by European citizens and notably organised civil society.</p>	<p>The European Framework Programmes for R&I play an important role in supporting the digitisation process. The recent independent evaluation study¹²⁷ on Horizon 2020¹²⁸ found that Horizon 2020 funded an estimated 6,484 number of projects in addition to the three pillars that contributed to the digital and industrial transition, accounting for an EU contribution of EUR 24.8 billion or 32% of the total Horizon 2020 budget.</p> <p>The budget under Horizon Europe Cluster 4 - Digital, Industry and Space aims to develop research and high-end</p>

¹²⁵ Pursuant to the Decision of the President of the Commission amending Decision P(2020)2 as regards the composition of the Regulatory Scrutiny Board, the quorum for its decisions and the focus of its tasks.

¹²⁶ The competitiveness check presents in an integrated and transparent way relevant impacts on competitiveness, including an appreciation of their significance (scores). The annex presents all four dimensions of competitiveness: cost and price competitiveness, international competitiveness, capacity to innovate, and SME competitiveness (in line with the SME test). A summary of the competitiveness check will be reported in the executive summary of the impact assessment and in the explanatory memorandum of all proposals.

¹²⁷ [Evaluation of the framework programme H2020 focusing on the digital and industrial transition - Publications Office of the EU \(europa.eu\)](https://publications.ec.europa.eu/publication-detail/-/publication/11111111-1111-1111-1111-111111111111)

¹²⁸ Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and repealing Decision No 1982/2006/EC Text with EEA relevance, OJ L 347, 20.12.2013, p. 104–173.

innovation in enabling technologies, such as: AI and robotics, next generation internet; high performance computing; big data; key digital technologies; 6G; and digitalisation of industry. It will also aid digital driven research and innovation into areas like health, energy, climate etc. Overall, it is expected that around 35% of Horizon Europe funds will support work for the digital transition, which translates to more than EUR 30 billion in current prices¹²⁹.

As part of pillar III of Horizon Europe, the leverage effect provided by the European Innovation Council (EIC) investment mechanism allows an efficient use of public R&I budget to drive digitalisation in Europe. To date, EUR 1.6 billion of European Innovation Council (EIC) support (2021-2023) went to projects involving/utilising AI based systems and/or techniques and over EUR 125 million of support has been provided in support of the quantum agenda. This has included a strong focus on developing enabling technologies, sensors and communications under the EIC Pathfinder¹³⁰ and EIC Transition¹³¹, as well as support for quantum computing under the EIC Accelerator¹³². The EIC is also exploring new paradigms in digital through for example a portfolio of EIC Pathfinder Challenge to explore scalable and

¹²⁹ [Funding for Digital in the 2021-2027 Multiannual Financial Framework | Shaping Europe's digital future \(europa.eu\)](#)

¹³⁰ The EIC Pathfinder programme supports research teams to research or develop and emerging breakthrough technology. See [EIC Pathfinder \(europa.eu\)](#)

¹³¹ The EIC Transition funds innovation activities that go beyond the experimental proof of principle in laboratory to support both the maturation and validation of your novel technology in the lab and in relevant application environments and the development of a business case and (business) model towards the innovation's future commercialisation. See: [EIC Pathfinder \(europa.eu\)](#)

¹³² The EIC Accelerator is a platform for start-ups and SMEs to develop and scale up high impact innovations with the potential to create new markets or disrupt existing ones. See: [EIC Accelerator \(europa.eu\)](#)

	<p>reliable approaches for using DNA-like molecules and polymers as a general data-storage medium. It goes beyond the usual storage applications and look for radically different scenarios for such a technology, for instance for data-processing, in-vivo sensing or fingerprinting. Further digital EIC Challenges are planned for 2024, for instance in AI and Virtual Worlds.</p>
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<p>N°29 EU space strategy for security and defence Join(2023) 9 final EESC 2023/1246 – CCMI/215 580th Plenary Session – July 2023 Rapporteur: Maurizio MENSI (IT-III) Co-rapporteur: Jan PIE (SE-cat. 1) DG DEFIS – Commissioner BRETON</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission / High Representative position</p>
<p>1.1. The EESC very much welcomes a future "EU Space Law" to cover safety, security & sustainability and standardisation that goes in the direction of a needed EU approach to Space Traffic Management (STM)¹³³.</p>	<p>The Commission appreciates the support of the Committee for the potential Commission adoption of a legislative proposal in the area of space ('EU Space Law') once all Better Regulation steps have been taken¹³⁴.</p>
<p>1.10. The EESC is convinced that an ambitious, but also coherent, support to research and innovation is a cornerstone of the sustainability of the space sector and of its capacity to serve public policy needs. Europe needs a stronger and more consistent support for R&I to maintain its position in space and to ensure the availability of a domestic industry able to design, deliver and exploit state-of-the-art space systems.</p>	<p>The Commission is leveraging as much as possible the space research activities under Horizon Europe (Cluster 4) to develop technological sovereignty. The Commission is now preparing the strategic framework for future space research and innovation, taking into account key international and domestic trends.</p>

¹³³ In line with the EESC opinions on *Space package*, [OJ C 486, 21.12.2022](#), p. 172; and [New Space](#).

¹³⁴ In her letter of intent of 13 September 2023 to the President of the European Parliament, and to the Presidency of the Council of the EU, the President of the Commission Ursula von der Leyen included a proposal on EU space law as one of her key initiatives for 2024. In the Commission work programme 2024 published on 17 October 2024, the Commission announces the adoption of a legislative initiative, to be adopted during the first quarter of 2024. The proposed EU space law will set rules on space traffic management, and will provide a framework to ensure the safety of the critical space infrastructure.

<p>4.1.1. The EESC welcomes the identification of threats that could be responsible for the disruption, degradation or destruction of space systems via the preparation of an annual space threat landscape analysis, deemed key to understanding the hostile environment in which space and ground infrastructure and services are evolving today and tomorrow.</p>	<p>The High Representative will prepare the annual space threat landscape analysis with the support of the Single Intelligence Analysis Capacity (SIAC).</p>
<p>4.1.3. The EESC believes that the European space industry (large and small entities), research and technology organisations, and academia views and inputs need to be encompassed by the European Commission and the EEAS in the elaboration of the annual space threat landscape analysis, and in the identification of the recommendations and measures that will result therefrom.</p>	<p>The annual space threat landscape analysis will be a classified intelligence deliverable prepared by the Single Intelligence Analysis Capacity (SIAC), which will rely mainly on voluntary contributions from Member States' relevant services. The Commission will contribute to the threat landscape analysis through the monitoring of the EU space components. The European space industry will not be directly consulted by Commission services or by the European External Action Service (EEAS) for this specific purpose. Industry is however welcome to share its views with relevant national services, the EEAS and Commission services.</p>
<p>4.1.4. The EESC is convinced that such a process would allow the private sector to:</p> <ul style="list-style-type: none"> a) Work on new R&D priorities specific to already-known threats or a new type of threat that would be arising; b) Raise awareness among customers and institutional players of the need for preventive approaches; c) Define new standards at European level and therefore contribute to the standardisation process at global level; d) Exchange best practices between public 	<p>As explained under 4.1.3., the process for establishing the annual space threat landscape analysis does not offer a framework for tasks proposed under point 4.1.4. of the opinion of the Committee. However, the private sector may implement these tasks through other processes. In particular, and among others:</p> <ul style="list-style-type: none"> - the creation of an EU Space Information Sharing and Analysis Centre will allow to raise awareness and develop the maturity of the space industry to enhance its resilience and

<p>and private entities; apt "ground" approaches to space.</p>	<p>security; it will also allow the exchange of best practices;</p> <p>- the Commission is exploring how the EU could better contribute to the definition of standards and to the promotion of such standards globally. The challenge of defining common European standards could eventually be considered as part of the scope of a potential future legislative proposal from the Commission in the area of space ('EU Space law') - especially for sustainability, safety and resilience/security.</p>
<p>4.2.1.1. The EESC believes that global regulatory initiatives and unilateral decisions regarding STM are likely to create a challenging environment for European actors. Reforms undertaken outside of Europe could indeed potentially hamper the European space sector's ability to compete on a level playing field and affect its sustainability, and further jeopardise European sovereignty as an overarching objective of the EU in relation to space.</p>	<p>The High Representative agrees with this statement and recalls that Space Traffic Management (STM) was addressed in a dedicated Joint Communication¹³⁵ of 16 February 2022.</p> <p>STM addresses accidental risks of space collision and relates to space safety. STM is therefore not addressed in the Space Strategy for Security and Defence, which focuses on space security.</p>
<p>4.2.1.5. The EESC notes that the CER Directive ("on the resilience of critical entities") and the NIS2 Directive ("on measures for a high common level of cybersecurity across the Union") are applicable only at Member State level and not at EU institution level. The EESC believes</p>	<p>The EU already recognises space as a critical sector in its existing legislation on the resilience of critical entities (CER Directive)¹³⁶ and on cybersecurity (NIS2 Directive)¹³⁷ covering among others, ground based infrastructure, telecommunication services via satellites</p>

¹³⁵ JOIN(2022) 4 final.

¹³⁶ Directive (EU) 2022/2557 of the European Parliament and of the Council of 14 December 2022 on the resilience of critical entities.

¹³⁷ Directive (EU) 2022/2555 of the European Parliament and of the Council of 14 December 2022 on measures for a high common level of cybersecurity across the Union - <https://digital-strategy.ec.europa.eu/en/policies/nis2-directive>

<p>that these directives should be applied to EU-owned assets as well.</p>	<p>and satellite manufacturers. Moreover, the Cyber Resilience Act¹³⁸ will elevate the cybersecurity of key components necessary for satellite operations.</p> <p>Building on the baseline of the NIS2 and CER directives, the resilience and cybersecurity of both EU-owned space assets and the space assets covered in NIS2 and CER could be tackled coherently through a potential future ‘EU space law’.</p> <p>In addition, in June 2023, the Council and the Parliament reached a provisional agreement on the proposal from the Commission for a Regulation laying down measures for a high common level of cybersecurity for the institutions, bodies, offices and agencies of the Union¹³⁹.</p>
<p>4.2.2.1. The EESC fully welcomes the will to aim at increasing the budget of the European Defence Fund and Horizon Europe, as, in relation to the latest stages of development, the EU has seemed so far unable to align its budget – and related financial instruments – with its stated ambitions to bring advanced technologies to the required readiness level.</p>	<p>The Commission is not proposing to raise the budgets of the European Defence Fund and of Horizon Europe in the EU Space Strategy for Security and Defence.</p> <p>The short-term implementation of the Strategy does not require additional budget under the ongoing multiannual financial framework (MFF). It is also not pre-empting preparations for the next MFF, which will take place in due time.</p>
<p>4.2.2.3. The EESC wonders about the future respective roles and interactions of the Joint Task Force and the Observatory of Critical Technologies and highlights the need for</p>	<p>The work of the Joint Task Force is focused on space and tackles technologies jointly identified by the Commission, the European Space</p>

¹³⁸ Proposal for a Regulation of the European Parliament and of the Council on horizontal cybersecurity requirements for products with digital elements and amending Regulation (EU) 2019/1020 - <https://digital-strategy.ec.europa.eu/en/policies/cyber-resilience-act>

¹³⁹ <https://www.consilium.europa.eu/en/press/press-releases/2023/06/26/cybersecurity-at-the-eu-institutions-bodies-offices-and-agencies-council-and-parliament-reach-provisional-agreement/>

<p>better synergies between them.</p>	<p>Agency and the European Defence Agency.</p> <p>The Observatory of Critical Technologies (OCT) was set up in 2021 as an internal Commission arrangement that brings together competent services with the aim to tackle the challenge of cross sectorial critical dependencies. The OCT's work focuses on the EU Member States and has a wide industrial and technological scope (going beyond space and looks at the interplay between defence, civil and space technologies). Its work will feed into and gain from activities of the Joint Task Force.</p>
<p>4.2.4.2. The EESC believes that long-term EU independent access to space should be ensured, as Europe cannot depend on third countries for the launch of its space capabilities and for the maintenance of its own space infrastructure. In this regard, applying the principle of European preference in launchers for institutional launches is a must.</p>	<p>The Commission is considering actions to improve and stimulate the responsiveness and versatility of the EU's access to space capacities – including by defining a vision for EU access to space, including for security and defence and by supporting innovation.</p>
<p>4.2.5.4. The EESC recognises the importance of space exercises, as coordination between Europeans should be stronger, more efficient and have more weight with respect to our allies, in particular the United States. This supposes to build a common culture of space operations.</p>	<p>The High Representative will endeavour to further develop the yearly space exercises under the Common Foreign and Security Policy (CFSP) to improve the security of systems and services deployed, operated and used under the Union Space Programme with the objective to contribute to develop a common culture of space security across the EU.</p>
<p>4.2.6.2. The EESC stresses that an extension of Copernicus towards security capabilities would mean a significant increase in the programme objectives, which should be carefully assessed particularly in relation to the associated risks for the Copernicus</p>	<p>The Commission recalls that no official decision has been taken so far to set up a fully operational EU Earth Observation governmental service. Thus, the framework for such a service has not yet been defined. In any case, this service</p>

<p>Programme's funding capacities and its current open data policy.</p>	<p>would be considered for the next multiannual financial framework 2028-2034 only.</p> <p>To feed the reflexion and explore how such a service could be implemented, the pilot currently underway under Copernicus will focus on defining and testing a trusted governance with all relevant stakeholders. The pilot does not jeopardise the budget of Copernicus or its data policy, which already entails specific provisions for the use of Copernicus data for security applications.</p>
<p>4.2.6.6. [...] To ensure the competitiveness of European space activities, the development of professional skills requires constant adaptation and improvement. [...] This needs to be further accompanied with concrete actions such as the institution of an EU Space Academy.</p>	<p>Through the network of the EU Space Academy, partners can organise training sessions and promote skills-related opportunities at local and regional levels. The academy will assist in bridging the gap between research and businesses and enable the uptake of EU space data, services and applications by fostering the creation of new skills, developing training materials, organising events and promotional activities.</p>

<p>N°30 Action plan to conserve fisheries resources and protect marine ecosystems COM(2023) 102 final EESC 2023/1216 – NAT/849 580th Plenary Session – July 2023 Rapporteur: Francisco Javier GARAT PÉREZ (ES-III) DG MARE – Commissioner SINKEVIČIUS</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.6. The EESC notes that, although the action plan is not legally binding, it will have a significant socio-economic cost for the Member States and their fleets. It therefore regrets the fact that the action plan is not accompanied by a socio-economic study and does not propose any kind of additional financing measures for the green and energy transitions proposed by the European Commission. The Committee therefore calls for a socioeconomic impact study of the proposed measures, in particular with regard to the ban on bottom fishing in marine protected areas (MPAs), and calls for all necessary means, including incentives and compensatory mechanisms, to be put in place for a just and balanced transition.</p>	<p>The action plan is not a new legislative proposal but builds on existing legislation, which were subject to an impact assessment. An impact assessment for the action plan itself is therefore not required. When taking the necessary fisheries management decisions, due consideration should be given to the socio-economic dimension, and these should be aligned with the environmental protection. Hence, impact assessments, if necessary and in particular for the proposed phasing out of mobile bottom fishing from marine protected areas for those cases where it is considered necessary based on scientific assessment, should be conducted at Member State or regional level where the necessary information is available and where the opinion of stakeholders on the best approaches and solutions can be best collected and integrated. How the proposed objectives are achieved is in the hands of Member States.</p>
<p>1.7. The EESC considers it essential that any restrictions on bottom gear be automatically mirrored in the case of products imported from third countries, especially given that the EU imports 70% of the fish it consumes and that thousands of tonnes of fish come from countries such as Russia and China, and even benefit from</p>	<p>The Commission shares the Committee’s concerns on food dependency, and this is one of the reasons why the Commission is not proposing a blanket ban of bottom gears. The Commission is rather seeking a shift in EU domestic fishing activities towards using other, less impactful fishing gears. The EU continues promoting</p>

<p>tariff preferences (autonomous tariff quotas – ATQs). The EESC therefore calls on the Commission to include in the action plan market measures to ensure consistency and coherence between internal and external policies, as well as a level playing field between EU and non-EU operators. Mobile bottom gear catches 25% of total European catches. The EESC calls for an action plan that does not increase the food security and sovereignty gap (in terms of seafood) and that allows fishermen to make full use of the fishing quotas allocated to them by law.</p>	<p>sustainable fishing worldwide through its zero-tolerance policy on Illegal, Unreported and Unregulated (IUU) fishing, promoting sustainability in regional fisheries management organisations (RFMOs), sustainable fisheries partnership agreements (SFPAs) with third countries, and incorporating sustainable fisheries and management of marine resources in EU trade agreements. As part of the Farm to Fork strategy, the EU is working on diminishing the environmental footprint of its food consumption, at home and globally. The Commission is working on further improving the information that is provided to consumers on the sustainability of the fish they consume, including by looking into the possibility to cover imports.</p> <p>The Commission remains confident that all these actions will help to strengthen environmental standards around the world and contribute to a level-playing field between the EU and other regions in the world.</p> <p>This reply also covers the Committee’s opinion paragraphs 3.5., 3.6., 3.7., 3.10., 3.11., and 3.12.</p>
<p>1.8. With regard to the European eel, the EESC points out that the measures taken by the EU will have a major negative impact on coastal fishing across Europe, and therefore calls for an analysis of the progress of the species' recovery before further restrictive measures are taken</p>	<p>The best available scientific advice indicates that European eel is a critically endangered species and urgent action is needed to prevent its extinction. Extinction is a real possibility and action must be taken to prevent it, both to avoid calamitous impact on fisheries and aquaculture farms dependent on this stock and on ecosystems. Eels need to be protected from all forms of human activity – including pollution, mortality in hydroelectric turbines and barriers to migration as well as fishing. This is the reason why action on all of these pressures,</p>

	<p>not just fishing, is needed to safeguard this iconic species and those depending on it. The Commission already monitors the progress on the species recovery through the implementation of the Eel Regulation, including Member States' Eel Management Plans (next reporting period is in 2024), and based on the scientific advice.</p>
<p>3.11. In this context, the EESC regrets the fact that the Commission does not mention inclusive and effective environmental protection tools, such as the OECMs, in the action plan. The EESC calls for the "handbook for identifying, evaluating and reporting other effective area-based conservation measures in marine fisheries", published by the FAO in 2022, to be used.</p>	<p>The protected area targets under the Biodiversity Strategy¹⁴⁰ concern marine protected areas, including Natura 2000 sites and national Marine Protected Areas (MPAs), but also other area-based effective conservation measures (OECMs). If fisheries closures comply with the Convention on Biological Diversity criteria to be recognised as OECMs, the Member States can report them as contributing to the EU 30% target. It will be for Member States to identify and report on OECMs in the context of the target and they can make use of existing guidance to facilitate this task.</p>
<p>3.22. The EESC regrets the fact that the action plan does not propose any kind of additional financing measures for either the green or energy transitions proposed by the European Commission. An initiative of this magnitude and which affects so many bottom-fishing vessels must be accompanied by the necessary compensatory incentives and mechanisms. The EESC calls for public aid to be allocated to research and innovation aimed at reducing contact with the seabed, rather than to changing fishing gear or scrapping. The latter would require huge sums of money, which are not available in the</p>	<p>The EU budget is already supporting the European Green Deal and playing a major role in ensuring fair and just transition. It is for Member States to decide on the use of funds such as the European Maritime, Fisheries and Aquaculture Fund, the European Social Fund and the European Regional Development Fund. Through the Action Plan, the Commission has invited Member States to take measures towards the take-up of sufficient funding by strategically mobilising available resources from EU, national or private funding sources, in order to implement the action plan.</p>

¹⁴⁰ [Biodiversity strategy for 2030 \(europa.eu\)](https://european-council.europa.eu/media/en/press-communications/infographic/infographic_biodiversity_strategy_for_2030_en.pdf)

<p>current funds, and would involve technical impediments when changing fishing methods. The EESC also calls for the seasonality and specificity of the fisheries sector to be taken into account. The EESC requests that (in addition to the European Maritime Fund for Fisheries and Aquaculture (EMFAF)) the European Social Fund and the European Regional Development Fund adopt fisheries-focused programmes in order to improve the channelling of funds to areas where they are most needed. Furthermore, the Committee calls on the European Commission to produce monitoring reports to verify whether funds are being properly implemented and distributed.</p>	<p>The Commission is preparing a dedicated workshop for Member States to take place early 2024 to highlight the funding possibilities available from EU funds to meet the objectives under the action plan, including, but not limited to, the European Maritime, Fisheries and Aquaculture Fund (EMFAF). The EU funds produce annual reports and statistics on implementation and impacts. These can be found using the Open Data Portal¹⁴¹ as an entry point for the cohesion funds, including the European Maritime and Fisheries Fund (EMFF) and EMFAF.</p>
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¹⁴¹ <https://cohesiondata.ec.europa.eu/>

<p>N°31 Monitoring the EU's extraordinary measures and resilience in the field of energy (Exploratory opinion requested by Spanish presidency) EESC 2023/490 – TEN/799 579th Plenary Session – June 2023 Rapporteur: Andrés BARCELÓ DELGADO (ES-I) DG ENER – Commissioner SIMSON</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.5. For the sake of effectiveness, it is more appropriate to adopt uniform measures among the Member States to ensure a level playing-field, except in those aspects relating to essential facilities or infrastructure. Measures adopted at national level differ from country to country, thereby allowing for different tax, subsidy and regulatory policies, while energy prices remain at high levels.</p>	<p>The Commission is proposing to review the Electricity Directive and Regulation, in order to strengthen the application of uniform rules across the EU electricity market.</p> <p>Without prejudice to competition law and State Aid rules that are meant to ensure a fair competition and a level playing field, the revision of the Electricity Market Design does not prevent Member States from implementing measures tailor-made to their specific national situation using national budget.</p>
<p>1.7. EU policy must reinforce its long-term vision for achieving the twin transition with a strong commitment to avoiding leaving people behind, going beyond the adoption of temporary measures to alleviate the surge in short-term energy prices.</p> <p>The EESC stresses the importance of accelerating the large-scale deployment of carbon-free energy sources by simplifying permitting processes to make it possible to rapidly replace dependency on third-party fossil fuels, comply with climate change commitments, and enhance competitiveness.</p>	<p>The Commission agrees with the need for a long-term vision for achieving the green transition without leaving anyone behind.</p> <p>Minimizing energy poverty and making the transition to net zero affordable for all households and businesses should remain at the core of the EU strategy.</p> <p>This objective is reflected in the reform of the electricity market that aims to make the energy bills of European consumers and companies more independent from the short-term market price of electricity (very often driven by volatile fossil fuel costs).</p> <p>The Commission also agrees on the importance of accelerating the large-scale deployment of carbon-free energy sources.</p>

	<p>The reform of the electricity market seeks to accelerate the deployment of renewables and the phase out of gas by facilitating further the integration of renewables in the electricity system and improving conditions for the use of flexibility solutions such as demand response and storage.</p> <p>The revised Renewable Energy Directive includes changes to further streamline permitting processes and thereby accelerate the deployment of renewables and related grid and storage assets.</p> <p>The Electricity Market Design reform proposal also improves consumer rights and protections with the aim of empowering consumers. To this end, the Commission’s proposal aims at ensuring consumers’ access to a variety of contracts, protect vulnerable customers from disconnection, and enable all consumers to benefit more easily from renewables and share the energy they produce.</p> <p>Lastly, the reform aims to better protect electricity consumers from market manipulation, by increasing transparency, the monitoring capacities of Member States and the European Union Agency for the Cooperation of Energy Regulators (ACER), and ensuring more effective investigation of cross-border cases (ACER’s role in the investigations of complex cross-border cases is key to ensure effective enforcement of REMIT).</p>
<p>1.8. The transition to fully decarbonised energy consumption should be accompanied by affordable and stable energy prices that allow for massive investment in the decarbonisation of large industries, SMEs and households. Stable and predictable remuneration schemes for</p>	<p>When remuneration schemes for renewables involve State support, the Commission has proposed the mandatory introduction of two-way contracts for difference when a new investment is supported by a direct price support scheme. Such two-way contracts for</p>

<p>renewables must therefore be geared towards real long-term production costs and be decoupled from fossil fuel prices. This strategy makes a positive contribution to improving resilience and energy autonomy.</p>	<p>difference would ensure that revenues of producers stemming from new investments in electricity generation which benefit from public support become more independent from the volatile prices of fossil fuels-based generation which typically sets the price in the day-ahead market.</p> <p>Renewables investments can also be encouraged by the conclusion of private contracts, so-called PPAs (power purchase agreements). In this case, the remuneration level will be determined by market forces. According to the Commission proposal, Member States should strive to create the right market conditions for the development of long-term market-based instruments.</p>
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<p>N°32 Follow up to inflation and energy measures and EU energy resilience for essential economic sectors (Own-initiative opinion) EESC 2023/695 – TEN/803 580th Plenary Session – July 2023 Rapporteur: Felipe MEDINA MARTIN (ES-I) DG ENER – Commissioner SIMSON</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.2. The EESC is concerned about the high levels of inflation in Europe due to energy and raw material costs, followed by prices for services and industrial goods. Inflation in Europe is at its highest level since the creation of the euro. The EESC calls on the European institutions to establish control mechanisms such as those set out in the document drawn up by the European Consumer Organisation (BEUC). This should include, for example, fully implementing the measures set out in the draft Council Regulation, which provides for major reform, and redesigning the electricity market. The EESC calls on the EU Member States to implement EU acts that have already been adopted, such as the Clean Energy Package, which helps accelerate the green transition and deepen the internal market.</p>	<p>The Commission is continuously monitoring the inflationary environment, and energy and raw material costs. While energy was recently accounting for around half of the total inflation, it now reversed to being a deflationary factor. The energy component accounted for -0.62 percentage points (pp) of the 5.3% total euro area annual inflation in July 2023 according to Eurostat¹⁴². Energy prices are thus no longer the main driver of inflation, with services accounting for 2.47 pp, followed by food, alcohol and tobacco (2.20 pp) and non-energy industrial goods (1.26 pp). This is due to the -6.1% annual change of prices of energy products included in the consumption basket of consumers (energy component of inflation in the Euro-area).</p> <p>The Commission supports the Committee’s call on Member States to prioritise the implementation of EU legislation. The Commission continues to monitor the implementation of EU legislation in Member States, as well as progress on the achievement of the EU’s energy and climate targets. The latter is supported by the Commission’s assessment of draft National Energy and Climate Plans (NECPs), which</p>

¹⁴² Eurostat Publication: [Annual inflation down to 5.3% in the euro area](#)

	<p>is currently ongoing, as well as the biannual aggregate assessment of progress in line with the Governance Regulation¹⁴³. The Commission is also in the process of assessing the transposition of the Directive on common rules for the internal market¹⁴⁴ and analysing national measures in detail. This Directive is one of the key elements of the Clean Energy Package as it aims at strengthening consumer rights and protections in electricity markets.</p>
<p>1.3. The EESC believes that the amended EU Temporary Crisis Framework needs to be urgently reformed in view of the huge cost increases resulting from the war in Ukraine and the energy crisis. In addition, it recommends applying the Temporary Framework for State Aid in such a way that the aid provided for in the Energy Emergency Regulation and under the Recovery and Resilience Framework applies to all sectors affected by the energy crisis, with a particular focus on key sectors, so as not to undermine the ability of many companies to survive, and to avoid adversely affecting the cost of living for consumers and reducing their ability to find commodities on a daily basis. Moreover, the EESC once again calls for a "golden rule" to be introduced enabling the necessary public investment to be made</p>	<p>The Commission has adopted the <i>Temporary Crisis and Transition Framework</i>¹⁴⁵ to give a more immediate crisis response following Russia's aggression against Ukraine, and in particular to the unprecedented increase in energy prices. Crisis-response provisions are applicable until 31 December 2023 (specifically sections 2.1. - limited amounts of aid, 2.2. - liquidity support in form of State guarantees, 2.3. - liquidity support in the form of subsidised loans, 2.4. - aid to compensate for high energy prices, and 2.7. – aid measures aimed at supporting electricity demand reduction).</p> <p>On 20 July 2023, the Commission addressed a survey to Member States to seek their views on the expiry, on 31 December 2023, of these sections of the Temporary Crisis and Transition Framework.</p> <p>This follows the Commission's Spring 2023 Economic Forecast, which has shown an improved economic outlook, in particular in relation to energy prices, as renewed price</p>

¹⁴³ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32018R1999>

¹⁴⁴ Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU (recast) (Text with EEA relevance.): <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019L0944>

¹⁴⁵ https://ec.europa.eu/commission/presscorner/detail/en/ip_23_1563

	<p>pressures similar to the levels experienced in 2022 are considered unlikely.</p> <p>The remainder of the <i>Temporary Crisis and Transition Framework</i> is currently set to remain in place until 31 December 2025. This concerns measures accelerating the rollout of renewable energy and energy storage (section 2.5.), measures facilitating the decarbonisation of industrial processes (section 2.6.) and measures to accelerate investments in key sectors for the transition towards a net-zero economy (section 2.8.).</p> <p>The Commission is continuously monitoring the economic developments and the application of the Temporary Crisis and Transition Framework, and stands ready to swiftly respond in the event of any new crisis situation. Member States will as always be closely consulted.</p> <p>On 20 November 2023, the Commission amended the Temporary Crisis and Transition Framework (Official Journal C, C/2023/1188) in light of the economic situation and the feedback received from Member States to a consultation of 6 November 2023. The Commission adopted a limited prolongation of the provisions enabling Member States to continue to grant limited amounts of aid, together with a proportionate increase in the aid ceilings to cover the winter heating period (section 2.1 of the Framework), and aid to compensate for high energy prices (section 2.4 of the Framework) until 30 June 2024. The other sections of the Framework remain unchanged: sections 2.2, 2.3 and 2.7 are being phased out on 31 December 2023, and sections 2.5, 2.6 and 2.8 remain in force until the end of 2025.</p>
1.4. The EESC believes that households and key sectors should benefit from plans	The Commission has intensified its work to ensure security of energy supplies to

to reduce the impact of high energy prices. Although very high profits were recorded in some sectors, with a substantial increase of 26.8% compared to the previous quarter, bankruptcy declarations in the EU reached 113.1 – the highest level ever recorded – according to an index used by Eurostat to measure the level of bankruptcy in the EU compared to the benchmark of 100 in 2015. The EESC calls on the Commission and the Member States to work to ensure that households and key sectors can source energy constantly when measures to reduce demand at peak times are implemented. At the same time, some companies, mainly in the energy sector, have increased their profits in the shadow of existing inflation, as the ECB¹⁴⁶ points out. Profits in this sector have continued to drive inflation in the EU and must be tackled.

households and key sectors in the past year, most notably in the form of Regulations on (1) gas storage, (2) gas demand reduction, (3) gas solidarity and (4) reduction of electricity peak demand. In addition, the Commission remains committed to international outreach to key suppliers, notably in the form of the EU energy platform to support the REPowerEU Plan.

The Commission highlights that the proposal for the reform of the electricity market design of 14 March sets out measures which aim to further strengthen the protection of and empower consumers as well as to enhance the stability and predictability of the cost of energy, contributing to the competitiveness of the EU economy. This electricity market reform is key for consumers in order to ensure they are better protected from volatile prices and to empower them with greater contract choice, as well as more direct access to renewable energy.

- The proposal introduces new rights for consumers to fixed price contracts, while at the same time allowing them to have multiple tailor-made contracts, as well as access to clearer pre-contractual information. This wider choice will allow consumers, if they wish, to lock in secure, long-term prices to be shielded from sudden price shocks. At the same time, they will be able to profit from price variability to use electricity when it is cheaper, such as to charge electric vehicles or use heat pumps.

- The proposal empowers all consumers, including the energy poor, to access renewable energy directly through participation in energy sharing. The right to energy sharing allows consumers to take

¹⁴⁶ [ECB study on inflation, 2023.](#)

	<p>control of their energy future, with the ability to sell or give away electricity to other consumers, to rent, lease or co-own off-site facilities, and to share energy within their communities. This allows consumers, even those who do not own a rooftop, to benefit from renewables and decouple their electricity bills from gas.</p> <p>- The proposal also provides better protection for consumers overall and extra protection for the most vulnerable. For instance, Member States will have to ensure that vulnerable consumers in arrears do not get disconnected.</p>
<p>1.5. The energy crisis has impacted the economy in terms of high inflation, weak economic growth, strong pressure on public finances and the purchasing power of households and businesses, and loss of external economic competitiveness. Based on the ECB's recommendations, the EESC suggests establishing a "green triple T" criterion to ensure that future interventions are tailored, targeted and transition-proof. Non-selective price measures such as the price cap for certain foods would only prolong the period of high inflation over the long term.</p>	<p>Protracted non targeted fiscal support to households and firms strengthens inflationary pressures. This raises the likelihood of central banks stepping up monetary policy tightening and would put pressure on financial stability. If renewed energy price increases necessitate support measures, these should be focused on protecting vulnerable households and firms, fiscally affordable and they should preserve incentives for energy savings. Furthermore, Member States should improve the quality and composition of their public finances, continue to protect nationally financed investment and ensure the effective use of the RRF and other EU funds, such as the InvestEU programme, in particular in light of the green and digital transition and the need to strengthen the EU's economic and social resilience.</p> <p>The impact of the Russian invasion of Ukraine on farmers in the EU and on the price of food and food security as well as regards the purchasing power of consumers is constantly monitored by the Commission services and was also subject to a Commission Communication adopted on 23 March 2022 with actions recommended to</p>

	<p>take by Member States to address food affordability in the EU. The Commission is closely monitoring the measures taken by Member States for the purpose of improving food affordability and works to ensure that these measures do not have unintended consequences or interfere with the good functioning of the single market and of the Common organisation of agricultural markets (CMO).</p>
<p>1.6. The persisting high inflation, in particular due to energy prices, provokes a general loss of purchasing power of European workers, consumers and companies, affecting the living conditions of many families, internal demand and growth. This, together with the maintenance of the monetary policy of increasing interest rates, also negatively affects many companies. The EESC believes social dialogue in the energy sector is important to find the appropriate decisions at the national level</p>	<p>The Commission shares the Committee's opinion on the importance of social dialogue in the energy sector. During the crisis, many emergency decisions were taken at European level in record time. And yet many countries have set up sectoral negotiations to go further in the measures and obtain voluntary commitments, in particular for consumer protection. The Commission facilitated the signing of a joint declaration on enhanced consumer protection last winter with main energy stakeholders at EU level and continues to engage with them to renew these commitments for next winter.</p>
<p>1.7. The EESC calls on governments to encourage businesses and households to implement energy-saving and -efficiency measures that will enable energy demand to be permanently reduced. To this end, the expansion of renewable energy should be encouraged (by setting the necessary legal and fiscal conditions, including introducing an "investment golden rule") in order to reduce our dependence on fossil fuels. The current situation should be used as an incentive to speed up the decarbonisation of the EU economy. These measures should be accompanied by non-relocation guarantees linked to financial aid. It is time to make the necessary investment</p>	<p>The Commission agrees that structural measures in the area of renewable energy and energy efficiency are crucial, not only in relation to the climate transition, but also as they are the long-term solution to energy shocks by reducing our dependence on imported fossil fuels. In that regard, REPowerEU is the Commission's action plan to reduce Europe dependency on Russian fossil fuels, save energy and accelerate the provision of clean, affordable and secure energy to our citizens and businesses, including by introducing measures to remove bottlenecks in the rollout of renewables.</p> <p>In order to remove these bottlenecks, the</p>

(and establish the required fiscal framework conditions) in Europe's energy transition to reduce dependence on fossil fuels. Furthermore, the EESC is in favour of pressing forward with the changes proposed under REPowerEU to streamline and accelerate the granting of permits for installing renewable energy infrastructure. In this regard, the EESC urges the EU and the Member States to consider how to ensure that the price paid for excess energy fed into the grid enables viable investments to be made to maximise capacity for generating renewable energy and sharing it when it exceeds the generator's own needs. The Commission's long-term agenda should include revamping the energy market in order to avoid future disruption of energy supply and exorbitant prices.

Commission has taken actions to simplify and accelerate permitting for both renewable energy projects and the necessary infrastructure projects to integrate the additional renewables into the electricity system. Some of these rules are already in force under the December 2022 Emergency Regulation¹⁴⁷ which, thanks to its immediate applicability, can be used to accelerate RES in this crisis framework (valid until mid-2024). This Regulation includes several rules to accelerate in particular the deployment of solar installations on artificial structures and of heat pumps, and to streamline the repowering of renewable energy projects. It also includes the general presumption of overriding public interest for all RES technologies. Moreover, the revised Renewable Energy Directive, addresses the permitting bottleneck in a comprehensive manner, including through spatial planning and the identification of 'renewables acceleration areas' and the possibility to identify 'dedicated grid areas' with simpler assessments.

The 2018 Renewable Energy Directive¹⁴⁸ already addresses the rights of renewables self-consumers, including the remuneration of self-generated renewable electricity fed into the grid reflecting its market value, the sharing of electricity by jointly acting renewables self-consumers at the level of the building and the creation of an enabling framework for renewables self-consumption, including by addressing financial barriers to these projects. The Commission is currently assessing the transposition of the Directive by all Member States, including these provisions.

¹⁴⁷ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R2577&qid=1693151011330>

¹⁴⁸ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32018L2001>

	<p>In March 2023, the Commission adopted a proposal for a revision of the Electricity Market Directive which includes a right to energy sharing. This proposal is currently under negotiation.</p> <p>The InvestEU Programme, which is fully operational since March 2022, can support a wide range of investments to help decarbonizing the EU economy, support infrastructure projects as well as the green transition of companies and help innovative technologies to come to market and scale-up. Under the InvestEU Programme that allows risk-sharing through a budgetary guarantee of EUR 26.2 billion, the European Investment Bank Group, other international financial institutions as well as national promotional banks are partners of the EU, providing finance to green transition and other investments. In the coming years, up to EUR 372 billion of investments can be supported, including in renewable energies and energy efficiency.</p>
<p>4.4. As the accumulated stocks of natural gas in Europe decrease – the volume being stored in May 2023 was 68% – we will face additional challenges in managing our energy policy. There is still a difference between the quantities previously supplied from Russia and those from alternative suppliers and, therefore, prices are unlikely to drop in the short term. What has happened is a significant reduction in demand. The high energy prices are making our industry and our supply chains less competitive, in turn encouraging operations to be outsourced outside the EU, thus reducing the bloc's strategic independence. The impact on households, in particular the</p>	<p>First, the natural gas stock is seasonal. It increases in the spring-summer period when storages are filled and decreases in the autumn/winter period when gas is withdrawn from the storage to serve the gas demand (which is larger in autumn/winter).</p> <p>Second, thanks to the Member States commitments to fill the storage in advance of the winter season Regulation 2022/1032¹⁴⁹, gas stock filling has been exceptionally high in 2023. The EU ended the winter season in April with record level of gas in storage, well above the average level in the previous years. And in mid-August 2023 the EU achieved the 90% filling target, more than 2 months before the</p>

¹⁴⁹ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R1032&qid=1693151619505>

<p>most vulnerable, is particularly significant, with a growing proportion of people at risk of or living in poverty. This will be the case until at least 2024. In order to combat these issues, the EESC recommends a number of measures including location guarantees linked to financial support, further necessary energy saving and energy efficiency measures for companies to reduce demand, massive investments and the necessary fiscal framework conditions in the expansion of renewable energy production to reduce dependence on fossil fuels</p>	<p>'deadline' envisage in the Regulation.</p> <p>The EU has essentially replaced Russia pipeline supply. In 2022 we received 76 bcm less from Russia but that was compensated by much more LNG (+50bcm) and more pipeline supply from countries other than Russia (+28 bcm).</p> <p>It is important to set a few facts: prices have dropped dramatically compared to 2022. Despite some volatility this summer (2023), prices have been moving around 30 €/MWh. This is still higher than the pre-crisis level (around 20 €/MWh) but a fraction of the price seen in summer 2022 (which had been well above 100 € with spikes in excess of 300 €). Therefore, the situation has considerably improved compared to late 2021 and 2022.</p>
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