

**FOLLOW-UP PROVIDED BY THE EUROPEAN COMMISSION**  
**TO THE OPINIONS OF THE**  
**EUROPEAN ECONOMIC AND SOCIAL COMMITTEE**  
**PLENARY SESSION OF DECEMBER 2023<sup>1</sup>**

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<sup>1</sup> Including the follow-up to five opinions adopted during the October 2023 Plenary session, one during the July 2023 and one during the June 2023 Plenary session-

N°	Title	References
<b>TAXUD</b>		
1	<a href="#">VAT rules relating to taxable persons who facilitate distance sales of imported goods</a> Rapporteur: Reet TEDER (EE-I)	ECO/624 COM(2023) 262 final EESC-2023-03252-00-00-AC
2	<a href="#">Faster and Safer Tax Excess Refund</a> Rapporteur: Benjamin RIZZO (MT-III)	ECO/627 COM(2023) 324 final EESC-2023-03253-00-00-AC
<b>FISMA</b>		
3	<a href="#">The strategic importance of the EU financial sector – How to improve assessment and evaluation (own-initiative opinion)</a> Rapporteur: Antonio GARCÍA DEL RIEGO (ES-I)	ECO/615 EESC-2023-00763-00-00-AC
4	<a href="#">Open finance and payments</a> Rapporteur: João NABAIS (PT-III)	INT/1038 COM(2023) 360 final COM(2023) 366 final COM(2023) 367 final EESC-2023-03611-00-00-AC
<b>JUST</b>		
5	<a href="#">International protection of adults</a> Rapporteur: Pietro Vittorio BARBIERI (IT-III)	SOC/779 COM(2023) 280 final COM(2023) 281 final EESC-2023-03514-00-00-AC
6	<a href="#">GDPR - additional procedural rules</a> Rapporteur: Katrīna ZARIŅA (LV-I)	INT/1042 COM(2023) 348 final EESC-2023-03796-00-00-AC
7	<a href="#">Revision of the victims' rights directive</a> Rapporteur: Dovilė JUODKAITĖ (LT-III)	SOC/780 COM(2023) 424 final EESC-2023-03943-00-00-AC
<b>EMPL &amp; CLIMA</b>		
8 Assoc ENER	<a href="#">The climate crisis and its effect on vulnerable groups (own-initiative opinion)</a> Rapporteur: Ioannis VARDAKASTANIS (EL-III)	SOC/770 EESC-2023-02907-00-00-AC

EMPL		
9	<p><a href="#"><u>For an EU framework for national homeless strategies based on the principle of "Housing First" (own-initiative opinion)</u></a></p> <p>Rapporteur: María del Carmen BARRERA CHAMORRO (ES-II) Co-rapporteur: Ákos TOPOLÁNSZKY (HU-III)</p>	<p>SOC/768</p> <p>EESC-2023-01741-00-01-AC</p>
10	<p><a href="#"><u>European Disability Card and the European Parking Card for persons with disabilities</u></a></p> <p>Rapporteur-general: Ioannis VARDAKASTANIS (EL-III)</p>	<p>SOC/785</p> <p>COM(2023) 512 final EESC-2023-04861-00-00-AC</p>
11 Assoc REGIO & CLIMA	<p><a href="#"><u>Advancing the EU's just transition policy framework: what measures are necessary? (exploratory opinion requested by the Belgian presidency of the Council of the EU)</u></a></p> <p>Rapporteur: Rudy DE LEEUW (BE-II) Co-rapporteur: Arnold PUECH D'ALISSAC (FR-I)</p>	<p>NAT/915</p> <p>EESC-2023-03928-00-00-AC</p>
SANTE		
12	<p><a href="#"><u>Seeds and other plant and forest reproductive material</u></a></p> <p>Rapporteur: Arnaud SCHWARTZ (FR-III)</p>	<p>NAT/905</p> <p>COM(2023) 414 final COM(2023) 415 final EESC-2023-03344-00-00-AC</p>
HERA		
13 Assoc GROW & SANTE	<p><a href="#"><u>Securing Europe's medicine supply: envisioning a Critical Medicines Act (exploratory opinion requested by the Belgian presidency of the Council of the EU)</u></a></p> <p>Rapporteur: Lech PILAWSKI (PL-I) Co-rapporteur: Thomas STUDENT (DE-Cat. 2)</p>	<p>CCMI/212</p> <p>EESC-2023-03800-00-01-AC</p>
MOVE		
14	<p><a href="#"><u>Posting of drivers in the European transport sector - challenges and opportunities (exploratory opinion requested by the Belgian presidency of the Council of the EU)</u></a></p> <p>Rapporteur: Alena MASTANTUONO (CZ-I) Co-rapporteur: Mateusz SZYMAŃSKI (PL-II)</p>	<p>TEN/822</p> <p>EESC-2023-03702-00-00-AC</p>

REGIO		
15	<a href="#"><u>Main challenges faced by EU islands, and mountainous and sparsely populated areas (own-initiative opinion)</u></a>  EESC-2023-00848-00-00-AS-TRA Rapporteur: Ioannis VARDAKASTANIS (EL-III)	ECO/612
INTPA		
16	<a href="#"><u>Global battle of offers – from the Chinese Belt and Road initiative to the EU Global Gateway: the vision of European organised civil society (own-initiative opinion)</u></a>  Rapporteur: Stefano PALMIERI (IT-II)	REX/572  EESC-2023-00430-00-00-AC
AGRI		
17	<a href="#"><u>The impact of high energy prices on the agricultural sector and rural areas (own-initiative opinion)</u></a>  Rapporteur: Simo TIAINEN (FI-III)	NAT/899  EESC-2023-01906-00-00-AC
EAC		
18 Assoc REGIO	<a href="#"><u>The role of youth in rural development (Own-initiative opinion)</u></a>  Rapporteur: Nicoletta MERLO (IT-II)	NAT/893  EESC-2023-01996-00-01-AC
ENV		
19	<a href="#"><u>Regulation on circularity requirements for vehicle design and end-of life vehicle (ELV) management</u></a>  Rapporteur: Bruno CHOIX (FR-I)	NAT/880  COM(2023) 451 final EESC-2023-03741-00-00-AC
EEAS		
20	<a href="#"><u>Strengthening Multilateralism and core international principles for a rules-based order in a rapidly changing world – The importance of Civil Society contribution to the UN system (own-initiative opinion)</u></a>  Rapporteur: Christian MOOS (DE-III) Co-rapporteur: Tanja BUZEK (DE-II)	REX/571  EESC-2023-02225-00-00-AC
21 Assoc CLIMA	<a href="#"><u>EU Climate Diplomacy (own-initiative opinion)</u></a>  Rapporteur: Stefano MALLIA (MT-I)	REX/569  EESC-2023-01864-00-00-AC

<b>GROW</b>		
22	<a href="#"><u>Revision of the toy safety directive</u></a> Rapporteur: Tymoteusz Adam ZYCH (PL-III)	INT/1014 COM(2023) 462 final EESC-2023-03708-00-00-AC
23 Assoc ENER	<a href="#"><u>Industrial Policy as an instrument to reduce dependencies and boost an EU market for green products in the resource and energy-intensive industries (REELs) (own-initiative opinion)</u></a> Rapporteur: Matteo Carlo BORSANI (IT-I) Co-rapporteur: Dirk JARRÉ (DE-Cat. 3)	CCMI/210 EESC-2023-01023-00-00-AC
<b>CNECT</b>		
24	<a href="#"><u>Initiative on virtual worlds</u></a> Rapporteur: Andrea MONE (IT-II) Co-rapporteur: Patrice CHAZERAND (FR-Cat. 1)	CCMI/216 COM(2023) 442 final EESC-2023-03581-00-00-AC
<b>*** OPINIONS ADOPTED DURING PREVIOUS PLENARY SESSIONS ***</b>		
<b>MOVE</b>		
25 Opinion adopted during the Plenary session of October 2023	<a href="#"><u>Harmonised measurement of transport and logistics emissions</u></a> Rapporteur: Angelo PAGLIARA (IT-II)	TEN/814 COM(2023) 441 final EESC-2023-02269-00-00-AC
<b>NEAR (Assoc ENER)</b>		
26 Opinion adopted during the Plenary session of October 2023	<a href="#"><u>Energy policies and strategies in the Euro-Mediterranean region (Own-initiative opinion)</u></a> Rapporteur: Ioannis VARDAKASTANIS (EL-III) Co-rapporteur.: Maria Helena DE FELIPE LEHTONEN (ES-I)	REX/555 EESC-2022-03888-00-00-AC
<b>ENV</b>		
27 Opinion adopted during the Plenary session of October 2023	<a href="#"><u>Soil Health Law</u></a> Rapporteur: Arnold PUECH D'ALISSAC (FR-I)	NAT/906 COM(2023) 416 final EESC-2023-03275-00-00-AC

<b>Co-lead CLIMA &amp; GROW (Assoc CNECT)</b>		
28 Opinion adopted during the Plenary session of July 2023	<a href="#"><u>The decarbonisation of European industry and the role of innovation and digitalisation in driving it (Exploratory opinion requested by the Spanish presidency)</u></a>  Rapporteur: Andrés BARCELÓ DELGADO (ES-I) Co-rapporteur: Monika SITÁROVÁ (SK-cat. 2)	CCMI/207  EESC-2023-01315-00-00-AC
<b>Co-lead ENV &amp; SANTE</b>		
29 Opinion adopted during the Plenary session of October 2023	<a href="#"><u>Revision of the EU waste framework Directive</u></a>  Rapporteur: Zsolt KÜKEDI (HU-III)	NAT/907  COM(2023) 420 final EESC-2023-03281-00-00-AC
<b>ENER</b>		
30 Opinion adopted during the Plenary session of June 2023	<a href="#"><u>Impact of the energy crisis on the European economy (Own-initiative opinion)</u></a>  Rapporteur: Alena MASTANTUONO (CZ-I)	TEN/800  EESC-2023-00493-00-00-AC
<b>ENER</b>		
31 Opinion adopted during the Plenary session of October 2023	<a href="#"><u>Individual and collective energy self-consumption as a factor in the fight for the green and energy transition, and for economic and social balance (Own-initiative opinion)</u></a>  Rapporteur: Pierre Jean COULON (FR-II)	TEN/801  EESC-2023-00714-00-00-AC

<p><b>N°1 VAT rules relating to taxable persons who facilitate distance sales of imported goods</b>  <b>COM(2023) 262 final</b>  <b>EESC 2023-03252 – ECO/624</b>  <b>583<sup>rd</sup> Plenary Session – December 2023</b>  <b>Rapporteur: Reet TEDER (EE-I)</b>  <b>DG TAXUD – Commissioner GENTILONI</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.2., 3.2. and 3.6. The EESC supports removing the current EUR 150 Import One-Stop Shop (IOSS) threshold, considering it fully in line with the goal to have one single VAT registration in the EU, simplifying the process effectively and substantially reducing red tape and compliance costs.</p>	<p>The Commission appreciates the Committee’s support for the extension of the use of the Import One-Stop Shop (IOSS) to distance sales of imported goods regardless of their value. Single value-added tax (VAT) registration will encourage the small and medium-sized enterprises to engage in cross border trade.</p>
<p>1.3. and 4.1. The EESC backs the Commission's proposal to extend the deemed supplier rule (Article 14(a)) to all distance sales of imported goods – including those above a value of EUR 150 – that are facilitated by an electronic interface.</p>	<p>The Commission welcomes the Committee’s appraisal regarding the extension of current e-commerce VAT rules to all distance sales of imported goods.</p>
<p>1.7. and 3.4. As pointed out in several opinions, the EESC strongly encourages targeted initiatives, such as this one, that aim for better tax collection and reduced tax fraud and tax avoidance/evasion.</p>	<p>The Commission considers combatting tax fraud, evasion and avoidance as a high priority. This initiative enhances tax compliance for all stakeholders.</p>
<p>1.8. and 4.2. From a methodology perspective, the EESC stresses the importance of clear definitions. It should first be clarified whether or not there is a difference between a "deemed importer" and a "deemed supplier". A uniform definition of "intermediary" in the context of the platform economy would be also useful, together with a set of common behaviours that are able to help identify when platforms are</p>	<p>The Commission acknowledges the importance of clear definitions and agrees that those notions could be further clarified during Council negotiations.</p>

acting exclusively in their own interest and capacity.	
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<p><b>N°2      Faster and Safer Tax Excess Refund</b>  <b>COM(2023) 324 final</b>  <b>EESC 2023-03253 – ECO 627</b>  <b>583<sup>rd</sup> Plenary Session – December 2023</b>  <b>Rapporteur: Benjamin RIZZO (MT-III)</b>  <b>DG TAXUD – Commissioner GENTILONI</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.5. and 3.3. The EESC suggests that the eTRC might be used to simplify issues in addition to those already covered in the proposal.</p>	<p>The Commission acknowledges the importance of allowing Member States to issue the digital tax residence certificate (eTRC) to serve purposes other than relief of withholding taxes under the proposal. In this sense, Article 4.2.g caters for such goal of using the eTRC for additional reasons other than those already covered in the proposal.</p>
<p>1.6. and 3.11. The EESC underlines that the Commission expects the proposal to deliver significant cost savings compared to the status quo and encourages the Commission to periodically verify whether such savings are actually achieved.</p>	<p>It should be noted that Article 19 of the proposal embeds a periodical evaluation requirement where the functioning of the directive should be examined. Such an evaluation embraces the assessment of the achievement of the objectives of the directive. One of the main objectives of the directive is making the withholding tax procedures more efficient, which entails large cost savings for investors.</p>
<p>1.7. and 3.11. Financial institutions must register with each Member State, and so the Commission expects increased compliance costs in the short term, which should decrease over time leading to substantial advantages in the long run. In this respect, the EESC recommends targeted efforts to keep compliance costs as low as possible in the initial phase of implementation of the new rules.</p>	<p>The Commission is aware of the fact that establishing new reporting and procedures will result in implementation costs for the financial intermediaries. Such costs will nonetheless be offset by the compliance savings in the long run due to the lack of fragmentation and compliance with a single EU-wide framework instead of several different, national systems. Those initial compliance costs will be kept to a minimum by providing accurate IT</p>

	<p>specifications and clear rules via the implementing acts, which are intended for developing the technical details of the eTRC, the reporting obligation/quick refund request forms and the common communication channels.</p>
<p>1.9. The EESC encourages Member States to swiftly provide the Commission, during the implementation period, with annual reports on statistics regarding how many excess withholding tax (WHT) reclaims are refunded/relieved both within and after the timeframe in order to ensure that WHT reclaims are gradually refunded/relieved within the ambitious timeframe of no more than 25 days set by the Commission proposal.</p>	<p>The Commission agrees with the importance of the accuracy and transparency of the evaluation requirement as provided in Article 19 of the proposal. In order to undertake such exercise, Member States must communicate to the Commission relevant information for the purposes of assessing the effectiveness, efficiency coherence and relevance of the directive. The information to be provided by Member States for the purpose of the evaluation will be specified via an implementing act, whereby the Commission will ensure that the relevant figures will be included.</p>
<p>3.3. The information on the eTRC should be available in multiple languages if necessary, thus improving the efficiency of refunds.</p>	<p>It should be noted that the eTRC will be automatized in a common format where all fields are allocated to stipulated information. Additionally, during the process of developing the format of the eTRC via the corresponding implementing act, the Commission will ensure that a translation in multiple languages is available for those fields where free text can be provided.</p>
<p>3.14. The EESC recommends an adequate degree of cooperation among national tax authorities and between national authorities and the European Commission, especially in the first period of implementation, in order to solidly establish the new system in a reasonable time, ensuring that WHT reclaims</p>	<p>A high level of cooperation among national tax authorities themselves and with the Commission is envisaged after adoption since the comitology procedure requires all covered Member States to participate and vote on the different implementing acts. These implementing acts are necessary for the operationalisation of the obligations of</p>

<p>are refunded/relieved within the specified 25 day period.</p>	<p>the directive. Once the implementing acts are finalized and the directive enters into force, it is for Member States to collaborate via exchanging information in the registration and de-registration process as requested under Articles 7 and 8 and by providing the relevant information to the Commission in order to perform a thorough evaluation subject to Article 19 of the proposal.</p>
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<p><b>N°3      The strategic importance of the EU financial sector – How to improve assessment and evaluation</b>  <b>(own-initiative opinion)</b>  <b>EESC 2023-00763 – ECO/615</b>  <b>583<sup>rd</sup> Plenary Session – December 2023</b>  <b>Rapporteur: Antonio GARCÍA DEL RIEGO (ES-I)</b>  <b>DG FISMA – Commissioner MCGUINNESS</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.2. The EESC recognises that financial stability is an indispensable prerequisite for growth and competitiveness as it prevents public and private capital from being absorbed by bailouts for failed banks and protects the economy at large from the attendant disruption and collateral damage.</p>	<p>The Commission agrees that financial stability is essential for growth and competitiveness. It clarifies that the bank crisis management and deposit insurance legislation<sup>2</sup> is a set of rules developed in the wake of the global financial crisis and the euro-area sovereign debt crisis more than a decade ago to facilitate bank resolution and avoid bailing out failing banks, while ensuring the protection of depositors. In addition, in the euro-area, important steps were taken to establish a Banking Union, by centralising supervision and resolution, unifying decision-making and facilitating timely action in the event of bank distress or failure, thus substantially reducing the serious impact of a bank’s failure on competitiveness. These measures further reinforced stability in the banking sector and enabled banks to support European</p>

<sup>2</sup> Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms; OJ L 173, 12.6.2014, p. 190–348.

Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund; OJ L 225, 30.7.2014, p. 1–90.

Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes; OJ L 173, 12.6.2014, p. 149–178.

	businesses and households, even through the recent Covid crisis.
1.4. The EESC welcomes the introduction of a competitiveness check and believes that its four dimensions should be paired to the specific features of the financial sector. It should serve as a control measure to make sure that proposals support increased competitiveness, more jobs and sustainable growth. The competitiveness check must not be invoked, however, to justify deviations from international standards that the EU is committed to implementing, such as the Basel III framework.	In its Communication on ‘Long-term competitiveness of the EU: looking beyond 2030’, the Commission committed to introducing a competitiveness check to ensure 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 and the capacity to innovate, and also on the small and medium-sized enterprises competitiveness. The competitiveness check is part of the Commission’s Better Regulation tools to make sure that policy decisions (including potential deviations from international standards) are informed by impact assessments which take into account all significant impacts of initiatives.
1.8. The EESC agrees with the European Parliament's concern that the Commission has not developed a methodology that covers the cumulative effects of subsequent proposals on competitiveness and calls for the implementation of the competitiveness check in legislative packages and in the Commission's work programme as a whole.	The Commission set out in its Communication on ‘Long-term competitiveness of the EU: looking beyond 2030’ that it will work on how to better assess the cumulative impacts of different policy measures at EU level.
1.9. The EESC considers that the representation of stakeholders in impact assessments (IAs) is poor and that both the process and the practical outcome of these consultations discourage participation.	The Committee does not provide evidence for this qualitative statement. It does neither refer to the extensive stakeholder consultation that is taking place nor to the recent changes in the Better regulation guidelines and toolbox <sup>3</sup> , specifically concerning consultations, including the call for evidence, and a more flexible and

<sup>3</sup> [Better regulation: guidelines and toolbox \(europa.eu\)](https://european-council.europa.eu/media/e3000420/1/1617202112121_en.pdf)

	<p>effective way of consulting stakeholders. The Commission's Better regulation system is among the most advanced in the ranking of the Organisation for economic Co-operation and development, in particular regarding stakeholder consultation. Nevertheless, the Commission considers it important to maintain continued efforts for the quality of its stakeholder consultations.</p>
<p>2.3. The EESC notes that the Banking Union remains incomplete and considers this as one of the factors that hamper the development of an integrated capital market in the EU.</p>	<p>The Commission agrees that the Banking Union remains incomplete, as agreement among the EU co-legislators for its completion, including through the introduction of a common deposit protection scheme has not been achieved yet. This remains a key policy priority for the Commission. A complete Banking Union will increase competition and competitiveness in the banking sector, enabling it to better serve the real economy across the single market. It will create opportunities and support Europe in a challenging economic context shaped by geopolitical tensions and the climate, digital and energy transitions.</p> <p>The Banking Union is complementary to the Capital Markets Union, as banks play a key role in bringing firms to capital markets and facilitating investors' access to capital markets.</p>
<p>3.13. Recent events, including the collapse of Crédit Suisse, demonstrate that more work needs to be undertaken, at both international and EU level, to achieve the policy objectives formulated in the wake of the global financial crisis.</p>	<p>The Commission notes that the recent failures in the banking sectors of the United States and Switzerland are a stark reminder that bank failures can still occur despite the implementation of the internationally agreed global regulatory reform agenda.</p> <p>Thanks to the fundamental reforms after the global financial crisis of 2008 and the subsequent euro area sovereign debt</p>

	<p>crisis, which implemented internationally agreed standards, EU banks are now more robust and better able to sustain shocks.</p> <p>However, ongoing challenges and the fast evolving global and financial landscape mean that the Commission needs to stay alert and adapt its policies where necessary. High-quality regulation, broad application, strong supervision and enforcement are essential to support the resilience of the financial sector, and to ensure that the financial sector can support innovation and economic growth going forward. Regarding crisis management, overall, the principles of the internationally agreed resolution framework remain the right ones to safeguard financial stability and to avoid bail-outs of failing banks. International discussions are rather looking at questions of whether the international standards have been properly implemented in all jurisdictions and if improvements are needed in the operationalisation of the framework.</p>
<p>4.1. The statistical data gathered by the IMPA indicate that 29% of the appraised IAs published between July 2015 and December 2018 were found to be "poor" and show the need for a more thorough assessment of social and environmental impacts, as well as a more consistent analysis of impacts on SMEs' competitiveness.</p>	<p>The Commission notes that the statement refers to an assessment in 2019 and does not reflect the changes to the Better Regulation guidelines and toolbox that have taken place since then. They include, among others, the one-in, one-out approach, improved analysis of specific impacts (e.g. the SME test), embedding the 'do no significant harm' and the 'digital by default' principles, strategic foresight, and link impact assessments and evaluations to relevant sustainable development goals.</p>
<p>4.3. The EESC notes that the competitiveness check forms part of the Better Regulation</p>	<p>Commission impact assessments, which will include the competitiveness check,</p>

<p>framework and requests to have access to the new set of ex-ante and ex-post assessments of the new proposed regulation.</p>	<p>as well as evaluations are published on the Have your say portal<sup>4</sup> after adoption.</p>
<p>4.8. The EESC notes that the issue of overcapacity remains both a major structural drag on sectorial profitability and a financial stability risk. As pointed out by the ECB and the European Systemic Risk Board, consolidation is not the only solution to address overcapacity: underperforming banks must also be allowed to exit the market in a safe and orderly way (through insolvency or resolution), without political interference.</p>	<p>The Commission agrees with the observation that overcapacity remains both a major structural drag on the banking sector's profitability and a financial stability risk.</p> <p>The EU has a robust bank crisis management, a deposit insurance framework and a flexible toolkit to manage bank failures in an orderly and economically efficient manner.</p> <p>The Commission has recently adopted a reform proposal to further adjust and improve this framework with a focus on medium-sized and smaller banks, including those that have a strong regional presence and may constitute a risk for the local economy if they failed. The proposed reform will make it easier for authorities to sell the essential business of a failing bank to a viable bank where this is less disruptive for the economy and the local communities than liquidation, as banks' critical functions are preserved, and businesses and households retain access to their accounts.</p>

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<sup>4</sup> [Published initiatives \(europa.eu\)](https://european-council.europa.eu/media/en/press-operations/infographic-117196.jpg)



<p><b>N°4      Open finance and payments</b>  <b>COM(2023) 360 final</b>  <b>COM(2023) 366 final</b>  <b>COM(2023) 367 final</b>  <b>EESC 2023-03611 – INT/1038</b>  <b>583<sup>rd</sup> Plenary Session – December 2023</b>  <b>Rapporteur: João NABAIS (PT-III)</b>  <b>DG FISMA – Commissioner MCGUINNESS</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.2. The EESC finds that it is necessary to clarify in this new [PSD3] directive whether or not digital wallets (such as Apple or Google Pay) are included.</p>	<p>The Commission takes note of the Committee's position that all digital wallets should be either explicitly covered or excluded. Digital wallets which contain funds are fully in scope and their operators require an authorisation. Operators of 'pass-through' digital wallets which do not contain funds but rather a tokenised payment card do not need to have a license as payment service provider, being considered as a technical service provider and therefore excluded from the scope of the licensing obligation. But some specific provisions of the Payment Services Regulation (PSR) proposal (for example on outsourcing) do apply to them. The Commission intends to work with co-legislators to introduce more clarity on different types of digital wallets.</p>
<p>1.5. It [EESC] considers that the five-year period laid down in the review clause of the proposed [PSD3] directive (Article 43) is too long.</p>	<p>The deadline for the general review of PSR is five years after the application of the legislation. This is because the review needs to be based on a number of years of data and evidence of application of the legislation.</p>
<p>1.6. The redesign of the revised Payment Services Directive (PSD2), replacing the latter</p>	<p>The Commission does not agree that the Payment Services Directive (PSD3) and</p>

<p>with a directive and this proposed regulation (PSR), lacks provision for stronger consumer protection against new types of fraud and scams; for this reason the EESC proposes a range of measures under point 3.2.7. below.</p>	<p>PSR proposal ‘lacks provision for stronger consumer protection against new types of fraud and scams’. The proposal contains, inter alia:</p> <ul style="list-style-type: none"> <li>- A generalisation to credit transfers executed in the EU in all EU currencies of the IBAN/name check system, which was already proposed for instant credit transfers in euro in the Commission’s 2022 proposal on euro instant payments (IPs) and which was extended to all credit transfers in euro by the co-legislators;</li> <li>- A legal basis for Payment Service Providers (PSPs) to exchange information on fraud cases, in full compatibility with the General Data Protection Regulation (GDPR);</li> <li>- An obligation on PSPs to ‘educate’ their customers about fraud risks;</li> <li>- A additional right to a refund from their PSP for victims of fraud in specific circumstances (non-availability of the IBAN/name checking service, impersonation of bank employees by fraudsters) and with conditions (declaration to the police, no gross negligence etc).</li> </ul>
<p>1.11. The EESC calls for consideration to be given to the correlation between the proposed directive on instant payments and the PSR as regards International Bank Account Number (IBAN) verification. It would refer here to its Opinion<sup>5</sup> on the Instant Payments Regulation.</p>	<p>In the political agreement on the Regulation on Instant Payments, co-legislators have decided to apply the IBAN verification mechanism to all credit transfers in euro, whether instant or not. It may be necessary to amend the PSR proposal in view of this development with the aim of preventing any overlaps in EU payments legislation.</p>
<p>1.12. In addition, the EESC calls for consideration to be given to applying these</p>	<p>Regarding ‘batch’ or ‘bulk’ payments, in the political agreement of the co-legislators on the Regulation on Instant</p>

<sup>5</sup>

[OJ C 146, 27.4.2023, p. 23.](#)

<p>[IBAN verification] services to batch payments.</p>	<p>Payments, it was confirmed that the IBAN verification mechanism would apply to ‘batch’ or ‘bulk’ payments. Therefore, a similar approach in the PSR would be sensible.</p>
<p>1.18. The list of customer data categories in the proposed [FIDA] regulation is quite comprehensive and has been extended (Article 2), but there is still a risk of misuse and illegitimate interference with the data collected.</p>	<p>To minimise any risk of misuse and interference, the proposal provides for several targeted policy measures. Firstly, the explicit agreement of the consumer is required for their data to be shared by data holders with a clearly identified data user for a clearly identified purpose. All the GDPR requirements apply on top of the requirements set out in this proposal. Secondly, the proposal imposes a general obligation on data users to be covered by the Digital Operational Resilience Act<sup>6</sup>, establishing technical requirements across four domains which contribute to avoiding misuse and illegitimate interference with the data collected: Information and communication technology (ICT) risk management and governance, incident response and reporting, resilience testing, and third-party risk management.</p>
<p>1.19. The proposed [FIDA] regulation falls short on prohibiting the use of sensitive personal data and relevant financial data and does not properly safeguard balance and transparency.</p>	<p>The Commission has carried out substantial preparatory work in the process of designing the scope of the proposal. In addition to public and targeted consultations, a thorough impact assessment was carried out, weighing any potential benefits against the costs of opening up specific types of data to machine-to-machine data sharing. As a result, the Commission concluded that the risks of including consumer data related to creditworthiness assessment as well as to life, health and sickness insurance would outweigh the potential</p>

<sup>6</sup> <https://eur-lex.europa.eu/eli/reg/2022/2554/oj>

	<p>benefits and therefore excluded these categories of data from the scope of the proposal. Furthermore, the proposal requires the European Supervisory Authorities to develop guidelines on the processing of consumer data that is in scope of the proposal, with the objective of avoiding a situation where this data can be used to circumvent the explicit exclusion of consumer data related to creditworthiness assessment and life, health and sickness insurance.</p>
<p>3.2.7. The EESC is proposing a number of measures [in PSR] including: (1) a clear definition of the concept of "gross negligence", "authorisation" and "suspected/actual fraud"; (2) arrangements that clearly define liability in such cases of fraud and/or scams, with a clear definition of gross negligence and scrutiny, along with the right to immediate reimbursement of the amounts removed from bank accounts; (3) the definition of a strict framework for sharing responsibilities between payment service providers, payers and payment recipients, involving other participants in the payment chain; (4) a requirement for increased monitoring of transactions by payment service providers, including by setting clear responsibilities/liabilities for all participants in the payment service; (5) a requirement to invest in the establishment of means to identify fake websites and fake IBANs used by fraudsters; (6) an obligation on payment service providers to participate in alternative dispute resolution mechanisms to make Recital 122 effective; (7) the legal means for PSPs to suspend payment services in the event of suspected fraud, including by blocking certain payments and recovering funds credited; and (8) the provision of adequate training for PSP staff in this regard, as well as</p>	<ul style="list-style-type: none"> <li>- The determination of types of behaviour qualifying as “gross negligence” is laid down in national civil law and must be appreciated depending on the specific circumstances on the case. It is therefore difficult to determine universally. Some examples are provided in recital 82, and the co-legislators may decide to add further examples.</li> <li>- The liability of electronic intermediaries is laid down in the Digital Services Act (Regulation (EU) 2022/2065). Any potential regime for payment fraud would have to be in line with this legislation.</li> <li>- The right for PSPs to suspend payment transactions in cases of suspected fraud could have adverse consequences and raise questions as to the conditions under which it could be exercised by PSPs and the possible liability implications in cases of misuse.</li> </ul> <p>(See also the answer in paragraph 1.6)</p>

<p>steps to promote user awareness of how to use payment instruments properly, ways to detect fraudsters/scammers, and what to do in the event of fraud/scams.</p>	
<p>3.2.8. On contactless payments, the Commission, in its retail payments strategy, has indicated that there would be an assessment of the possible introduction of a functionality allowing consumers to define their preference for thresholds in contactless payments, and the EESC calls for a solution such as this to be put in place.</p> <p>3.2.9. This would respond to many consumers' concerns that the EUR 50 ceiling for contactless payments is too high and to their desire for the ceiling to be lower for their debit card.</p>	<p>This issue and in particular its technical feasibility will have to be assessed by the European Banking Authority (EBA) in its future regulatory standards on Strong Customer Authentication.</p>

<p><b>N°5 International protection of adults</b>  <b>COM(2023)280 final</b>  <b>COM(2023)281 final</b>  <b>EESC 2023-03514 – SOC/779</b>  <b>583<sup>th</sup> Plenary Session – December 2023</b>  <b>Rapporteur: Pietro Vittorio BARBIERI (IT-III)</b>  <b>DG JUST – Commissioner REYNDERS</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.1. The EESC welcomes the proposal for a regulation COM(2023) 280 on the international protection of adults. It considers that the absence of such legislation restricts the right of citizens to move freely under particular conditions. However, reference should be made to the UN Convention on the Rights of Persons with Disabilities (CRPD) rather than to the Hague Convention, including with regard to the contextual definitions.</p> <p>1.5. The EESC calls for a substantial revision of the text based on the legal principle of regulatory hierarchy, according to which the CRPD, in particular Articles 12 and 19 thereof, is the primary legal principle of reference. The same documents cited in the accompanying report to the regulation (footnotes 14 and 15, p. 5) propose a statement by the UN Special Rapporteur on the rights of persons with disabilities which clearly states: "States that join the Hague Convention should be clear that their primary obligation is to phase out guardianship (under the CRPD), and should not fall back</p>	<p>The Commission wishes to recall at the outset that the proposals for a Regulation<sup>7</sup> and for a Council decision<sup>8</sup> form a package that aims to ensure that coherent private international law rules apply to adults in need of support or protection ('adults') in cross-border situations. The Council decision will oblige Member States to become or remain parties to the HCCH 2000 Convention<sup>9</sup>. The Regulation takes over the rules included in this Convention and streamlines them for the Union context where judicial cooperation is based on the principle of mutual trust.</p> <p>Given this complementarity of the Regulation (to be applied among the Member States of the Union) and the HCCH 2000 Convention (to be applied with respect to non-EU countries), it is imperative that the rules and definitions contained in the Regulation are designed with a close regard to those in the HCCH 2000 Convention. This is necessary with a view to ensuring the coherence of the</p>

<sup>7</sup> [Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on jurisdiction, applicable law, recognition and enforcement of measures and cooperation in matters relating to the protection of adults. COM/2023/280 final.](#)

<sup>8</sup> [Proposal for a Council decision authorising Member States to become or remain parties, in the interest of the European Union, to the Convention of 13 January 2000 on the International Protection of Adults. COM\(2023\)281 final/2.](#)

<sup>9</sup> [HCCH 2000 Protection of Adults Convention.](#)

<p>on the Hague Convention as an excuse or pretext to preserve it".</p> <p>1.11. The EESC proposes the following addition to Article 58: "Member States, as parties to the United Nations Convention on the Rights of Persons with Disabilities, should interpret and implement this Regulation in line with the Convention".</p> <p>3.13. During the hearing on 13 September 2023, some concerns were raised by experts and the European representative organisations involved. In particular, it was overall agreed that there exists an imbalance between Article 12 of the CRPD and the Hague Convention. In point 3 of the explanatory memorandum to the proposal, it is clear that the choice favours implementing the Hague Convention. In the current text it seems to be the single reference document, whereas in legal terms the CRPD has a higher value.</p> <p>3.24. Article 58 of the proposal for a regulation considers the possibility of international conventions signed by the Member States. In this regard, the EESC calls for this article to be amended to state that the Member States must interpret and apply the regulation in line with the United Nations Convention on the Rights of Persons with Disabilities.</p>	<p>legal frameworks and avoiding legal discrepancies.</p> <p>As concerns the CRPD<sup>10</sup>, the Commission recalls that the scope of this Convention is different than that of the Regulation and HCCH 2000 Convention, namely:</p> <ul style="list-style-type: none"> <li>- while the CRPD applies to persons with disabilities, the Regulation and the HCCH 2000 Convention both apply to ‘adults in need of protection or support’. This includes some (but not all) persons with disabilities, and it includes also other situations where an adult may require legal support or protection (e.g. a coma or illness), irrespective of a disability.</li> <li>- The CRPD provides (substantive law) human rights standards for the protection of persons with disabilities. As contracting Parties to the CRPD, Member States are obliged to ensure that their national law and measures of support or protection taken with respect to persons with disabilities are compatible with the CRPD. In contrast, the Regulation and the HCCH 2000 Convention do not (and cannot) provide substantive rules concerning the protection of adults<sup>11</sup>. The Regulation and the HCCH 2000 Convention provide private international law rules that should be applied only in a cross-border context<sup>12</sup>. These private</li> </ul>
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<sup>10</sup> [UN Convention on the Rights of Persons with Disabilities.](#)

<sup>11</sup> Such as rules as to what measures should and should not be available in Member States for the protection or support of adults (including whether or not those measures are only of a supported decision-making nature and whether guardianship should be phased out in the national laws of Member States), under which conditions these measures should be taken or possible safeguards. The legal basis of Article 81 TFEU on judicial cooperation in civil matters having cross-border implications does not allow the Union to harmonise these substantive law rules.

<sup>12</sup> Such as rules as whether it is an authority in Member State A or Member State B that has jurisdiction to take a measure in a given case and law of which country that authority will apply, rules on the recognition in one Member State of a measure taken in another Member State, rules on the circulation in the Union of powers of representation granted by an adult, or rules on cooperation among Member States in the area of adults’ protection.

	<p>international law rules are generally neutral to the content of national rules.</p> <p>.</p> <p>t<sup>13</sup> t.</p> <p>The Commission acknowledges the important concerns of the Committee as regards the safeguarding of fundamental rights of adults who are in the scope of the proposals. In this regard, the Commission wishes to recall the following:</p> <ul style="list-style-type: none"> <li>- all Member States and the Union are bound by the CRPD and other legal instruments that safeguard rights of adults (for instance the Charter of Fundamental Rights of the European Union<sup>14</sup>, or the European Convention on Human Rights<sup>15</sup>). Those instruments also apply, within their scope of application, in situations covered by the proposed Regulation. The absence of a reference to one (or any) of them does not mean that the fundamental-rights standard included therein ceases to apply in a given area<sup>16</sup>.</li> <li>- While an inclusion of a reference to the CRPD is not considered appropriate in a provision of the Regulation, the CRPD and other legal instruments anchoring fundamental rights of adults remain the yardstick for the interpretation of the rules of the Regulation. Accordingly, the proposal includes recitals<sup>17</sup> recalling that</li> </ul>
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<sup>13</sup> Other include for instance the Charter of Fundamental Rights of the European Union or the European Convention on Human Rights.

<sup>14</sup> [Charter of Fundamental Rights of the European Union.](#)

<sup>15</sup> [European Convention on Human Rights.](#)

<sup>16</sup> In contrast, mentioning in an EU legislation all other instruments (EU law or international conventions, those concerning fundamental rights or all of them) that simultaneously apply in a given area would be redundant and highly problematic legislative technique.

<sup>17</sup> See in particular recitals 12 and 15 of the proposed Regulation. These recitals recall clearly that the interpretation of the Regulation needs to be guided by the objective of protecting fundamental rights and freedoms of adults, including their right to autonomy, access to justice, right to property, right to be heard, right to free movement and equality. As concerns persons with disabilities, the Regulation needs to be applied consistently with the CRPD.



	<p>it is imperative that the Regulation is interpreted in line with human-rights obligations (including but not limited to CRPD).</p> <p>In general, it should be reiterated that the proposal for a Regulation will enhance the protection the rights of adults in cross-border situations in the Union as compared to the current <i>status quo</i>. The Regulation aims to ensure, <i>inter alia</i>, that the adults enjoy the same level of protection and support across the Union. The Regulation will also ensure that, where an adult granted powers of representation to someone to represent or support them when the adult is not in a position to protect their interests, these powers will be respected throughout the Union. The Regulation also includes rules ensuring that adult's advance directives are respected in cross-border situations in the Union (where those advance directives are in a form of authentic instrument). Through these rules, the Regulation promotes the autonomy of adults by ensuring that their will and preferences will be better respected in situations involving more than one Member State.</p>
<p>1.3. The EESC considers the instruments identified in the proposal – namely the European Certificate of Representation, the establishment of registers and monitoring – to be appropriate. It proposes that monitoring start 3 years (instead of 10) after the adoption of the proposal, and that the necessary transmission of documents start from the first year following the proposal's implementation.</p> <p>1.12. The EESC calls for Article 66(1) to be amended to read: "3 years after the entry into force" instead of "10 years after the entry into</p>	<p>The Commission agrees with the Committee that it is essential to ensure an effective and efficient monitoring of, evaluation of and reporting on the application of the Regulation.</p> <p>The proposal for a Regulation envisages that by 10 years after the entry into force of the Regulation, the Commission shall carry out an evaluation of the functioning of the Regulation. This is considered an appropriate timeframe given the fact that the complete evidence-based evaluation can only be done after there is a sufficient</p>

force", and proposes that Article 66(2) be amended to read "1 year after the entry into force" instead of "3 years after the entry into force".

3.25. Regarding Article 66 of the proposal for a regulation, the EESC calls for the maximum limit for the monitoring and evaluation of the regulation to be reduced from 10 years to 3, and for the transmission of data (as provided for in paragraph 2) to start from the year following its entry into force.

experience with the application of the Regulation by the Member States' authorities.

In line with Articles 66 and 70 of the proposal, the Regulation will only start applying in the proceedings that take place 18 months after the entry into force of the Regulation. The collection of any experience with the application of the Regulation can only commence after that time. It would thus be practically impossible to evaluate the functioning of the Regulation 3 years after its entry into force (i.e. half a year after it begins to apply before national authorities). The Commission further notes that the 10-year timeframe is also in line with the usual practice as concerns evaluating the functioning of other legal acts in the civil justice area.

While the full evaluation and reporting can only be done once sufficient experience with the application of the Regulation and evidence is gathered, the Commission endeavours to monitor the application of the Regulation continuously, in line with the suggestion by the Committee. It is envisaged in the proposal that the practical application of Regulation would be monitored through regular meetings of the European Judicial Network (EJN)-civil, bringing together judges, legal practitioners and other experts on the protection of adults from Member States. This platform usually starts working on facilitating of the application of Union civil-justice instruments and their monitoring immediately.

Finally, for the reasons of completeness, the Commission wishes to reason that the time period included in the proposal in

	<p>Article 66(2) is justified. Article 66(2) of the proposal envisages that the Member States provide information, through EJC-civil, on the application of the Regulation 3 years after the entry into force of the Regulation. Bearing in mind the difference between entry into force and entry into application of Union's legal acts, the shortening of the period to one year as proposed by the Committee meant that Member States would need to provide the information on the application of the Regulation before the Regulation starts applying.</p>
<p>1.4. The EESC also considers it important to state that, where the adoption of a legal measure against a person with a disability or a vulnerable person clearly violates human rights and international law, a Member State should not recognise such a measure. The EESC calls for this provision to be strengthened with a clear and explicit reference to an obligation, thereby converting a power into an obligation.</p> <p>3.8. With regard to the grounds for refusal of recognition set out in Article 10 of the proposal for a regulation, the EESC calls for it to be clearly stated that a measure taken by another Member State should not be recognised, in the cases specified in that Article, as otherwise it would violate human rights, the rule of law and the Treaties of the European Union.</p>	<p>The Commission wishes to recall that the legal basis of Article 81 of the Treaty on the Functioning of the EU (TFEU), on judicial cooperation in civil matters having cross-border implications, does not allow the Union to harmonise substantive law rules on the protection of adults – e.g. to harmonise what measures of support or protection should be available under Member States' national law or to determine which national measures are (in)compatible with human rights and international law.</p> <p>On the other hand, the Union can adopt legislation under the legal basis of Article 81 TFEU that would provide uniform rules on the recognition in one Member State of measures taken in another Member State. For such legislation, the basic underlying principle would be the mutual trust among the Member States' legal systems (in line with all Union legislation in the area of cross-border civil justice). Against this background, the proposed Regulation provides rules that will streamline the mutual recognition of measures among Member States.</p>

	<p>Nevertheless, the proposal for a Regulation also includes conditions under which a recognition of a particular measure could be refused in the requested Member State. These include, among others, the instances: (i) where a measure is manifestly contrary to public policy of the Member State in which recognition is sought or (ii) where a measure is taken without the adult having been provided the opportunity to be heard. The former refusal ground should be understood to allow Member States to refuse the recognition of a measure that infringes a fundamental principle of national legal system. This may include in particular violations of fundamental rights of the concerned adult.</p> <p>The Commission is of the view that the usual approach to the circulation of decisions in the European Area of Justice (i.e. general facilitation of the cross-border recognition for all decisions on the one hand and the ‘emergency break’ in the form of the refusal grounds that are applied in individually justified cases on the other hand) is appropriate also in the area of the cross-border protection of adults.</p>
<p>1.6. In particular, the EESC calls for the following definition to be amended: "vulnerable adults" (on page 4 of the proposal), to "adults with disabilities and vulnerabilities".</p> <p>1.7. The EESC rejects the first paragraphs of Articles 2 and 35 on the grounds that they contravene the CRPD, and suggests replacing "adults who ... are not in a position to protect their interests" with "adults who ... require support in taking decisions".</p>	<p>The Commission wishes to note that the proposal does not refer to ‘vulnerable adults’. The stated reference is contained in the explanatory memorandum accompanying the proposal for a Regulation. This supporting document cannot be amended.</p> <p>The proposal for a Regulation should apply, in line with the definition of the ‘adults’ in the HCCH 2000 Convention, to adults ‘who, by reason of an impairment or insufficiency of their personal faculties, are not in a position to</p>

3.17. The EESC cannot therefore uphold the description of adults who "by reason of an impairment or insufficiency of their personal faculties, are not in a position to protect their interests". This wording is quite different from that of Article 12 of the CRPD. The EESC considers that also, and particularly when it is difficult to determine the personal faculties of an adult, their needs, will and preferences must always be deemed paramount, binding and absolute. The competent authorities of each Member State must also undertake first to convey the needs, will and preferences expressed by an adult and only then to take account of the mechanisms for representation, control, management and disposition and any other decision taken on behalf of the person in question.

3.18. The report accompanying the proposal (page 4) uses the term "vulnerable adults". The EESC rejects this term for two reasons: most importantly, using the wide-ranging concept of vulnerability would entail factoring in cases which are not relevant to the protection of adults. The adjective "vulnerable" is also discriminatory, in that it makes disability part of a person's identity. The adjective modifies the person, creating a status which is not specific to a given time period and which is taken out of context. The EESC therefore proposes replacing this wording with the term "adults with disabilities and vulnerabilities".

3.19. Article 2(1) stipulates that the regulation shall apply "in civil matters to the protection in cross-border situations of adults who, by reason of an impairment or insufficiency of their personal faculties, are not in a position to protect their interests". The EESC rejects this wording as it clearly contradicts Article 12 of the UN Convention

protect their interests'. This factual definition aims to cover various categories of persons and should not be limited only to persons with disabilities.

The Commission considered that adapting this definition as compared to the one included in the HCCH 2000 Convention would create undesirable discrepancies with the Convention. Since one adult in a cross-border situation may have links with both Member States of the Union and non-EU contracting Parties to the Convention (e.g. live in the Union but own a property located in or have a nationality of a non-EU country), it is imperative to prevent discrepancies in the application of the two sister instruments.

The Commission thus considers it vital to keep the definition in the Regulation aligned with that of the HCCH 2000 Convention.

on the Rights of Persons with Disabilities (CRPD), which instead stipulates that all people with disabilities, irrespective of the type and degree of the disability, have the inalienable right to enjoy legal capacity on an equal basis with others. This overcomes the dichotomy between those who are capable and those who are not. It proposes a concept of progressive capacity which can be tailored to the needs of the person in question and therefore guarantees that everyone has the greatest possible control of their own affairs.

<p><b>N°6      GDPR - additional procedural rules</b>  <b>COM(2023) 348 final</b>  <b>EESC 2023-03796 – INT/1042</b>  <b>583<sup>rd</sup> Plenary Session – December 2023</b>  <b>Rapporteur: Katrīna ZARIŅA (LV-I)</b>  <b>DG JUST – Commissioner REYNDERS</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>3.1. While one of the main objectives of the Proposal is to lay down procedural arrangements for the settlement of disputes between DPAs in the case of cross-border data processing, and it provides for a number of procedural time limits, in many places these are vague or the provision does not set a maximum time limit (e.g. Articles 8(1), 12(2), 14(4), 17(2)). In order to achieve the objective of the Proposal to achieve a faster and transparent process, and to ensure that the complainant and the party against whom proceedings have been brought can rely on the GDPR and the procedural arrangements provided for in the Proposal, the EESC recommends setting out deadlines and maximum time limits in the relevant articles of the Proposal, where possible and where setting such a deadline would contribute to procedural efficiency.</p>	<p>The Commission takes note of the Committee’s position. The proposal provides deadlines for certain procedural steps, in order to avoid undue delay during cross-border cooperation and dispute resolution. However, the Commission was careful not to impose unduly restrictive deadlines for the entire investigation procedure, since such deadlines may lead to rushed decisions and make it difficult for due process rights to be effectively exercised. In some instances, the proposal provides that a deadline for the party under investigation or the complainant to provide their views may be set by the data protection authority, so that the deadline may reflect the complexity of the case.</p>
<p>3.3. Articles 11-13 of the Proposal provide for the complainant's right to be heard by the DPAs in the international cooperation process. Taking note of the joint opinion<sup>18</sup> issued by the European Data Protection Board (EDPB) and the European Data Protection Supervisor (EDPS) on the Proposal, in section 8 of which the two bodies analyse in detail shortcomings</p>	<p>The Commission takes note of the Committee’s suggestion.</p>

<sup>18</sup> EDPB-EDPS Joint Opinion 01/2023 on the Proposal for a Regulation of the European Parliament and of the Council laying down additional procedural rules relating to the enforcement of Regulation (EU) 2016/679 European Data Protection Board (europa.eu).

<p>identified in the Proposal – the possibilities for the complainant to exercise their procedural rights in the light of the different possible scenarios in which a complaint may be dealt with under the GDPR – and taking into account the different practices of the DPAs of the Member States with regard to the involvement of the complainant in the proceedings<sup>19</sup>, the EESC recommends clarifying the arrangements for implementing the complainants' rights set out in the aforementioned Articles so that their implementation contributes to the effectiveness of the handling of intended cross-border complaints.</p>	
<p>3.4. Article 6(1) of the Proposal provides that the authority that receives the complaint is responsible for translating the complaint and the complainant's views into the language used by the lead DPA before they are transmitted to the lead DPA, as well as translating the documents received from the lead DPA into a language understood by the complainant. Given that DPAs communicate with each other primarily in English, but that the majority of Member States' DPAs use the official language(s) of that Member State as their language of communication, it is necessary to clarify whether the translation of documents and other information to be handed over to a DPA for its internal use is to be done into the Member State language or whether the supervisory authorities may continue to implement the current practice of agreeing among themselves on a language of communication comprehensible to all the supervisory authorities involved.</p> <p>3.5. At the same time, the EESC believes that the translation of documents into a language</p>	<p>The Commission clarifies that Article 6 of the Proposal addresses the question of which data protection authority should translate documents that must be translated for the purposes of a cross-border case. Therefore, the Proposal does not provide for additional translation. The possibility for data protection authorities to communicate in a language mutually agreed between them is fully preserved.</p>

<sup>19</sup> As the procedural rules of the Member States differ, some DPAs involve the complainant more actively throughout the complaint-handling process, while others merely inform the complainant about the opening of the case and the final decision, but do not inform the complainant of each successive action taken.



understood by the complainant, i.e. the national language of the Member State concerned, should be fully supported in order to respect the complainant's right to communicate with the authorities in a language he/she understands.

3.6. At the same time, the EESC is concerned that the obligation to provide for the translation of complaints and all materials received could impose a disproportionate administrative burden on the DPAs. It is also concerned that the DPA organising the translation will not be able to check its correctness if the translation is not made into English. Given the often technical nature of terms used in the field of data protection, an imprecise and unverified translation may lead to a misunderstanding of what has happened. This creates a risk that the lead DPA will not be sufficiently impartially and fully informed of the content of the complaint submitted and of the factual background. Taking note of the current practice of the DPAs on this matter, the EESC notes that in the case of cross-border infringements, the DPAs of the Member States often agree among themselves on the use of English for mutual communication. The information obtained by the EESC indicates that DPAs currently use machine translation tools to translate documents exchanged between them in the course of investigations quickly and with minimal use of resources. Final decisions, however, are translated by professional translators.

3.7. In the EESC's view, an excessive requirement for translation into and from several languages so that DPAs can exchange documents among themselves entails unnecessary costs for institutions, businesses and society. In the Committee's view, DPAs

<p>should be allowed to agree on the use of a mutually comprehensible language when dealing with a cross-border dispute, and the opportunities offered by digital technologies, artificial intelligence and machine translation should be actively exploited.</p>	
<p>3.9. The complaint form provides for a procedure to identify the data subject and requires the data subject to submit a "form of identification" (presumably a paper or electronic copy rather than the original). At present, there are Member States where the complaint procedure does not provide for the identification of the person and the authority trusts that the information they provide about their identity is true. The DPAs of the Member States have different practices as to whether they check the complainant's identification document upon receipt of a complaint: some Member States' DPAs apply this practice, while others do not. The imposition of such an obligation on DPAs which have not done this so far may create an additional administrative burden and also entails additional information security risks relating to the secure transmission and storage of identification document data by the DPA. This view is also expressed in the joint opinion of the EDPB and the EDPS on the Proposal. The EESC recommends that the decision on this issue should be left to the DPAs, allowing them to choose whether or not to continue their established practice.</p> <p>3.10. In addition, footnote 2 of the annex provides that the identification document may be a passport, a driving licence or a national identity card. It should be noted that there are differences among the Member States as to whether a driving licence is considered an official identification document. For example, in Latvia it is not considered an identification</p>	<p>The Commission will take into account the Committee's suggestions in the interinstitutional negotiations. The requirement for identification of the complainant ensures that a data protection authority can adopt a legally binding decision fully or partially rejecting the complaint, which can be challenged by the complainant before a national court.</p> <p>Footnote 2 in the Annex merely provides an indicative list of forms of identification that may be accepted by data protection authorities, but does not prescribe the forms of identification that should be accepted by data protection authorities.</p>

document. If, however, the Commission decides to maintain the requirement to identify the complainant, the EESC recommends replacing the list with a more general term, such as "identification document", covering all types of identification documents deemed acceptable in the Member State concerned, or amending the list of documents with the text "driving licence (only in Member States where this is considered an identification document)".

<p><b>N°7      Revision of the victims' rights directive</b>  <b>COM(2023) 424 final</b>  <b>EESC 2023-03943 – SOC/780</b>  <b>583<sup>rd</sup> Plenary Session – December 2023</b>  <b>Rapporteur: Dovilė JUODKAITĖ (LT-III)</b>  <b>DG JUST – Commissioner REYNDEERS</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.2. While there should be no hierarchy among victims and types of crimes, some victims may require additional support and protection measures. The EESC recommends that the Commission develop detailed guidelines with the Member States on the different authorities that are to conduct the [individual] assessment.</p> <p>4.5. It is, however, not clear for the EESC how authorities should update the [individual] assessment “at regular intervals”. The EESC recommends that the Commission develop detailed guidelines with the Member States on the different authorities that are to conduct the assessment, to ensure better clarity on their obligations, as required for victims of violence and domestic violence under the proposed directive on combating violence against women and domestic violence (Article 23).</p>	<p>The objective of the proposal for the revision of the Victims’ Rights Directive (VRD) is to strengthen the rights to support and protection of all victims of crime in the EU, including the rights of the most vulnerable ones.</p> <p>In particular, the Commission proposes targeted amendments to improve the individual assessment of victims’ needs and to ensure that all victims in need can benefit from targeted and integrated specialist support services.</p> <p>The proposal on national protocols obliges Member States to set up specific procedures in forms of protocols for strengthening the cooperation of the competent authorities. It is based on existing good practices and takes into account the specificities of Member States. In this context, the requirement of adoption of detailed guidelines to national authorities who conduct the individual assessment seems disproportionate.</p>
<p>1.3. The EESC recommends providing stronger obligations on the training of professionals on victims’ rights and calls on the Commission to develop guidance and quality standards for support. The exchange of best practices on the provision of quality support, including on the training of</p>	<p>As far as justice professionals are concerned - and particularly members of the judiciary - an obligation of training cannot be imposed on them as it would violate Judicial Training Principles reflecting the judicial independence, backbone of the rule of law. The only</p>

<p>psychologists and professionals, should be encouraged among the Member States.</p>	<p>aspect of the obligation that may be discussed is the obligation of the Member States to offer relevant training. As judicial training is an EU support competence, it cannot be imposed but promoted and supported.</p> <p>The Commission is supporting, in the implementation of the European Judicial Training Strategy, the development of quality standards and provides guidance by delivering studies, collecting and disseminating best practices, promoting standards and principles, organising conferences.</p>
<p>1.5. The EESC regrets the inclusion of mental health issues in the list of crimes and dangerous behaviour when it comes to assessing the risk emanating from the offender in the context of the individual assessment. This reference should be removed from the text.</p> <p>4.8. [...], the EESC is concerned by the inclusion of mental health issues in the list of crimes and dangerous behaviour when it comes to assessing the risk emanating from the offender in the context of the individual assessment. Stigma and discrimination related to mental health are still prevalent and should be removed, as noted in SOC/760. The EESC calls for the reference to the mental health status of the offender to be removed from the text. Only factors linked to the dangerousness of a person should be included.</p>	<p>When it comes to assessing the risk emanating from the offender withing victims' individual assessment, the inclusion of mental health issues of the offender is proportional and does not go beyond what is necessary to achieve the objective of ensuring victims' protection. The objective of the proposal for the amendment is not to stigmatise and discriminate people with mental health issues, but to ensure the safety of victims of crime. In this regard, not all mental health issues are to be considered, only features that are relevant to victims' safety – such as any instance of aggressive and uncontrolled behaviour of the offender.</p>
<p>1.8. and 5.5. The EESC calls on [...] the Commission to guarantee that EU funding is strengthened and used to implement it.</p>	<p>The Commission provides for funding possibilities on victims' rights notably under the Justice programme. In addition, the Commission is promoting the integration of victims' rights measures in EU funding programmes for different policies. For instance, the Commission is promoting such measures in the</p>

	Technical Support Instrument that provides tailor-made technical expertise to Member States to support them in their reform agendas.
3.4. Notwithstanding these positive aspects, the EESC points out that the use of digital tools and technologies should always be optional for victims. Some victims, including persons with no or limited digital literacy, may not be in a position to use these communication tools and technologies. Non-digital options should always be available to victims of crime.	The Commission would like to stress that, as stated in the proposal, the use of digital tools and technologies is a possibility for victims of crime. As specified in recital 3 of the proposal, victims should be able to choose the method of communication, and the Member States should provide for such communication and information technologies as an alternative to the standard methods of communication, without however replacing them completely.
3.5. While the directive is horizontal and applies to all victims of crime, it is important to bear in mind that marginalised groups are at a higher risk of becoming victims – including of violent and of hate crime, and that they are less likely to report crimes, access justice and receive adequate support. The EESC stresses the importance of providing comprehensive victims’ rights, support and services that address the diversity of victims and the diversity of crimes, including through targeted actions.	See Commissions’ observations in point 1.2.
3.7. The EESC notes that while the proposal requires authorities to ensure that individual assessments take into account the personal characteristics of the victims, including sex and gender, it fails to include a comprehensive gender perspective and provide a gender-based approach to support, beyond victims of	A comprehensive gender perspective to victim support has been developed in the Directive on combating violence against women and domestic violence <sup>20</sup> , on which political agreement was reached on 6 February 2024. That level of specificity could only be achieved in a sectorial instrument where measures of

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[https://www.europarl.europa.eu/meetdocs/2014\\_2019/plmrep/COMMITTEES/LIBE/DV/2024/02-15/VAW-StampedandsignedlettertoEPandannex\\_EN.pdf](https://www.europarl.europa.eu/meetdocs/2014_2019/plmrep/COMMITTEES/LIBE/DV/2024/02-15/VAW-StampedandsignedlettertoEPandannex_EN.pdf)

<p>gender-based violence. Women in all their diversity are victims of crime beyond gender-based and domestic violence, thus services and the training of professionals should include a gender dimension to cater to their rights and needs.</p>	<p>support and protection are tailored to the specific needs faced by victims of violence against women and domestic violence (e.g. specialist support to victims of sexual violence through rape crisis centres, etc.).</p> <p>The European Judicial Training Strategy follows in this respect the EU Strategy on victims' rights (2020 - 2025)<sup>21</sup> calling training providers to focus training on rights of victims of gender-based violence.</p>
<p>4.2. In addition, [the proposal] provides for an obligation to ensure that victims can report crimes using “easily accessible, user friendly information and communication technologies”, yet lacks the guarantee of “safe, confidential reporting procedures” as foreseen in Article 5a(4).</p>	<p>The Commission duly notes the comment.</p>
<p>4.4. Receiving no or limited follow-up information about their case is another issue faced by victims of crimes. While the proposed text refers to information in “multiple formats”, there is no strict obligation on language and translation, and also no explicit and overarching obligation for Member States to provide victims with information on the progress of their case. The EESC recommends that the EU institutions include stronger provisions to ensure that all victims can receive information in good time, throughout the process, about their rights and about their case, in a language and format that is accessible to and understandable by them.</p>	<p>Under the VRD there is a general obligation on translation and interpretation under Article 7 that is applicable to the cases presented here.</p> <p>Article 6 of the VRD already requires that victims receive the information about important stages of the procedure, but with more specificity.</p>
<p>4.9. The EESC regrets that there is no proposal included regarding the training of professionals in contact with victims,</p>	<p>As the justice professionals are concerned the 2021-2024 European Judicial Training strategy<sup>22</sup> states that</p>

<sup>21</sup> [https://commission.europa.eu/strategy-and-policy/policies/justice-and-fundamental-rights/criminal-justice/protecting-victims-rights/eu-strategy-victims-rights-2020-2025\\_en](https://commission.europa.eu/strategy-and-policy/policies/justice-and-fundamental-rights/criminal-justice/protecting-victims-rights/eu-strategy-victims-rights-2020-2025_en)

<sup>22</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52020DC0713>

<p>including on assessment, on the rights of victims with specific needs, and on how to provide information and communicate with victims. The EESC recommends providing stronger obligations on the training of professionals, and calls on the Commission to develop specific guidelines on conducting individual assessments of victims of crime and quality standards for support. The EESC also notes the importance of developing the knowledge on post-traumatic stress disorder among psychologists in order to respond to the specific needs in that regard, and calls for the exchange of best practices across Europe on the provision of quality support.</p>	<p>‘Justice practitioners who are in contact with victims should be trained to better support and communicate with them, taking into account in particular the needs of the most vulnerable ones’, which answers request expressed in the opinion of the Committee in this point and is enacted according to the nature of the EU competence in the field.</p> <p>On the second sentence, please see Commission observations in point 1.3.</p> <p>On the remark on specific guidelines, see Commission observations in points 1.2. and 4.5.</p>
<p>4.10. The EESC [...] notes that the text of Article 10a gives a wide margin of assessment to state authorities as to what “assistance at the court premises” may be, which can lead to different degrees of quality in the assistance provided. Accompaniment of victims throughout the proceedings needs to be more efficient in ensuring that the victims can receive constant support until the end.</p>	<p>The proposal on victims’ assistance at the court premises is based on the different practices that exist in Member States. It is a targeted and proportionate solution that does not interfere with national legal orders but will lead to significant improvement to victims’ well-being and access to justice. The Commission duly takes note of the comment.</p>
<p>4.13. The EESC is aware that the possibility for the State to advance the compensation and recoup it later from the offender will have a financial impact, which was not sufficiently assessed in the proposal.</p>	<p>The Commission has made a detailed impact assessment<sup>23</sup> of the policy options for the revision of the VRD. The impact assessment is accompanied by a study on the cost and benefits<sup>24</sup> and includes analysis of the compensation schemes in the different Member States.</p>
<p>5.1. The EESC has noted successively the issue of lack of clarity and wide margin of discretion given to Member States in the revision of the directive. The EESC is concerned that vague language will make it difficult for them to ensure effective</p>	<p>The revision of the VRD addresses shortcomings, identified in the evaluation of the Directive<sup>25</sup>. The proposal for the revision provides for punctual targeted amendments that are ambitious and proportionate at the same time. The</p>

<sup>23</sup> SWD/2023/246 final.

<sup>24</sup> <https://op.europa.eu/en/publication-detail/-/publication/c3fa4a58-5695-11ee-9220-01aa75ed71a1/language-en/format-PDF/source-302888802>

<sup>25</sup> SWD/2022/0179 final.



<p>transposition and implementation, leaving victims with various degrees of protection of their rights across the EU.</p>	<p>Commission has achieved it by limiting the margin of discretion left to the Member States without going beyond what is necessary.</p>
<p>5.2. While the current Victims' Rights Strategy ends in 2025, the EESC calls on the Commission to adopt the next term strategy and ensure the continuity of the work of the Victims' Rights Platform, as a way to guide and assist Member States in the transposition and implementation of the directive.</p>	<p>The Commission is taking stock of the work done under the EU Strategy on Victims' Rights (2020 – 2025) and continues to work on strengthening victims' rights in the EU. If a new Strategy is necessary, the Commission will take such a decision.</p>
<p>5.4. The EESC welcomes the provision requiring states to establish and implement specific protocols on the organisation of services and actions under the directive. However, it will be crucial that the Commission monitors the efficiency of those protocols, and develops methods to assess the quality of services.</p>	<p>Under Article 29 of the proposal for the revision, the Commission commits itself to submit a report on the application of the Directive within six years of its adoption. The report shall assess the extent to which the Member States have taken the necessary measures to comply with this Directive, including the implementation of the national protocols and services provided.</p>
<p>5.6. The EESC recommends that the Commission include victim support services and relevant civil society organisations in the development of common standards and reporting formats through the Victims' Rights Platform and by involving the European Network on Victims' Rights. In addition, the EESC recommends a wider disaggregation of data, including by disability, ethnicity and sexual orientation where this information is available and disclosed by the victims.</p>	<p>The disaggregation and collection of statistical data shall be in line with the existing EU rules and guidelines. In this context, the Commission may, if it finds it necessary, carry out consultations on the development of common standards and reporting formats of statistical data under the EU Victims' Rights Platform. However, the inclusion of wider disaggregation of data seems disproportionate and will not necessarily lead to improving its consistency.</p>

<p><b>N°8      The climate crisis and its effect on vulnerable groups (own-initiative opinion) EESC 2023/02907 – SOC/770 583<sup>th</sup> Plenary Session – December 2023 Rapporteur: Ioannis VARDAKASTANIS (EL-III) DG EMPL/ CLIMA– Commissioner SCHMIT/ HOEKSTRA</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.4. The social aspects of the just transition should be highlighted, in close cooperation with social partners and civil society organisations (CSOs), paying special attention to vital sectors such as tourism and agriculture.</p>	<p>The Commission agrees on the need to design and implement just transition policies in close cooperation with social partners and civil society organisations (CSOs). The Council Recommendation on ensuring a fair transition towards climate neutrality<sup>26</sup> encourages Member States to empower and enable people, especially women, social partners as well as civil society and stakeholders, including organisations representing people in vulnerable situations, with a view to their participation in decision-making, policy design and implementation.</p> <p>The Commission attaches great importance to social dialogue, as demonstrated in its 2023 initiative on social dialogue and the recent Val Duchesse Social Partners Summit and will continue supporting it in line with its Treaty-based duties. The Council Recommendation on strengthening social dialogue in the EU<sup>27</sup> advises Member States to ensure an enabling environment for bipartite and tripartite social dialogue, including collective bargaining, in the public and private sectors, at all levels. Member States are recommended to</p>

<sup>26</sup> <https://data.consilium.europa.eu/doc/document/ST-9107-2022-INIT/en/pdf>

<sup>27</sup> <https://data.consilium.europa.eu/doc/document/ST-10542-2023-INIT/en/pdf>

	<p>promote collective bargaining in the new world of work and a fair and just transition towards climate neutrality. The Commission will support the regular monitoring of the implementation of the Recommendation.</p> <p>The recent Communication on a 2040 climate target<sup>28</sup> highlights that effective social dialogue as well as a strong involvement of stakeholders and citizens is key to anticipating and managing change alongside measures to help all to participate actively in the green transition through accessible and affordable environmentally friendly options.</p> <p>Moreover, in December 2023, the Commission published its assessment of the updated National Energy and Climate Plans,<sup>29</sup> recommending Member States develop comprehensive just transition strategies to address socio-economic impacts of the climate and energy transition on individuals. The Commission will continue monitoring when reviewing the final drafts of the updated plans.</p>
<p>1.5. Issues of justice, fairness and inclusion are of paramount importance, as ushering in the era of green energy could accentuate existing income and social inequalities.</p> <p>Initiatives such as the EU Social Climate Fund and the EU Climate Adjustment Fund<sup>1</sup> are welcome and crucial, but need to be supplemented with additional instruments so all the challenges and the demands of transition are met effectively.</p>	<p>The Commission welcomes the Committee's point on the importance of ensuring fairness and inclusion in the transition towards green energy. This commitment was reiterated in October 2023 with the new recommendation on energy poverty<sup>30</sup>, which aims at tackling energy poverty and ensuring that vulnerable consumers have access to essential energy services and products. The Communication on a 2040 climate target also highlights that redistributive measures will be essential to address</p>

<sup>28</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2024%3A63%3AFIN>

<sup>29</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2023%3A796%3AFIN>

<sup>30</sup> [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L\\_202302407](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L_202302407)

	<p>social impacts so that no one is left behind.</p> <p>The Social Climate Fund (SCF) will be a major element of the just transition. It will mobilise at least EUR 86.7 billion between 2026 and 2032, to address the social impacts of the new emissions trading system (ETS2) on the most vulnerable households, transport users, and micro-enterprises, in particular citizens in energy or transport poverty. The SCF will work in harmony with the ETS2, a system also creating additional auction revenues for the Member States that will have to be spent entirely on climate and social purposes. These revenues can also be used by Member States to co-finance larger Social Climate Plans, if Member States wish to design these. The Commission will publish a study on transport poverty. It will analyse and propose a monitoring framework addressing transport poverty in the EU. This study currently supports other workstreams, such as the implementation of the Council Recommendation on a fair transition and the SCF.</p>
<p>1.7. Supplementary instruments to meet the challenges and demands of energy transition are of primary significance. The Cohesion Fund, the Just Transition Fund and the Recovery and Resilience Facility can also help achieve the aforementioned goal of tackling energy poverty, but more action is urgently needed to develop a comprehensive EU political and social strategy.</p> <p>The rising incidence of climate crisis-related disasters stresses the need for boosting the EU capacity to respond in a proactive rather than reactive manner to all these emergencies. The</p>	<p>The Commission took note of the proposal for a Climate Adjustment Fund. At the same time, in the current multiannual budget, Cohesion policy, through the Cohesion Fund and the European Regional Development Fund, invests in the energy transition and climate adaptation, and has already a comprehensive approach, in line with other EU policies. Its investments are linked to a set of enabling conditions in order for Member States to access resources and to maximise their impact.</p> <p>Cohesion policy investments in the energy transition have a focus on</p>

Climate Adjustment Fund can emerge as a tool of paramount importance in that respect.

improving energy efficiency, promoting the shift to renewable sources of energy and tackling energy poverty. As energy poverty often overlaps with less developed regions in the EU,<sup>31</sup> its reduction is crucial for the overall economic, social and territorial cohesion in Europe. To provide a comprehensive approach, energy investments are subject to the requirement (enabling condition) to adopt national long-term renovation strategies and submit to the Commission of the National Energy and Climate Plans, in line with the Regulation on the governance of the energy Union and climate action<sup>32</sup>, which contain national objectives and timeline with regard to energy poverty.

Cohesion policy prioritises invests in climate adaptation and risk prevention, including the most vulnerable groups. To enhance the effectiveness and comprehensiveness of investments, Member States are required to submit a Risk management plan when investing in climate adaptation and risk management. The plan should guide their investment decisions in the medium to long term, strengthening preventive adaptation.

In addition, Cohesion Policy through the Just Transition Fund (JTF) focuses on those territories facing the biggest challenges in the transition to climate neutrality, paying special attention to the vulnerable communities that will be affected by the job losses and the transformation of production processes. The approach of JTF to vulnerable communities proves in a medium- and long-term vision that we must invest in

<sup>31</sup> EU Energy Poverty Advisory Hub.

<sup>32</sup> [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.L\\_.2018.328.01.0001.01.ENG](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.L_.2018.328.01.0001.01.ENG)

	<p>the transition not only with technologies and innovation, but also focusing on workers, skills and communities. The Recovery and Resilience Plans, including their REPowerEU chapters, also support measures that address energy poverty including programs to mitigate energy poverty for vulnerable households and to renovate buildings to improve their energy performance.</p> <p>The Commission takes good note of the request to develop a more comprehensive political and social action regarding these instruments. In view of this, a High-Level Specialists Group on the Future of the Cohesion Policy was established, composed of representatives from academia, national, regional and local representatives, social and economic partners, and stakeholders. The group gathered several times throughout last year to discuss priorities for the next multiannual financial framework and provided concrete ideas as part of a report published in February 2024.<sup>33</sup> In parallel, the Commission is engaged in internal discussions on the objectives and scope of the future Cohesion Policy.</p>
<p>1.8. Examining the intersection between climate change impacts, vulnerable groups and social inequalities, and understanding how climate change and the transition to green energy could exacerbate existing social and environmental injustices, is of primary significance, in particular given the potential for marginalised communities to bear a disproportionate burden of the climate crisis. Investigating the disproportionate exposure of marginalised communities to air pollution and its adverse physical and mental health effects</p>	<p>The Commission agrees on the importance to examine how climate change and the green transition could exacerbate social and environmental injustices, including its disproportionate effects on vulnerable groups. The Commission welcomes the suggestion to further investigate these effects in a holistic manner across climate, environmental and social policies.</p> <p>Furthermore, the 8<sup>th</sup> Environmental Action Programme (EAP) requests that</p>

resulting from the location of industrial facilities in their neighbourhoods is a good example of this. Measures supporting vulnerable groups and affected households should be based on a holistic view, including the use of social policy instruments<sup>2</sup>.

measures taken in the EU to protect the environment be carried out in a socially fair and inclusive way. The 8<sup>th</sup> EAP includes environmental inequality as headline indicator with exposure to air pollution linked to income level as proxy. The 2023 monitoring report on progress towards the 8<sup>th</sup> EAP objectives, however, notes the lack of progress and dedicated policies to address these environmental inequalities so far.

The Council Recommendation on ensuring a fair transition towards climate neutrality emphasises the need for appropriate granular and high quality, disaggregated data and indicators to assess and monitor the employment, social and distributional impacts of climate change policies. The Commission is working on various research projects to strengthen the evidence on these matters, for example, the impacts of heat stress on the work force (LABPROD-JRC), distributional effects of the consumption footprint (DISCO-H), transport poverty and socio-economic implications of energy price developments (AMEDI+).

In addition, the first ever European Climate Risk Assessment (EUCRA) aims to provide a comprehensive assessment of current and future climate change impacts and risks related to the environment, economy and wider society in Europe. It will systemically assess key climate hazards and their impact on a wide range of topics such as human health, critical infrastructure, water and food security, biodiversity and on social justice and cohesion. The publication is scheduled for spring 2024.

2.14. The challenges faced by vulnerable groups in urban areas due to climate change are also of primary importance. Analysing the impacts of heatwaves, urban heat islands and flooding on marginalised communities in cities and exploring strategies for enhancing urban resilience and promoting equitable adaptation measures is essential. For example, examining the impact of rising sea levels on coastal cities and the potential displacement of low-income communities residing in flood-prone areas.

It is indeed recognised that, the most vulnerable people in society are still the most affected, due to their age, health, place of residence, or socio-economic status<sup>34</sup>, while often contributing the least to climate change. Projected climate change, an ageing society and persisting socio-economic inequalities mean that differences in vulnerability and exposure to climate change are likely to continue. In addition, adaptation responses may worsen existing inequalities or even create new ones.

Vulnerable and marginalised groups are particularly exposed to the impacts of climate change, especially high temperature and flooding. Moreover, nearly half of city hospitals and schools are in areas with strong urban heat island effects, and approximately 10% of schools and 11% of hospitals across Europe are located in potential flood-prone areas. The areas at higher risk of floods tend to have higher proportions of disadvantaged people than areas at lower risk of floods<sup>35</sup>.

The climate adaptation measures in place do not benefit everyone in society to the same extent. For example, the most vulnerable groups tend to have lower access to green spaces and are least able to pay for flood insurance or flood-proofing measures.

The Mission on Adaptation to Climate Change is making available more than EUR 20 million to support innovative projects to identify, develop, test and demonstrate innovative, equitable adaptation actions and solutions,

<sup>34</sup> <https://www.eea.europa.eu/publications/just-resilience-leaving-no-one-behind>  
<sup>35</sup> Idem.



	<p>increasing adaptive capacity, reducing vulnerability and risks and addressing specific climate vulnerabilities identified as relevant at regional and local scale. Through these studies, regions and local authorities would be supported to cater for the most vulnerable groups in relation to their age, gender, health, socio-economic status or other social vulnerability characteristic, including how these groups are identified and meaningfully included in the development of the adaptation actions and in what ways they are expected to benefit from these actions.</p>
<p>3.7. The transition to new energy can produce shock effects on the labour market and low-income sectors such as transport, construction and housing. Unemployment risks for marginalised groups employed in vulnerable sectors remain high, while there is limited access to opportunities for immigrants and refugees in the green energy transition. It is very important to make sure that this transition is just and to provide skills development for the green economy, for example, by examining the challenges faced by construction workers in adapting to sustainable building practices and the need for retraining programmes.</p>	<p>The Commission recalls the 20 principles of the European Pillar of Social Rights. Principle 1 sets out that ‘Everyone has the right to quality and inclusive education, training and life-long’.</p> <p>The Commission’s work on promoting skills for the green transition encompasses both labour-market relevant technical skills (through the European Skills/ Competences, Qualifications and Occupations (ESCO) classification and the Council Recommendation on ensuring a fair transition towards climate neutrality), as well as transversal citizenship skills (through GreenComp and the Council Recommendation on learning for the green transition and sustainable development). The Commission supports Member States in undertaking reforms contributing to the green transition, particularly in the area of green skills, through the Technical Support Instrument.</p> <p>Furthermore, the Commission is encouraging large scale partnerships to work on up- and reskilling in key</p>

	industrial ecosystems. 20 such partnerships have been formed to date, including for construction, renewable energy and energy-intensive industries.
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<p><b>N°9 For an EU framework for national homeless strategies based on the principle of "Housing First" (own-initiative opinion)</b>  <b>EESC 2023-01741 – SOC/768</b>  <b>583<sup>rd</sup> Plenary Session – December 2023</b>  <b>Rapporteur: María del Carmen BARRERA CHAMORRO (ES-II)</b>  <b>Co-rapporteur: Ákos TOPOLÁNSZKY (HU-III)</b>  <b>DG EMPL – Commissioner SCHMIT</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.4. The EESC also calls on the European Commission to draft a proposal for a new multiannual work programme as soon as possible and in close collaboration with the Member States, the EU institutions and the other stakeholders. The new work programme should ideally cover the entire mandate of the incoming European Commission.</p>	<p>The current work programme<sup>36</sup> of the European Platform on Combating Homelessness (hereinafter ‘the Platform’) covers the period from 2022 to the end of 2024. It describes the concrete actions to be implemented by all stakeholders.</p> <p>The work programme was prepared, based on proposals brought forward by the Members of the Platform and was approved by them.</p> <p>The Commission provides the secretariat to the Platform and will ensure due procedures are carried out for the adoption of a new work programme.</p>
<p>1.5. The EESC welcomes the projects financed by the Commission under the different EPOCH work streams. However, as these projects are ad hoc and time-limited, the EESC believes that the Commission should make a structural budget available for the EPOCH's governance and recurrent activities under the European Social Fund Plus (ESF+) EASI programme.</p>	<p>The Commission continues to support the activities of the Platform. In 2023, the Commission signed a grant agreement supporting knowledge-sharing and capacity-building activities<sup>37</sup>, which are a key part of the Platform’s work programme. In parallel, financial support for the meetings of the Platform, and the</p>

<sup>36</sup> <https://ec.europa.eu/social/BlobServlet?docId=25258&langId=en>

<sup>37</sup> [Starting from 2024, the Platform’s mutual learning activities will be supported by an action grant, to be led by FEANTSA. The grant amounts to approximately EUR 740 000 over two years. This action grant aims at ensuring knowledge and capacity building with a greater involvement of the Member States and a broader scope for the mutual learning activities to include site visits, trainings, seminars, etc.](#)

	access to finance working group will continue to be provided.
1.9. The EESC also calls on the Commission to continue the fight against homelessness in all relevant EU actions and strategies, including the EU Gender Equality Strategy, the EU LGBT Strategy, the EU Roma Strategic Framework, the EU Disability Strategy, the EU Child Guarantee, the EU Social Economy Action Plan, the New Pact on Migration and Asylum and the EU's comprehensive approach to mental health.	The Commission agrees that the complex and multidimensional nature of homelessness calls for integrated policy responses in the many domains herein mentioned. In the context of the work of the Platform, the Commission is enhancing inter-service cooperation to better exploit synergies among different policy areas.
1.10. The EESC wants dedicated European action to encourage and support managing authorities in using the ESF+ and the ERDF to fund housing solutions for homeless people.	<p>The Commission is continuously engaged with the managing authorities of cohesion policy programmes. This includes dedicated seminars on different relevant aspects of programming and implementation of cohesion policy programmes, such as social inclusion and the possibility to make use of the European Regional Development Funds (ERDF) to fund non-segregated housing. Further, during the negotiations of the programmes, the Commission has encouraged managing authorities to make use of ERDF to support non-segregated social housing and facilitate access to marginalized groups, including homeless persons, taking into account the specific context in the country.</p> <p>The European Social Fund (ESF) and the European Social Fund Plus (ESF+) can also support Member States in implementing principle 19 of the European Pillar of Social Rights, 'Housing and assistance for the homeless', by funding initiatives that support homeless people back into housing. The ESF does not contribute to the provision of housing as such, but rather to housing assistance programmes</p>

	<p>and social services to support access to housing, notably for homeless people. Measures supporting access to housing are programmes in different countries under specific objective h) (Support and pilot engagement models for social housing residents) and specific objective k) (Improve access to adequate desegregated housing). An integrated approach is promoted, in the context of ‘Housing first’ programmes, where ESF+ can complement ERDF investment for housing.</p>
<p>1.12. The EESC is also concerned by the growing number of mobile EU citizens who are homeless, and calls on the European Labour Authority to provide guidance for Member States on how to address this problem.</p>	<p>The ELA’s objective is to ‘assist Member States and the Commission in their effective application and enforcement of Union law related to labour mobility across the Union and the coordination of social security systems within the Union.’</p> <p>The scope of activities of ELA, as defined in the Regulation, covers specific Union acts, including future amendments to these acts, linked to areas of free movement of workers and EURES, posting of workers, social security coordination and social aspects of international road transport rules. In this respect, ELA does not have a mandate to work on homelessness.</p>
<p>1.13. The EESC believes that the Fundamental Rights Agency should work on homelessness as a human rights issue, tackling criminalisation and penalisation of street homelessness as a priority issue.</p>	<p>The Fundamental Rights Agency (FRA)’s mandate is to provide the relevant Union institutions, bodies, offices and agencies and the Member States when implementing Union law with assistance and expertise relating to fundamental rights. This is in order to support them when they take measures or formulate courses of action. Within the context of the Platform, the Commission will consider mobilizing different</p>

	<p>resources and expertise to further strengthen the evidence base on the issue of criminalisation and penalisation of homelessness, and raise awareness, including by working with relevant agencies such as FRA within their respective mandates.</p>
<p>2.8. Progress should also be made at European level to further strengthen the collection of statistical data to support policy-makers. More reliable data on the multifaceted nature of homelessness, including youth homelessness, is needed, which would allow a better analysis of the factors that influence this situation and for a systematic comparison and monitoring at EU level. This could be an important tool to be included in the future European strategy to eradicate homelessness.</p>	<p>Addressing the need for reliable and comparable data on homelessness on EU level, the two-year pilot project on a European Homelessness Count<sup>38</sup> will focus on defining a common counting methodology, building on existing methodologies and coordinating a harmonized pan-European homelessness count in a number of cities at the same point in time. The contract for the project was signed in December 2023 and a consortium of research institutions will carry out the project, led by KU Leuven. In the first year of the pilot project, 15 cities covering 10 Member States will participate in the first round of counts, while in the second year of the project, 10 additional Member States will be covered.</p>

<p><b>N°10 European Disability Card and the European Parking Card for persons with disabilities</b>  <b>COM(2023) 512 final</b>  <b>EESC 2023-04861 – SOC/785</b>  <b>583<sup>rd</sup> Plenary Session – December 2023</b>  <b>Rapporteur-general: Ioannis VARDAKASTANIS (EL-III)</b>  <b>DG EMPL – Commissioner DALLI</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.3. The EESC recommends that the scope of the proposal be extended to allow Disability Cards to be used to obtain access to benefits linked to public social policies and/or national social security systems on a temporary basis when a person with a disability has moved to a Member State to study or to work, at least throughout the process of getting the disability re-assessed and certified.</p>	<p>The provisionally agreed compromise text by the co-legislators covers, in view of facilitating short stays of persons with disabilities in a Member State other than that of which they are a resident a wide variety of services, activities and facilities, including when provided not for remuneration, in a variety of policy domains. However, it does not apply to social security benefits under the Regulations on the coordination of social security systems<sup>39</sup>, cash or in-kind benefits in the area of social protection and employment, or social assistance covered by Article 24(2) of the Directive on the right of citizens to move and reside freely within the territory of the Member States.<sup>40</sup></p> <p>Nevertheless, the provisionally agreed text of the Directive stipulates 1 year after the date of application, the Commission shall carry out an assessment on any remaining gaps relating to the free movement of persons with disabilities. The Commission shall take due account of the outcome of this assessment when deciding whether</p>

<sup>39</sup> Regulation (EC) No 883/2004  
Regulation (EC) No 987/2009

<sup>40</sup> Directive 2004/38/EC

	further action at Union level would be required to address any such gaps.
<p>1.4. The EESC also asks that the law state clearly that the Disability Card should be free of charge and voluntary. There should be no direct issuing of the Card unless the person has asked for it or the European Disability Card is embedded, for example, in the national disability card resulting from the national disability assessment. It also has to be free of charge to prevent the cost from being an additional barrier to applying for the Card.</p>	<p>The provisionally agreed compromise text leaves it on Member States to decide if they issue or renew the European Disability Card directly or upon application by the person with disabilities (article 6.4). The reason is that in some Member States the European Disability Card will also become a national disability card.</p> <p>The European Disability Card shall be issued and renewed free of charge to the beneficiary. Member States may decide to charge a fee for the costs relating to the reissuance of the card in cases of loss or damage. As concerns the European Parking Card, Member States may issue and renew the card free of charge or with a fee for the costs relating to the issuance and renewal of the European Parking Card for persons with disabilities. For both cards, in case of a fee, Member States shall ensure that this fee does not exceed the administrative costs concerned or prevent or discourage persons with disabilities from acquiring the card.</p>
<p>1.5. Furthermore, there should never be a requirement to show the Disability Card as proof of disability for services that are granted under other EU legislation, such as the right to assistance at airports under Regulation 1107/2006 concerning the rights of disabled persons and persons with reduced mobility when travelling by air. Making it mandatory to present a Card to exercise those rights could be stigmatising, and, moreover, also exclude people who are not Disability Card holders from assistance they need at airports.</p>	<p>The provisionally agreed compromise text of the Directive does not foresee any obligation in this respect.</p> <p>Moreover, none of the passenger rights regulations (neither Regulation 1107/2006 nor the others) require passengers to provide proof of their disability status. In addition, the personal scope of the passenger rights regulations is broader than the personal scope of the European Disability Card proposal as it</p>



	also covers persons with reduced mobility.
1.6. The EESC recommends that the European Parking Card be accompanied by a separate database available in all EU languages to provide information about existing applicable parking rules, conditions and spaces as defined at local, regional, or national level. Member States shall also support and encourage national authorities to upload and update the relevant information for users (Article 7).	The provisionally agreed text between the co-legislators does not foresee creating a specific database but highlights that Member States shall take appropriate measures to raise awareness among the public and inform persons with disabilities, including in accessible ways, about the existence and conditions to obtain, use, or renew the European Disability Card and the European Parking Card for persons with disabilities. The Commission remains open to explore how to best support Member States to ensure awareness of the initiative.
1.7. Additionally, the European Parking Card must have the words "European Parking Card" displayed in braille using the Marburg code dimensions, as is already the case for the European Disability Card. This will facilitate distinction and recognition of the Cards for blind and visually impaired users (Annex II).	Yes, according to the provisionally agreed text the parking card will have a title in braille. This obligation was added into Annex 2.
1.8. The EESC suggests that the European Disability Card legislation include an EU, fully accessible website, with an easy-to-read version, available in all EU languages including sign languages, providing practical information for every country. It must include information about the conditions and rules, practices, and procedures for issuing, renewing or withdrawing a European Disability Card and a European Parking Card for persons with disabilities, along with information about the services covered in Article 2(1) and Article 9.	Yes, in line with the provisionally agreed compromise text the Commission will set up a dedicated Union webpage. This Union webpage should contain a link to the national website of each Member State. The Union webpage should be available in all official Union languages, international sign language and the national sign languages of Member States as well as in accessible and easy-to-read formats, in accordance with the relevant accessibility requirements for services set in Annex I to Directive (EU) 2019/882. The information referred to in this Article should be easily understandable, without exceeding a level of complexity superior to level B1

	<p>(intermediate) of the Council of Europe’s Common European Framework of Reference for Languages. Member States shall establish a national website containing general information regarding the objective and the use of both cards, including, where appropriate, references to the competent authorities, responsible for issuing, renewing and withdrawing the cards. This website shall also include general information available on special conditions and preferential treatments provided by national public authorities for persons with disabilities and redirect users to visit specific website of relevant public authorities for more specific information. This website or webpage may also propose such information from private operators at national level.</p>
<p>1.9. The EESC requests that the text must also require the EU to coordinate an EU-wide and national awareness-raising campaigns in all EU languages for the general public, potential card users and service providers (Article 9).</p>	<p>Yes, the provisionally agreed text of the Directives stipulate that the Commission shall undertake a European awareness raising campaign in cooperation with the Member States and shall continuously promote awareness raising and dissemination of information on the implementation of this Directive. Moreover, Member States shall take appropriate measures to raise awareness, including in accessible ways, about the existence and conditions to obtain, use, or renew the European Disability Card and the European Parking Card for persons with disabilities. In addition, Member States shall take measures to raise awareness among public authorities and private operators and encourage them to voluntarily provide special conditions or preferential treatment, and parking conditions and facilities for persons with disabilities in as wide a range of services, other activities and facilities as possible.</p>

<p>1.10. The EESC recommends that the Commission ensure that appropriate funding is made available to the Member States to cover the cost of the administrative procedures, the physical issuing of the Card, the provision of information, the awareness-raising campaign, and other related costs, in order to facilitate transposition and implementation. This should be taken into account by the Commission when drawing up the next Multiannual Financial Framework (MFF) (Article 9).</p>	<p>The costs of the initiative are not estimated to be significant as confirmed by the impact assessment.</p> <p>Currently, the Commission does not have any additional financial resources available for direct support to implement the initiative. However, under the European Social Fund Plus (ESF+), financial resources are available to Member States to improve the lives of persons with disabilities.</p>
<p>1.12. Finally, the EESC stresses the importance of the EU institutions working closely with persons with disabilities, as well as with EU, national, regional and local organisations representing persons with disabilities (DPOs) when developing, executing and, later, assessing the European Disability Card. DPOs must be involved meaningfully, which means giving them the necessary resources and information in accessible formats to allow genuine participation (Article 11 and Article 12).</p>	<p>Indeed, according to the provisionally agreed text, the Commission shall, before adopting a delegated act or an implementing act, consult persons with disabilities and their representative organisations as well as experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.</p> <p>Moreover, Member States shall ensure the active consultation and involvement of representative organisations of persons with disabilities in the development, implementation and evaluation of both the European Disability Card and the European Parking Card for persons with disabilities.</p> <p>The Commission considers involving persons with disabilities and their representative organisations into the implementation of the initiative as important. The EU-level disability organisations and other relevant EU-level civil society organisations are members of the Disability Platform, which provides for cooperation and</p>

	dialogue among the Commission, Member States, and civil society.
<p>2.7. Furthermore, the European Disability Card must respect a person's privacy and must not show any detailed information about the type of disability or "level" of disability. It must be fully in line with the General Data Protection Regulation (GDPR) and protect the personal information of the user, as the use of this document to access services and benefits safeguards the person from being obliged to show or provide information about personal data, in particular the disability assessment and personal health information.</p>	<p>The backside of the European Disability Card will be the national one and the Member States are free to decide what information should appear there. They should ensure that both cards (also the parking card) will be in line with the General Data Protection Regulation.</p>

<p><b>N°11 Advancing the EU's just transition policy framework: what measures are necessary?</b>  <b>(exploratory opinion requested by the Belgian presidency of the Council of the EU)</b>  <b>EESC 2023-03928 – NAT/915</b>  <b>583<sup>rd</sup> Plenary Session – December 2023</b>  <b>Rapporteur: Rudy DE LEEUW (BE-II)</b>  <b>Co-rapporteur: Arnold PUECH D'ALISSAC (FR-I)</b>  <b>DG EMPL – Commissioner SCHMIT</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>3.1. [...]  [...] establishing an EU Just Transition Observatory responsible for research, data collection, monitoring of stakeholder involvement and the development of a Just Transition Scoreboard setting out methodologies, targets and monitoring processes based on an agreed set of principles.  [...]</p>	<p>In the implementation of the Council Recommendation on ensuring a fair transition towards climate neutrality,<sup>41</sup> Member States called on the Commission to strengthen the evidence base and promote an exchange of best practices for addressing the employment and social impacts of the transition. The Commission is assessing different paths to provide this support to Member States, including by setting up a European Fair Transition Observatory.</p>
<p>3.1. [...]  Adopting a whole-of-government approach in the institutions, including integrating the objectives and principles of the JTPF into the agenda of relevant ministries, Directorates-General and Council configurations, and promoting better coordination between them  [...]</p>	<p>In the monitoring of the implementation of the Council Recommendation on ensuring a fair transition towards climate neutrality, in the Employment, Social Policy, Health and Consumer Affairs Council (EPSCO)<sup>42</sup>, the Commission reiterated the need to involve all relevant actors and stakeholders. The key messages endorsed by EPSCO highlighted the need for a more coordinated approach. For example, to promote a whole-of-government approach in the institutions and in Member States during the process of</p>

<sup>41</sup> <https://data.consilium.europa.eu/doc/document/ST-9107-2022-INIT/en/pdf>

<sup>42</sup> Council meeting in October/November 2023.

	<p>updating the National Energy and Climate Plans (NECPS) (for the period of 2021-2030) in 2023/2024, the Commission developed a Guidance to Member States<sup>43</sup>, which also involved different services in its drafting and further assessing the updated plans, including just transition aspects.</p>
<p>3.1. [...]</p> <p>Appointing the Executive Vice-President of the European Commission and Commissioner for the EGD as Commissioner for the Just Transition, with a mandate to implement a just transition in coordination and close cooperation with the other Directorates-General of the European Commission and Council configurations, including in the European Semester.</p>	<p>The Commission takes note of the suggestion for a dedicated Commissioner for the Just Transition. Under Article 17 of the Treaty on European Union, the Council, by common accord with the Commission's President-elect, adopts a list of the persons whom it proposes for appointment as members of the Commission. They are selected, on the basis of the suggestions made by Member States, in accordance with specific criteria set out in the Treaty. Furthermore, in 2019 the need to ensure a just transition was an integral part of the mission given to the Executive Vice-President for the Green Deal.</p>
<p>3.1. [...]</p> <p>Revising the Regulation on the Governance of the Energy Union and Climate Action and the European Climate Law [...].</p>	<p>In line with the Regulation's review (Article 45) the Commission is currently preparing a report to the European Parliament and the Council on the overall operation of the Regulation. This evaluation report may be followed by a legislative proposal to revise the Regulation where appropriate.</p>
<p>4.2. [...]</p> <p>Strengthening the implementation of the environmental and social dimensions of the European Semester by exploring social and environmental conditionalities, ensuring that country-specific recommendations pay proper attention to all three dimensions, and</p>	<p>The Commission has taken steps to strengthen the social dimension of the European Semester by integrating the 20 principles of the European Pillar of Social Rights (EPSR) and the Social Scoreboard into the policy coordination framework. The EPSR Action Plan has</p>

<p>improving the Social Scoreboard to effectively monitor the implementation of the European Pillar of Social Rights</p>	<p>strengthened the role of the Semester as a key tool for monitoring and implementation of the EPSR and revised the Social Scoreboard. The 2024 country reports will include an evaluation of progress made towards these objectives, including the 2030 targets on employment, skills, and poverty reduction, and in tackling a range of obstacles for industries that hinder the twin transitions.</p>
<p>4.2. [...] Reforming the Stability and Growth Pact [...] to achieve the objective of a just transition, including the possibility of introducing a "golden rule for investment" to allow Member States to allocate sufficient resources to support a just transition and meet EU targets<sup>18</sup>.</p>	<p>The Commission takes good note on the suggestions for the Stability and Growth Pact. The Commission has put forward proposals to replace and amend the current Stability and Growth Pact in April 2023, and a provisional political agreement was reached between the Council and the European Parliament in February 2024. The new framework is expected to enter into force in the coming months.</p> <p>The new framework does not include a 'golden rule' to exclude investment from the EU's fiscal framework. The issue was discussed as part of the public debate on the economic governance review and no consensus emerged. The new framework seeks to promote investment through an all-encompassing medium-term net expenditure path, which will give Member States scope to decide on their public expenditure priorities and provide incentives to commit to a set of reforms and investment responding to EU criteria. Member States committing to a set of reforms and investments that help bring debt on a sustainable path, would benefit from a longer and more gradual adjustment path. In addition, the European Parliament and the Council provisionally agreed to exclude national</p>

	<p>expenditure on co-financing of programmes funded by the Union from the expenditure aggregate that will determine the fiscal paths under the new framework.</p>
<p>4.2. [...]</p> <p>Building on the work of the Council of the European Union, exploring the possibility of introducing a "Social Convergence Framework" in the European Semester, aimed at promoting upward social convergence and the pursuit of social priorities, embedded in the European Pillar of Social Rights, as reaffirmed by EU Heads of State and Government in the 2021 Porto Declaration<sup>19</sup>.</p>	<p>As part of the 2024 Autumn Package, the Commission published its proposal for a Joint Employment Report<sup>44</sup>, which includes an analysis based on the principles of the Social Convergence Framework.</p>
<p>5.1.</p> <ul style="list-style-type: none"> <li>- Encouraging Members States to fully implement the Council recommendation on ensuring a fair transition towards climate neutrality.</li> <li>- Conducting independent research to improve knowledge of the opportunities and challenges of the green transition [...]</li> </ul> <p>Undertaking impact assessments to thoroughly measure the likely social, distributional, health and employment impacts of both climate action and inaction.</p>	<p>Employment and Social Affairs Ministers adopted in November 2023 a set of key messages on the implementation of the Council Recommendation on ensuring a fair transition. They concluded that the implementation of fair transition measures is only starting, with significant differences across countries. A more coherent approach to just transition across all policy areas at national levels is needed. Member States have also asked for support in strengthening the evidence base. The Commission is advancing with important research<sup>45</sup> in this area, notably on distributional impacts<sup>46</sup>, green jobs and skills, transport, and energy poverty, and impacts on health and safety.</p>

<sup>44</sup> [https://commission.europa.eu/publications/2024-european-semester-proposal-joint-employment-report\\_en](https://commission.europa.eu/publications/2024-european-semester-proposal-joint-employment-report_en)

<sup>45</sup> <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8566&furtherPubs=yes#:~:text=Thematic%20Review%202023%203A%20Fair%20Transition%20Towards%20Climate%20Neutrality&text=This%20Thematic%20Review%20aims%20to%20ensure%20a%20fair%20green%20transition.>

<sup>46</sup> <https://ec.europa.eu/social/main.jsp?langId=en&catId=1588>



<p>5.2. [...]</p> <p>Establishing a European Directive for Just Transition of the world of work through anticipation and management of change, with social dialogue and collective bargaining as leading principles.</p>	<p>The Commission is currently assessing the possible follow-ups to the Council Recommendation on ensuring a fair transition towards climate neutrality in EPSCO, and it will organise dedicated meetings with social partners and civil society organisations. The Commission takes note of the suggestion for a European Directive for Just Transition.</p>
<p>5.2. [...]</p> <p>Exploring possibilities to develop initiatives similar to the SURE mechanism for the most impacted sectors.</p>	<p>The European instrument for temporary support to mitigate unemployment risks in an emergency (SURE) was established in 2020 to deal with the economic and social consequences of the COVID-19 pandemic.</p> <p>While a comprehensive ex-post evaluation of the instrument is still being carried out<sup>47</sup>, the analysis presented in the bi-annual implementation reports<sup>48</sup> by the Commission and the results of a performance audit by the European Court of Auditors<sup>49</sup> have shown the effectiveness and added value of SURE in the specific circumstances of the pandemic.</p>
<p>5.3. The EESC reiterates its call for equal access for all to quality training, education and lifelong learning for new, existing and future work, as well as for democratic participation and active citizenship. [...] the EESC calls for a holistic approach to lifelong learning priorities<sup>21</sup>, encompassing well-being, sustainability and citizenship education alongside employment, and recognising global citizenship education and education for sustainability as key tools to promote a just transition.</p>	<p>The Commission recalls the 20 principles of the EPSR. Principle 1 sets out that ‘right to quality and inclusive education, training and life-long’. The Commission is encouraging large-scale partnerships to work on up- and reskilling in key industrial ecosystems. 20 such partnerships have been formed to date.</p> <p>The Commission’s work on promoting skills for the green transition encompasses both labour-market relevant technical skills (through the</p>

<sup>47</sup> [https://economy-finance.ec.europa.eu/eu-financial-assistance/sure\\_en#what-is-sure](https://economy-finance.ec.europa.eu/eu-financial-assistance/sure_en#what-is-sure)

<sup>48</sup> [https://economy-finance.ec.europa.eu/eu-financial-assistance/sure\\_en#reporting-under-sure](https://economy-finance.ec.europa.eu/eu-financial-assistance/sure_en#reporting-under-sure)

<sup>49</sup> <https://op.europa.eu/webpub/eca/special-reports/sure-28-2022/en/>

<p>Encouraging large-scale skills partnerships, such as the EU Pact for Skills</p> <p>Integrating the skills and education agendas and extending the European Skills Agenda to key competences.</p>	<p>ESCO classification and the Council Recommendation on ensuring a fair transition towards climate neutrality), as well as transversal citizenship skills (through GreenComp and the Council Recommendation on learning for the green transition and sustainable development<sup>50</sup>).</p>
<p>5.3. [...]</p> <p>Developing and implementing effectively, supported by adequate funding, the existent competence frameworks at EU level – such as the LifeComp and GreenComp frameworks, and the Key Competences for Lifelong Learning; moreover, monitoring these processes through instruments such as the Recovery and Resilience Facility and any follow-up.</p>	<p>The Commission supports Member States in the take-up of GreenComp through a number of activities, including a community of practice where members can collaborate, share knowledge and develop green competences. A study on the take up and use of the Green Comp framework is currently underway.</p> <p>The Erasmus+ programme supports key competences and lifelong learning, while promoting formal, non-formal, and informal learning approaches. Through mobility activities, individuals of all ages can engage in educational experiences. In addition, within the strategic partnership projects, institutions can develop innovative educational resources, methodologies, and tools. Strategic partnerships also facilitate the sharing of experiences on effective teaching and learning strategies.</p>
<p>6.2. The EESC therefore considers that the JTPF should foster the development and implementation of just transition plans at national, regional, sectoral and company levels and ensure that the social partners (representatives of management and labour unions) are involved early and effectively in discussions on the green transition<sup>29</sup>. This must be done through strengthened social dialogue<sup>30</sup> and systems of collective bargaining<sup>31</sup> and processes of workplace</p>	<p>The Commission attaches great importance to social dialogue and will continue supporting it in line with its Treaty-based duties. The Council Recommendation on strengthening social dialogue in the EU advises Member States to ensure an enabling environment for bipartite and tripartite social dialogue, including collective bargaining, in the public and private sectors, at all levels. Member States are also recommended to</p>

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<https://data.consilium.europa.eu/doc/document/ST-9242-2022-INIT/en/pdf>

<p>democracy in the EU and the Member States, as well as at global level [...]</p>	<p>promote collective bargaining in the new world of work, including the green transition.</p> <p>Furthermore, the Territorial Just Transition Plans (TJTPs) have been established involving regional and local authorities, economic and social partners, civil society and research institutions and universities. Additionally, stakeholders are included in the implementation, monitoring and evaluation of the TJTPs.</p>
<p>6.3. [...]</p> <p>Supporting the implementation of civil dialogue for policy-making [...]</p> <p>Establishing public participation processes through which local stakeholders such as civil society and local communities [...]</p>	<p>The Council Recommendation on ensuring a fair transition towards climate neutrality encourages Member States to empower and enable people, civil society and key stakeholders, including organisations representing people in vulnerable situations, with a view to their participation in policymaking, policy design and implementation, also by making use of new participatory models.</p> <p>The first reviews on the implementation of the Council Recommendation on ensuring a fair transition towards climate neutrality took place in October 2023. As regards to the social dialogue, the review concluded that there is scope for a more systematic and coordinated policy approach, including between and within national, regional, and local levels as well as the cooperation with social partners and other relevant stakeholders and for a more comprehensive and systematic analysis of the socio-economic impacts of the green transition at national level, as well as for better targeting of vulnerable groups and workers affected by the transition, including through the implementation of effective taxation and subsidy policies.</p>

	<p>In this context, the Commission Communication on Europe’s 2040 climate target and path to climate neutrality by 2050 building a sustainable, just and prosperous society, underlines that a structured and systematic dialogue with social partners should be strengthened to ensure their contribution, focusing on employment, including availability of jobs for displaced workers, mobility, job quality, investments in reskilling and upskilling.</p> <p>The Commission also recalls that partnership is a key principle of cohesion policy, as provided by Article 8 of the 2021-2027 Common Provisions Regulation, being necessary to improve ownership and increase the quality and impact of programmes. Specific provisions also apply to the Just Transition Fund (Article 11).</p>
<p>6.3. [...]</p> <p>Strengthening the governance framework of the Just Transition Mechanism to ensure a comprehensive involvement of all stakeholders in the Just Transition Fund, and further developing the European Climate Pact to create meaningful participatory democracy in climate action.</p>	<p>As part of the Just Transition Mechanism, the framework for the Just Transition Fund is embedded in the cohesion policy governance framework, as regulated by both the 2021-2027 Common Provisions Regulations and the Just Transition Fund Regulation.</p> <p>The European Climate Pact was launched as part of the Green Deal to bring the challenges and opportunities of the green transition closer to citizens, stakeholders and non-State actors. A network of Climate Pact Ambassadors informs, inspires and supports climate action in their communities. The Pact encourages individuals and organisations to take climate action using various participatory formats, and engages with stakeholders.</p>
<p>...]</p>	<p>The Commission agrees on the need to enhance EU enterprises’ access to secure</p>

<p>Enhancing EU enterprises' access to a secure and renewable energy and a circular use of raw material supply, while ensuring an equitable distribution of resources, global just transitions and the needs of future generations. Moreover, promoting decarbonisation, circularity and sustainable resource management by businesses in all sectors, not just those sectors or technologies labelled as "green" or "clean".</p>	<p>and sustainable raw materials. Circularity can play an important role in reducing energy use, environmental impacts and raw materials dependencies. Following the Commission's proposal for a Critical Raw Materials Act, the co-legislators reached a political agreement on the file in November 2023. It covers critical raw materials that are used in all sectors but focuses key measures on those strategic raw materials that are required for the green and digital transitions, as well as defence and space applications.</p>
<p>...]</p> <p>Exploring and developing the EU's carbon leakage policy such as CBAM with the aim of covering all relevant sectors critical to the EU's open strategic autonomy and essential functions of society, while ensuring that this does not mean protectionism, particularly against developing countries.</p>	<p>The Carbon Border Adjustment Mechanism (CBAM) is key for ensuring that our decarbonisation efforts are not undermined by production fleeing the EU to less environmentally stringent regions. Its main aim is to prevent carbon leakage by applying a carbon price on imports entering the EU while phasing out the free allocations in the EU Emissions Trading System (ETS). CBAM is a strictly environmental measure and mirrors the EU ETS. It applies the same requirements in a non-discriminatory manner to installations in the EU as well as to imports, in order to ensure World Trade Organisation (WTO) compatibility. CBAM has currently been designed, to cover a limited number of sectors, but can possibly be expanded to a limited number of other sectors under the ETS also at risk of carbon leakage.</p>
<p>...]</p> <p>Providing public support towards a considerable upscaling of social economy enterprises and organisations, and community-led initiatives focusing on social goals and just environmental protection.</p>	<p>The Social economy action plan and the Council recommendation on social economy framework conditions provide guidance to strengthen and scale up the social economy. Member States are invited to develop related strategies within 2 years. The Commission supports these developments via its relevant</p>

	<p>funding programmes, such as the European Social Fund Plus, to support the development and upscaling of social economy entities and launching community-led initiatives, and the InvestEU programme to provide guarantees aimed at mobilising private investments in social enterprises. Awareness raising and non-financial support are also provided, for example, through workshops for public officials and the Social Economy Gateway<sup>51</sup>.</p>
<p>8.1. [...]</p> <ul style="list-style-type: none"> <li>- Setting up an EU funding strategy for a just transition that builds upon lessons learned from existing EU funds [...]. This EU funding strategy must ensure that the EU funds essential to meeting the challenges of a just transition are available after recovery funding ends in 2026 and that the funding is sufficient to achieve the EU's new 2040 emission target.</li> <li>- Supporting a revision of the Multi-annual Financial Framework [...]</li> <li>- Increasing funding of the Just Transition Mechanism and Fund and extending it to other regions and sectors [...]</li> </ul> <p>Increasing funding under the Social Climate Fund and rebating a more substantial portion of carbon price revenue to households.</p>	<p>The proposals of the post-2027 Multi-Annual Financial Framework (MFF) cannot be prejudged. The 2021-2027 MFF revision is subject to co-legislative negotiations.</p> <p>The Social Climate Fund (SCF) will mobilise at least EUR 86.7 billion between 2026 and 2032, to address the social impacts of the new emissions trading system (ETS2) on the most vulnerable households, transport users, and micro-enterprises, in particular citizens in energy or transport poverty. The SCF will work in harmony with the ETS2, a system also creating additional auction revenues for the Member States that will have to be spent entirely on climate and social purposes. These revenues can also be used by Member States to co-finance larger Social Climate Plans, if Member States wish to design such larger Social Climate Plans.</p>
<p>8.1. [...]</p> <p>Making sure that the updated National Energy and Climate Plans adequately assess the spending gap for a just transition and address ways to close it, map all fossil fuel subsidies</p>	<p>In December 2023, the Commission published its EU-wide assessment of the draft updated NECPS together with individual assessments and country-specific recommendations in which these topics are addressed. The aim is that</p>

<p>(explicit and implicit) and include a time-bound plan to phase them out in a socially just manner, so as to free up public resources for a just transition.</p>	<p>Member States take into account these when finalising their Plans. Just transition aspects of the draft NECPS were assessed specifically, in line with the guidance for the update process issued in December 2022.</p>
<p>8.1. [...]</p> <p>Aligning the implementation of State aid and public procurement rules with just transition objectives and ensuring that the conditions for access to public funding in Member States are met and that companies that do not comply with tax obligations and environmental and labour legislation should be excluded from access to public funding.</p>	<p>The Commission recalls that the Treaty on the Functioning of the European Union (TFEU) obliges to verify if an intended State aid violates the Union law. The Commission performs this control, in line with the Treaty, while examining (pre)notified State aid measures. However, the Commission can neither assess compliance with obligations stemming from national law, nor can it impose additional conditions on the assessment of State aid measures, which are not enshrined in the State aid legal framework.</p> <p>The Commission recalls that the public procurement rules<sup>52</sup> already allow public buyers to exclude from public procurement procedures tenderers who are in breach of applicable obligations in the fields of environmental, social and labour law. Compliance and verification of the above rules heavily depends on the specificities of each national system.</p>
<p>8.1. [...]</p> <p>Due to the importance of technological and social innovation in advancing a just transition, ensuring intensive public and private investment in research and innovation, including effective RDI infrastructures and innovation ecosystems that involve grassroots citizens' initiatives, businesses, trade unions, universities and research organisations, as well as other relevant stakeholders.</p>	<p>The Commission recognises the importance of social innovation and, in 2022, launched a call for proposals on social innovation approaches for the green and digital transition, 17 proposals were selected.</p> <p>The Commission supports public and private investment in Research and Innovation through its R&amp;I Framework Programme Horizon Europe, and its</p>

<sup>52</sup>

Directive 2014/24/EU.

	predecessor Horizon 2020. In particular, the 2021-2024 Work Programmes include several research topics aimed at driving a just green transition <sup>53</sup> .
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<sup>53</sup> HORIZON-CL2-2022-TRANSFORMATIONS-02-01: Knowledge platform and network for social impact assessment of green transition policies (EUR 3 million); HORIZON-CL2-2023-TRANSFORMATIONS-01-10: Tackling inequalities in the green and digital transitions (EUR 9 million); HORIZON-CL5-2021-D2-01-12: Fostering a just transition in Europe (EUR 10 million).



<p><b>N°12 Seeds and other plant and forest reproductive material</b>  <b>COM(2023) 414 final</b>  <b>COM(2023) 415 final</b>  <b>EESC 2023-03344 – NAT/905</b>  <b>583<sup>nd</sup> Plenary Session – December 2023</b>  <b>Rapporteur: Arnaud SCHWARTZ (FR-III)</b>  <b>DG SANTE – Commissioner KYRIAKIDES</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>3.2. The EESC welcomes the derogations proposed for some categories of reproductive materials, such as organic and conservation varieties as well as for harvests from the environment. However, key issues such as who is specifically covered by the exemptions and how to prevent the emergence of parallel markets need to be agreed on.</p>	<p>The Commission considers that the derogations from basic requirements in its proposal for a Regulation on plant reproductive material ('the PRM proposal')<sup>54</sup> are specific and proportionate to the respective categories and markets. For example, the requirements for the registration of organic varieties will be adjusted to the principles of organic farming, while the rules for the registration of conservation varieties will cater for the increased genetic diversity of such varieties.</p> <p>The PRM proposal also includes a number of measures safeguarding transparency in the market:</p> <ul style="list-style-type: none"> <li>- The operators wishing to use these derogations will be required to notify their activity to the competent authorities. Member States will periodically report on these to the Commission.</li> <li>- Distinct labels for each of the different types of PRM will be required. Users will therefore be well informed about the PRM they buy.</li> </ul>

	<p>- All types and categories of PRM will be subject to official controls under the Official Controls Regulation<sup>55</sup>.</p> <p>- The development of a seed fraud network under the umbrella of the OCR will facilitate the detection of fraudulent practices.</p>
<p>3.3. The EESC is in favour of not just generally transferring official variety approval and seed certification to the professional operator, but also allowing it to be carried out by the competent authority if the operator does not have sufficient resources to do so.</p>	<p>The Commission confirms that according to the PRM proposal the competent authority will be required to carry out the examinations for variety registration as well as the certification of seed and other PRM. The operators will be given the possibility, subject to an authorisation by the competent authority, to carry out under the supervision of the competent authorities the certification activities, as well as the examination for value for sustainable cultivation and use for the purpose of variety registration. The competent authority will carry out the respective tasks if the operator is not authorised for that purpose. The examination for Distinctness, Uniformity and Stability ('DUS' for the purposes of variety registration) will continue to be carried out exclusively by the competent authority, as it is also the case under the current legislation.</p>
<p>3.4. The EESC welcomes the proposed administrative simplification measures and recommends that monitoring and evaluation mechanisms be set up to assess the impact of the new rules on effectively reducing the administrative burden and red tape for operators in the plant and forest reproductive material sector. These mechanisms will make it possible to identify any persistent obstacles and take corrective action where necessary.</p>	<p>The Commission shares the Committee's views. The PRM proposal as well as the proposal for a Regulation on forest reproductive material ('the FRM proposal')<sup>56</sup> include requirements on reporting that will enable an effective follow-up and evaluation of all key provisions, therefore also taking corrective actions where necessary.</p>

<sup>55</sup> (EU) 2017/625 (OCR); OJ L 95, 7.4.2017, p. 1–142.

<sup>56</sup> [COM\(2023\) 415 final](#)

3.8. The EESC calls for this new legislation to explicitly implement rural workers' and farmers' rights as laid down in the ITPGRFA and UNDROP [...].

- The right to participate in decision-making processes concerning plant genetic resources for food and agriculture,
- The right to access and use plant genetic resources for food and agriculture,
- The right to exchange plant genetic resources for food and agriculture,
- The right to benefit from the use of plant genetic resources for food and agriculture,
- The right to protection of traditional knowledge related to plant genetic resources for food and agriculture,
- The right to participate in the fair and equitable sharing of benefits arising from the use of plant genetic resources for food and agriculture,
- The right to practice traditional agricultural techniques and sustainable food production systems,
- The right to access and control seeds, including the right to save, exchange and sell farm-produced seeds,
- The right to participate in decision-making processes that affect their livelihoods and farming practices,
- The right to access information and knowledge related to agriculture, land and natural resources,
- The right to preserve and develop their own traditional knowledge and practices related to agriculture and biodiversity,
- The right to participate in the management of natural resources,

The Commission recalls that the PRM proposal aims to regulate the production and marketing of PRM. Where relevant to the abovementioned scope, the PRM proposal includes provisions that support the implementation of farmers' rights as laid down in the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA) and United Nations Declaration on the Rights of Peasants (UNDROP). A framework allowing the exchange of seed between farmers will be introduced. The possibility to produce and market heterogeneous material will be extended beyond the organic sector. The notion of conservation varieties will be extended to include new varieties locally bred under specific local conditions and adapted to those conditions. These measures will enable farmers to preserve agrobiodiversity on their farms and to dynamically manage and develop their plant genetic resources for food and agriculture.

However, the PRM proposal does not affect, nor can explicitly refer to, the rights of farmers to make their own choices regarding farming practices, agricultural techniques, food production systems and the management of natural resources or their traditional knowledge, as these are not within the scope of that proposal. Nevertheless, the PRM proposal will ensure for all farmers the availability of high-quality PRM, compatible with their respective choices, for example organic varieties for organic farmers and locally adapted varieties for farmers under marginal and low-input conditions.

<ul style="list-style-type: none"> <li>• The right to a healthy environment and the protection of biodiversity.</li> </ul>	
<p>3.9. Although it understands the need to guarantee an adequate supply of forest reproductive material to reforest all or parts of certain areas affected by extreme weather events, fires, pest outbreaks and other disasters, the EESC nevertheless reminds the Commission, the Member States, other authorities and relevant stakeholders, that the natural regeneration of forests is another potential solution to these problems that should be explored.</p>	<p>The Commission recalls that the forest reproductive material (FRM) proposal lays down rules for the production and marketing of FRM. However, the use of FRM and the choice of the forest management practices applied by forest managers (including the natural regeneration of forests) will remain under the competence of the Member States and are not affected by the FRM proposal.</p>
<p>3.12. The EESC points out that the inclusion of the seed regulations in the scope of the EU Official Control Regulation ((EU) 2017/625, OCR) leads to additional administrative burdens for the competent authorities. It also entails an increase in bureaucracy for authorities and professional operators alike.</p>	<p>The Commission considers that the inclusion of the proposed PRM and FRM regulations into the scope of the Official Control Regulation (OCR) will lead to efficiency gains for competent authorities and professional operators alike. The implementation of the principles of OCR will render controls on the production, marketing and import of PRM and FRM more focussed, but also more harmonised across the Union, while currently professional operators face very divergent conditions.</p> <p>The inclusion into the scope of the OCR is also a matter of harmonisation, as the OCR already applies to official controls on PRM and FRM within the frame of the legislation on plant health, organic production and genetic modified organisms. The use of OCR as a single legislative framework as well as the use of a common information management system for official controls will facilitate and rationalise all these official controls. The OCR will also allow national inspectors to benefit from training organised by the Commission.</p>

3.16. The EESC acknowledges that a significant number of delegated acts and implementing acts are planned outside the PRM Regulation. While recognising the necessity of such acts to define the practical details of the legislation, the EESC raises concerns about potential shortcomings. Specifically, there should be clear limitations to prevent these acts from expanding the scope of the basic regulation or creating uncertainty about its fundamental provisions. The EESC also emphasises the importance of adequate consultation with the Council of Ministers, the European Parliament, the EESC and the concerned stakeholders to ensure transparency and democratic scrutiny, addressing previous criticisms made by the European Parliament during the 2013 PRM proposal.

The purpose and scope of the delegated and implementing acts in the PRM and FRM proposals are strictly limited in laying down uniform conditions for implementing the provisions of the proposed regulations (implementing acts) or to supplement their non-essential elements (delegated acts). The Commission therefore reassures the Committee that they cannot expand the scope of the basic Regulations. The adoption of these acts will follow all the established procedures for ensuring transparency and democratic scrutiny, as set out in the Better Regulation guidelines<sup>57</sup>.

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<sup>57</sup> [https://commission.europa.eu/law/law-making-process/planning-and-proposing-law/better-regulation\\_en](https://commission.europa.eu/law/law-making-process/planning-and-proposing-law/better-regulation_en)

**N°13    Securing Europe's medicine supply: envisioning a Critical Medicines Act (exploratory opinion requested by the Belgian presidency of the Council of the EU)**  
**EESC 2023-03800 – CCMI/212**  
**583<sup>rd</sup> Plenary Session – December 2023**  
**Rapporteur: Lech PILAWSKI (PL-I)**  
**Co-rapporteur: Thomas STUDENT (DE-Cat. 2)**  
**HERA – Commissioner KYRIAKIDES**

**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><b>N°14 Posting of drivers in the European transport sector - challenges and opportunities</b>  <b>(exploratory opinion requested by the Belgian presidency of the Council of the EU)</b>  <b>EESC 2023-03702 – TEN 822</b>  <b>583rd Plenary Session – Decembe 2023</b>  <b>Rapporteur: Alena MASTANTUONO (CZ-I)</b>  <b>Co-rapporteur: Mateusz SZYMAŃSKI (PL-II)</b>  <b>DG MOVE– Commissioner VALEAN</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p><b>Conclusions and recommendations</b></p>	
<p>1.1. The EESC notes that experience of implementing Mobility Package I is relatively limited because it has not long been in force, because of the COVID-19 pandemic and slow transposition. It therefore calls on the Member States to fully implement the provisions of Mobility Package I in order to achieve a well-functioning single market in the transport sector which is socially sustainable with minimum red tape.</p>	<p>The Commission welcomes the Committee's recommendations on the Member States to fully implement the provisions of Mobility Package I.</p>
<p>1.2. The EESC underlines the importance of enforcing the new rules and of them being interpreted and applied in a uniform way across the EU. In this regard the EESC also calls on the European Commission and the European Labour Authority (ELA) to assist the Member States and the road transport sector with coordinated interpretation of the Mobility Package and control methodology. It also calls for closer cooperation among Member States and for exchange of data, which is particularly important in fighting the phenomenon of letterbox companies. Moreover, in order to effectively protect the rights of workers in the sector, Regulation</p>	<p>The Commission takes note of the Committee's recommendation on the importance of enforcing the new rules and of them being interpreted and applied in a uniform way across the EU. In this respect, the Commission has undertaken numerous actions since the adoption of Mobility Package I. Many implementing measures and IT systems, such as new Internal Market Information modules (IMI), have been put in place to help Member States' authorities to enforce the rules and to verify that, for example posted drivers are paid adequate remuneration, and letterbox companies</p>

<p>(EC) No 593/2008 (Rome I) or the Rome convention should be applied, to ensure that employees should not be deprived of the protection afforded to them.</p>	<p>are eliminated from the market. The Commission also developed a number of guidance notes, and in close cooperation with the European Labour Authority (ELA), provided trainings and information materials to facilitate correct application of the social rules by road transport operators and their effective enforcement by national authorities as well as to make drivers aware of their rights to adequate remuneration and social protection. The ELA is also facilitating administrative cooperation and joint roadside checks by enforcement authorities. The Commission is also committed to ensure that Directive 96/71/EC, as amended by Directive (EU) 2018/957, and Directive 2014/67/EU as well as Regulation (EC) No 593/2008 (Rome I) of the Rome convention are correctly applied.</p>
<p>1.6. The EESC encourages the European Commission and Member States to ensure a smooth transition to smart tachograph 2, version 2, including harmonised transitional exemptions at EU level. Operators should install the device across their fleets as soon as possible. Given the high costs involved, the EESC invites the Member States and the European Commission to consider introducing incentives for the sector.</p>	<p>The Commission recalls that Regulation (EU) No 165/2014 of the European Parliament and of the Council provides the legal requirements for the transition towards smart tachograph version 2. The Commission is monitoring how this transition is taking place with Member States and the road transport sector. The Commission believes that the benefits of the use of smart tachograph version 2 are clear, both for road operators and national enforcement authorities. Most of the benefits are linked with an elimination of random and lengthy controls at the roadside, which translates into the decrease of idle time of drivers and vehicles during unnecessary controls of compliant drivers/operators and better use of enforcement resources. The Commission does not see the need for further incentives at this stage.</p>



<p>1.7. The EESC urges Member States to use data-led controls targeting companies with repeated serious infringements. In this respect, the risk-rating approach and systems should be used as widely as possible.</p>	<p>The Commission agrees with the Committee's recommendation, and recalls the obligation set out in Article 9(2) of Directive 2006/22/EC in this respect.</p>
<p>1.8. The EESC suggests developing a digital application which would calculate the remuneration of posted drivers in real time. The application would reduce the administrative burden on employers, ensure transparency as regards the cases of posted drivers, providing information on components of their remuneration and make enforcement more effective.</p>	<p>The Commission takes note of the Committee suggestion of developing a digital application to calculate the remuneration of posted drivers in real time. The Commission would like to specify that there exist already different software tools for drivers' working time management, including wage calculations, that are provided by private service providers.</p> <p>Nevertheless, it considers that ELA, together with national authorities and national social partners, could work on a tool to calculate the remuneration of posted workers.</p>
<p>1.9. The EESC calls for the creation of an expert committee within the remit of the ELA, with the same goals and competences as the previous Committee of Experts on the Posting of Workers, which has been abolished.</p>	<p>The Commission would like to point out that a specific expert group on posting of drivers was created by the Commission shortly after Directive (EU) 2020/1057 (<i>lex specialis</i>) was adopted in 2020. It gathers experts from Member States and sectoral stakeholders, including social partners. The expert group has been notably the forum to discuss the guidance on the application of <i>lex specialis</i> rules.</p> <p>In addition, the tasks of ELA pursuant to Article 4 of Regulation (EU) 2019/1149 cover part of the tasks previously carried out by the Committee of Experts on the Posting of Workers, including the exchange of information and administrative cooperation and the assistance in questions on implementation pursuant to Article 2 of the Commission Decision 2009/17/EC.</p>

	<p>In 2023 ELA put in place Posting 360 – a multi-annual learning and understanding programme to strengthen and deepen cooperation between ELA, European Commission, the Member States and the social partners with the view on ensuring the effective enforcement of the EU and national rules on the posting of workers. In this regard, the Committee stresses the importance of cooperation with the social partners.</p>
<p>1.10. The EESC also notes the particularly difficult situation of drivers from third countries, who are particularly vulnerable to abuse. All public authorities, with the support of ELA, are urged to act decisively to ensure equal treatment on the EU labour market regardless of country of origin. The EESC recommends that the Commission establishes an anonymous 24-hour hotline operating in all EU languages to help drivers in difficult situations.</p>	<p>The Commission agrees that the situation of third-country drivers may be particularly difficult. It recalls that third-country drivers employed by the operators established in the EU must enjoy the same working conditions as EU nationals. The Commission monitors compliance by companies with the rules on employment conditions also with regard to third-country nationals.</p> <p>The Commission recalls that there exist already many information and complaint systems, such as Europe Direct Contact Centre<sup>58</sup> where information can be requested in all EU languages as well as Ukrainian and Russian, or SOLVIT<sup>59</sup> where individuals can submit a complaint if they consider their rights under the EU law are breached or Fundamental Rights Interactive Tool. In this context, establishing by the Commission an anonymous 24-hour hotline operating in all EU languages, as recommended by the Committee, would not be necessary.</p>
<p>1.11. The EESC highlights the need to make full use of the Connected Europe Facility</p>	<p>The Commission will continue promoting the use of the Connected</p>

<sup>58</sup> [https://european-union.europa.eu/contact-eu/write-us/answering-your-questions\\_en](https://european-union.europa.eu/contact-eu/write-us/answering-your-questions_en)  
<sup>59</sup> [https://ec.europa.eu/solvit/index\\_en.htm](https://ec.europa.eu/solvit/index_en.htm)

funding for safe and secure parking and to address drivers' mental health challenges.	Europe Facility funding for the projects developing safe and secure parking areas.
<b>General comments</b>	
<p>3.4. The EESC welcomes the increased cooperation amongst Member States' authorities as regards enforcement of the posting rules and the introduction of digital enforcement tools such as the IMI module for posting. The IMI seems to be functioning well and is widely used and accepted by transport companies; however, to date, only 14 Member States are actively using it. The EESC recommends that all the Member States and all responsible authorities actively use, monitor and exchange the existing data to plan the inspections.</p>	<p>The Commission appreciates the Committee's recognition of the well-functioning IMI module for posting. The Commission acknowledges that some Member States are more active than others in using this system. The Commission would like to point out that facilitating administrative cooperation and mutual assistance in the field of cross-border enforcement of the posting rules is the key objective of the IMI module. It is rather the tool to help control compliance in concrete cases and not to help plan inspections. For the latter purpose Member States should rather use the data available in national risk rating systems that indicates an overall compliance behaviour of an operator.</p>
<p>3.5. In this regard, the EESC suggests developing a digital application which would calculate the remuneration of posted drivers in real time; it urges the Commission to take the lead here. In this regard, there is also a need to provide transparent data on drivers' salaries and the components thereof, along with social contributions and information on how they have been calculated, especially which national rules have applied. The application would reduce the administrative burden on employers, make it easier to control the required working conditions for the drivers and ensure transparency as regards the cases of posted drivers and make enforcement more effective. Overall, it must be clear in which cases the various rules of remuneration under posting apply. Where rules are unclear there is a risk of abuse and unfair competition.</p>	<p>The Commission is currently assessing, in a sector neutral way, the implementation and application of Directive (EU) 2018/957 amending Directive 96/71/EC concerning the posting of workers.</p> <p>ELA, together with national authorities and national social partners, could work on a tool to calculate the remuneration of posted workers. This work could be developed, together with the Member States and social partners, in the framework of the ELA Working Group on Information.</p> <p>The work of the ELA Working Group on Information has covered the information published by Member States in the official national websites related to posting, including on road transport.</p>

	<p>ELA has also worked on the information available as regards posting conditions in the Commission Your Europe portal. The content has been reviewed by representatives of workers and employers and recommendations will serve as a basis for future improvements of the portal.</p> <p>ELA has also published an approach to be used voluntarily by Member States on the presentation of working conditions applicable to posted workers stemming from universally applicable collective agreements on the national websites and has published the lessons learnt from peer reviews for those national websites.</p>
<p>3.6. The EESC encourages Member States to further step up cooperation on the enforcement of posting rules and supports steps towards fully digital paperless enforcement. The EESC recommends that Member States implement the digital international bill of lading (e-CMR). In this way the burden on companies – mainly SMEs – and workers is minimised, as is the margin of human error. The use of digital tools is paramount in enforcement of the new rules and helps with understanding the movements of operations, and thus the cases of posting. The EESC welcomes the European Parliament’s pilot project on smart enforcement to map the existing electronic tools.</p>	<p>The Commission considers that a fully digitalised and automated enforcement system should be carefully assessed to ensure its just and cost-effective functioning. In this context, it has recently launched a pilot project, financed by the European Parliament, to analyse the feasibility of establishing a Single European Digital Enforcement Area (SEDEA) for automated enforcement system of the EU road transport rules and its potential for scaling up for the entire multimodal transportation system in the EU.</p>
<p>3.8. To increase the effectiveness of the control bodies and complement their work, the EESC urges the Member States to increase the capacity for the authorities responsible for checking vehicles and the legal and social situation of drivers. In some countries, these public bodies have very limited capacity for carrying out numerous broad and effective inspections despite a high ratio of detected</p>	<p>The Commission acknowledges that it is important to increase the effectiveness of the controls. In this respect, it welcomes the Committee’s recommendation on the Member States to use risk-rating approach as widely as possible and in accordance with Commission Implementing Regulations 2022/695 and 2022/694.</p>

<p>irregularities. Checks require time and tools as well as extensive educational campaigns. Up-to-date training needs to be provided for all the authorities responsible at every level. The EESC urges the Member States to use intelligence-led and data-led controls targeting companies with repeated serious infringements. In this respect, the risk-rating approach must be used as widely as possible as per Commission Implementing Regulations 2022/695 and 2022/694.</p>	
<p>3.9. The EESC regrets that information on the applicable national posting rules still remains largely unavailable to companies that are subject to possible penalties in the event of infringements. The EESC therefore urges Member States to provide relevant standardised, easily understood information on national posting rules in the EU languages and to regularly update them. In this context, we recommend that awareness-raising measures are further developed for all market players and continue to be funded. In this connection, the EESC calls on the ELA to take the lead here and create an EU-wide single window access point for national information on the transposition of rules on the posting of drivers in order to help the sector – largely composed of SMEs – to correctly apply the patchwork of rules.</p>	<p>The Commission takes note of the Committee’s recommendations on Member States and ELA.</p> <p>Member States are obliged to make the information on terms and conditions of employment, including the constituent elements of remuneration, available in an accessible and transparent way, on a single national website, to road transport undertakings and to drivers.</p> <p>In this context, ELA supports Member States in complying with the obligations on the access to and dissemination of information relating to the free movement of workers, including the posting of workers.</p> <p>The information on the constituent elements of remuneration in most of Member States is already available via the Commission Your Europe website which provides the links to the relevant national websites. The Commission is monitoring the Member States’ compliance with their legal obligation to publish information on the terms and conditions of employment applicable to posted drivers, including on remuneration, as provided for in Directive (EU) 2020/1057.</p>

	<p>The Commission is already funding projects aiming to inform mobile workers of their rights as well as to increase the transparency of terms and conditions of employment of posted workers, including support to social partners.</p>
<p>3.10. The EESC regrets that the Committee of Experts on the Posting of Workers, set up by Commission Decision of 19 December 2008, has been abolished. The Committee had broad powers and an extensive remit. It was promised that these would be moved to the ELA but this has not happened to date. In this regard, the EESC calls for the creation of an expert committee within the remit of ELA with the same goals and competences as the committee previously established by the Commission, and stresses the importance of cooperation with the social partners. It also recommends that an effective complaint mechanism be put in place.</p>	<p>The Commission has set up a formal Expert Group on Posting of Drivers composed of relevant authorities of Member States, representatives of Social Partners and other sectoral stakeholders. This Expert Group was crucial in establishing a common understanding in the sector and among Member States on the application of the rules on posting of drivers. It has established a set of guidelines explaining the application based on different transport operation scenarios. It continues to work under chairmanship of the Commission in order to address all remaining questions and ensure a common approach to the implementation across the EU.</p> <p>In addition, the Tasks of ELA pursuant to Article 4 of Regulation (EU) 2019/1149 cover part of the tasks previously carried out by the Committee, including the exchange of information and administrative cooperation and the assistance in questions on implementation pursuant to Article 2 of the Commission Decision 2009/17/EC. In 2023 ELA put in place Posting 360 – a multi-annual learning and understanding programme to strengthen and deepen cooperation between ELA, the European Commission, the Member States and the social partners with the view on ensuring the effective enforcement of the EU and national rules on the posting of workers.</p>

<p>3.11. Since the enforcement of the posting of workers rules in international transport is a complex administrative challenge, a previous EESC opinion<sup>60</sup> highlighted the need for clarification and efficient enforcement of the rules. In this regard, the EESC welcomes joint efforts by the European Commission, road transport social partners, the enforcement community and other stakeholders to harmonise interpretation of the Mobility Package via the published Questions and Answers, in particular the TRACE 2 project on the harmonisation of controls. The EESC would also like to draw attention to the fact that a number of concerns have been raised regarding these Questions and Answers, as well as regarding the guidance published on the Commission's website on the rules for posting drivers in transport. It encourages the Commission and the Member States to actively involve the social partners and other stakeholders in working together on these matters so that they are as precise as possible, as well as transparent and understandable.</p>	<p>The Commission would like to stress the Questions and Answers, as well as the guidance documents published on the Commission's website on the rules for posting drivers in transport were largely consulted with relevant stakeholders who had the opportunity to provide their comments and input. The Commission has involved the social partners and other stakeholders in working together on these matters, notably within the Commission Expert Group on Posting of Drivers.</p>
<p>3.12. The EESC urges the Commission and the ELA to continue to actively assist Member States and the sector with the interpretation of the Mobility Package 1 rules and the methodology of controls, including joint inspections, whilst at the same time sharing lessons learned from joint inspections with the social partners, so that these lessons can be incorporated into drivers' and managers' training. The EESC also calls on Member States to use the outcome of the above-mentioned projects extensively in their enforcement practices.</p>	<p>The Commission, together with the ELA, will continue actively assisting Member States and the sector with the correct application and consistent approach to enforcement of the rules of the Mobility Package 1.</p>
<p>3.13. The digital tachograph is the centrepiece of effective controls in road transport. The</p>	<p>The Commission agrees that smart tachograph version 2 brings significant</p>

<sup>60</sup> [OJ C 197, 8.6.2018, p. 45.](#)

<p>EESC therefore welcomes the recent entry into force of Generation 2, version 2, of Smart Tachograph and is of the opinion that the tachograph with a real-time positioning system will be the final piece of the puzzle in preventing distortions of competition. The EESC urges the European Commission and Member States to consider incentives and special training for the sector in order to speed up the deployment of the second generation smart tachograph.</p>	<p>benefits for the enforcement of the new social and market rules. It also brings benefits to compliant operators, eliminating unnecessary random and lengthy roadside checks as well as distortions of competition, thanks to the easier detection of non-complaint operators. The Commission admits that the current situation on the market of smart tachograph version 2 (in terms of supply) would not allow for speeding up the deployment of smart tachographs version 2. It monitors the smart tachograph market and believes that the legal deadlines for retrofitting of the vehicles with smart tachograph 2 can be met but not advanced.</p>
<p><b>Specific comments</b></p>	
<p>4.3. The EESC stresses the importance of a safe parking infrastructure with available accommodation for proper rest. The number of such places throughout Europe is very low, despite the fact that the need for greater availability has been expressed for many years. The EESC therefore urges the Member States to make full use of the Connected Europe Facility funding to provide safe and secure parking.</p>	<p>The development of Safe and Secure Parking Areas (SSPAs) is a priority for the Commission. The 2019 Commission study on SSPAs estimated the availability of 300,000 parking spaces for heavy-duty vehicles, with respect to a total demand of 400,000. Furthermore, only 7,000 spaces were considered as compliant with the security standards then applied. Therefore, the Commission is supporting Member States and private operators in their efforts to build more SSPAs in the EU by providing funding for the development of this infrastructure under the Connecting Europe Facility (CEF). Since 2019, 52 projects were selected for funding, providing more than 7,000 safe and secure parking spots in Europe certified in accordance with the EU standards included in the 2019 study and then set out in Commission Delegated Regulation.<sup>61</sup>The 2022 and</p>

<sup>61</sup> [https://eur-lex.europa.eu/eli/reg\\_del/2022/1012/oj](https://eur-lex.europa.eu/eli/reg_del/2022/1012/oj)



	<p>2023 CEF Transport calls each made EUR 250 million available to support such projects across the European Union. CEF will also continue to support the development of SSPAs in the future. In parallel, wthe Commission will continue its efforts to support and communicate the development of such facilities.</p> <p>To meet the requirement of Article 8a(4) of Regulation (EC) No 561/2006, the Commission launched a study on the availability and development of EU SSPAs. It will also include a list of recommendations to increase the number and quality of SSPAs. The Commission welcomes the Committee's recommendation on the Member States to make full use of the Connected Europe Facility funding to provide safe and secure parking.</p>
<p>4.4. There is a very noticeable shortage of personnel, which undermines the potential for economic growth, not only in transportation but also in the EU economy as a whole. This point goes beyond the scope of this analysis, but it is an important one for the future of the sector.</p>	<p>The Commission is aware of the shortage of drivers, which may entail higher transportation costs impacting the profitability and productivity of companies and resulting in higher prices for consumers. This can have a negative impact on the economy as a whole, as transportation is a key part for many industries.</p> <p>Mobility Package 1<sup>62</sup> brought significant improvements in terms of working conditions and social protection of drivers. However, the causes of the shortage of drivers are multiple, not only difficult working conditions, but also transport system efficiency, road and rest facilities infrastructure and the reputation of the profession. Therefore, solutions must also come from businesses,</p>

	<p>Member States authorities and the social partners. To help address the driver shortage in the EU, the Commission is committed to work with all relevant stakeholders, notably through the assessment on how to enhance the use of the existing instruments and/or identify and promote other tools.</p>
<p>4.5. The EESC wishes to note the special situation of workers from third countries. It stresses the extreme importance of preventing any discrimination based on the origin of individual drivers (e.g. language barriers, more temporary working conditions) and of ensuring that all workers in the sector have appropriate healthcare and are treated equally.</p>	<p>The Commission would like to recall that third-country drivers employed by the operators established in the EU must enjoy the same working conditions as EU nationals. In this context, the Commission monitors compliance by companies with the rules on employment conditions also with regard to third-country nationals.</p> <p>In response to the signals of alleged abuses of the road transport legislation, the Commission has undertaken different actions being under its remit, notably requesting from the relevant national authorities to perform controls of compliance of social rules by the companies concerned, and to impose sanctions when appropriate. The Commission is committed to continuing working with ELA and the enforcement community to prevent illicit employment and business practices. In the context of a severe shortage of professional drivers, it is crucial to increase the attractiveness of the profession by ensuring that drivers can fully benefit from their social protection rights and that all cases of abuse are detected early and dealt with effectively.</p>

<p><b>N°15 Main challenges faced by EU islands, and mountainous and sparsely populated areas (own-initiative opinion) EESC 2023-00848 – ECO/612 583<sup>rd</sup> Plenary Session – December 2023 Rapporteur: Ioannis VARDAKASTANIS (EL-III) DG REGIO – Commissioner FERREIRA</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.1. Based on the current provisions of EU primary law (Articles 174 and 175 of the Treaty on the Functioning of the European Union (TFEU)) and their interpretation, the EESC is convinced that there is a solid legal basis that obliges the EU to take action in order to support its islands, mountainous regions and sparsely populated areas, within the framework of EU cohesion policy. The specificities should be determined and implemented in cooperation with the Member States (MS) concerned, as cohesion activity falls within the EU's shared competences regime (Article 4 paragraph 2 TFEU).</p> <p>1.2. This conviction has led the EESC to call on the EU Institutions, bodies and the Member States to incorporate, into the relevant EU cohesion policy documents (e.g. national and regional policy papers, strategic documents, programmes, projects, etc.), common priorities and actions based on coordinated exchanges of experience and expertise, covering all the types of regions mentioned in Article 174 TFEU, and thus transforming words into action.</p> <p>1.3. The EESC insists on purposefully applying the above provisions in their entirety, in order to address structural and geographical</p>	<p>The legal framework of Cohesion policy has been designed to offer possibilities so that the specific needs of EU territories can be addressed.</p> <p>For example, the Article 10 of Regulation on the European Regional development Fund and on the Cohesion Fund<sup>63</sup> requires special attention to addressing the challenges of disadvantaged regions and areas, in particular rural areas and areas which suffer from severe and permanent natural or demographic handicaps.</p> <p>Such targeting can be done within the context of programmes across all policy objectives. In addition, the cross-cutting policy objective 5 ('A Europe closer to citizens') provides a flexible and adaptable framework for Member States, regions and cities to tackle their territorial and local challenges. This can also be done via territorial strategies using tools such as Integrated Territorial Investment (ITI), Community led local development (CLLD) or tools supporting initiatives designed by the Member States.</p> <p>Implemented under shared management, cohesion policy leaves freedom for the</p>

<sup>63</sup> 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>constraints and specific needs that hinder these regions' development. A tailored approach, which would boost territorial solidarity, is needed so that no region is left behind. In this respect, the lack of an existing policy to comprehensively address the situation of territories with permanent geographical handicaps, and the systematic negligence of the particular characteristics of these regions in consecutive cohesion reports are regrettable.</p>	<p>Member States to design their own national and regional strategies and initiatives at the relevant territorial scale to address their diverse challenges and tapping into their development potentials.</p>
<p>1.4. The EESC believes in developing tailor-made and place-based opportunities, solutions and policy measures, and earmarking the corresponding funds for the EU's insular, mountainous and sparsely populated areas. Such initiatives will allow these regions to reverse their "handicaps" in order to fully exploit their potential, by highlighting their unique landscapes, cultural heritage and their long-standing communities.</p>	<p>The Commission shares the views that a place-based approach through integrated strategies and solutions is instrumental to address the challenges faced by European Union's insular, mountainous, and sparsely populated areas.</p> <p>Sparsely populated areas can benefit from a specific allocation already under existing rules. This is the case for Northern sparsely populated areas due to the constraints they face such as depopulation and remoteness.</p>
<p>1.5. The EESC believes that it is of utmost importance to commit all actors, both at EU and national levels, to undertake efforts to assist the EU islands, mountainous areas and sparsely populated areas to meet the challenges they face. This commitment may take the form of a pact (e.g. an Islands Pact, Mountainous Areas Pact, Sparsely Populated Areas Pact, etc.), along the same lines as the Urban Pact or the Rural Pact, in which an EU strategy for each of these types of regions may be developed, taking into account the specificities of each type.</p>	<p>In 2020, the Ministers responsible for territorial development/spatial planning agreed on the Territorial Agenda 2030 to promote territorial cohesion in Europe and to enhance just and green transition. The Territorial Agenda 2030 provides orientation for strategic territorial development and spatial planning in response to key challenges and calls for strengthening the territorial dimension of sector policies at all governance levels. It seeks to promote an inclusive and sustainable future for all European Union regions. Member States and the Commission are committed to take action to encourage decision-makers at all governance levels to unleash the unique potential of territories with specific</p>

	<p>geographies and adequately address the constraints of these areas through integrated and cooperative approaches.</p>
<p>1.7. A targeted approach on each type of these regions is required. The EESC proposes adopting a coordinated and interactive method of drafting and implementing the relevant strategies, involving stakeholders from several policy sectors and different governance levels. This approach would allow for exchanging relevant experiences and for sharing and capitalising on good practices, available know-how and evidence, including research and analytical work. This process should identify common challenges, define objectives, and propose actions and the terms of assessing the results of the strategies.</p> <p>1.14. The EESC, as an institutional forum of expression for social partners and civil society, firmly believes and advocates that this entire exercise should involve direct and frank dialogue, including all relevant stakeholders where appropriate (Member States, regional and local authorities, social partners, and the populations), based on their respective competences and fields of action, thus achieving better co-ownership and active participation.</p>	<p>Relevant stakeholders' views as well as research and analytical work are integrated in the preparation of cohesion policy frameworks as well as in Member States' proposals for programmes and strategies, on which the Member States and regions base the selection of projects in line with their role in shared management.</p> <p>The partnership principle is one of the key principles of cohesion policy – it brings the citizens closer and increases ownership. The Code of Conduct on Partnership ensures that the regional and local authorities are involved in the design and implementation of investment projects in the regions.</p> <p>The Commission encourages the Member States to ensure involvement of stakeholders in all stages of planning and preparation of any strategic document. The Commission also recommends maintaining a high level of involvement of the stakeholders and partners throughout the implementation phase, with respect of key partnership principles embedded in cohesion policy: representativeness, transparency, ongoing involvement, strengthening partners' institutional capacity building, ongoing dialogue and exchange of best practices.</p> <p>In addition to the existing cohesion policy mechanisms, Territorial Agenda 2030 as an intergovernmental initiative of the European Union Member States, and a strategic reference framework promoting territorial cohesion could</p>

	<p>serve as the framework for knowledge exchange and peer to peer learning. Implementation of the Territorial Agenda is for all levels of governance and for the variety of stakeholders at national, regional and EU level, and involves partnership pilot actions to demonstrate, test and develop practices which contribute to achieving Territorial Agenda priorities and inspire their implementation.</p>
<p>1.10. Efforts to address economic issues should focus on ensuring the competitiveness and attractiveness of the territories in question, taking into account any additional operating costs deriving from the regions' "handicaps" (insularity, mountainous terrain, limited population, etc.) and the need for greater flexibility in the use of State aid in these areas. There should also be an aim for additional and more sustainable means of transportation in order to improve the regions' connectivity. The diversification of the economies of these regions – not only between the different types of regions but also between regions of the same category – should be dealt with not as a handicap but as an opportunity to provide economic drivers for businesses, as well as to attract investments in research, innovation and digitalisation.</p>	<p>One of objectives of the trans-European transport policy (TEN-T) is to improve, through the building of multi-modal infrastructure, the cohesion of the EU territory. All regions of Europe, including islands, should benefit from efficient and modern connections to the economic centres of the European Union, at affordable costs. For islands, airport and port connections are particularly important. This objective was duly reflected in the ongoing revision of the TEN-T Regulation, notably the revised network.</p> <p>The State aid rules take already today into account the specificities of the territories in question.</p> <p>The regional aid section of the General Block Exemption Regulation (GBER) and the Regional Aid Guidelines allow Member States to promote the development of certain disadvantaged areas, in recognition of the specific difficulties that undertakings are facing there. These can benefit from regional investment aid and, exceptionally (notably sparsely and very sparsely populated areas), from operating aid. The GBER also allows specific support for 'remote regions' - Malta, Cyprus, islands that are part of the territory of a Member</p>

	<p>State and outermost regions - to improve their connectivity (social aid for air and maritime passenger transport for their residents; investment aid for small ports and airports; operating aid for small airports). The recent amendment of the GBER maintains this approach and increases the amounts of aid that can be granted to undertakings in these areas without prior notification.</p>
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<p><b>N°16 Global battle of offers – from the Chinese Belt and Road initiative to the EU Global Gateway: the vision of European organised civil society (own-initiative opinion)</b>  <b>EESC 2023-00430 – REX/572</b>  <b>583<sup>rd</sup> Plenary Session – December 2023</b>  <b>Rapporteur: Stefano PALMIERI (IT-II)</b>  <b>DG INTPA – Commissioner SCHINAS</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.5. “[...] The EESC notes that the inclusive nature of the Global Gateway would allow EU Member States to promote infrastructure and investment initiatives in other, non-EU countries – covered by the Global Gateway – without having to be subject to an impact assessment and directly supervised by the European institutions if no EU funds have been requested. In this context, the EESC is highly concerned that projects that do not meet high quality standards, such as those set out in EU documents regulating the procedures for assessing social and environmental impacts, could be included in the Global Gateway”.</p>	<p>For EU Member States projects in support of Global Gateway that do not receive support from the EU budget, compliance with Global Gateway (GG) principles is ensured through Member States’ own rules and processes, including with regards to impact assessments. It is to be noted that EU Member States have committed to apply high standards and values and to carry out ex-ante impact assessments in the New European Consensus on Development.</p>
<p>1.6. “The EESC emphasises the need for the relevant European bodies to ensure detailed information and full access to Global Gateway projects and the parties involved”.</p>	<p>The Commission hosts an online working tool, the Global Gateway Platform (GGP), to support Team Europe approach actors (i.e., EU institutions, Member States including their organisations, the European Investment Bank and the European Bank for Reconstruction and Development ) in sharing detailed information on Global Gateway flagship projects and other initiatives that implement Global Gateway. The GGP gives a snapshot of the collective Team Europe efforts to implement Global Gateway in a specific country, region, or globally. The Commission is planning to improve the</p>



	<p>Green Public Procurement (GPP) and add more features in 2024. Detailed information on Global Gateway is also available to the general public on the Commission’s dedicated Global Gateway website.</p>
<p>1.7. “The EESC suggests the creation of a one stop-shop at EU representations to promote private sector investment and involve all economic and social stakeholders at regional and local level”.</p>	<p>The Commission is working on several elements to improve the information provided to the EU private sector including information sessions on Global Gateway and a website gathering more practical information for the private sector in particular.</p>
<p>1.9. “The EESC regrets the lack of real involvement of local European stakeholders, such as civil society organisations and social partners, in the overall process of development, monitoring, evaluating and implementing projects under the BRI in the EU. In this regard, the EESC would like to play a more active role in the key stages of the decision-making process for development projects associated with the BRI and the Global Gateway”.</p>	<p>Engagement and consultation of civil society is a core element of Global Gateway and the Team Europe approach. To embed civil society and local authorities' input into the rollout of Global Gateway, the Commission launched the Global Gateway Civil Society and Local Authorities (CSO-LA) Dialogue Platform on 24 October 2023. The Committee was invited to the platform’s constitutive meeting, which rapporteur Stefano Palmieri (Workers/IT) attended. The Committee will be informed about subsequent meetings and will be able to convey their views and proposals to the platform. The Commission believes that national networks of civil society organisations as well as national associations or federations of local authorities are also effective platforms for engagement in partner countries.</p>
<p>1.11. “The EESC raises concerns about the lack of coordination in the EU Member States’ accession to the BRI initiative, risks to EU competitiveness, labour rights, money laundering, indebtedness and environmental</p>	<p>The decision to join – or withdraw from - China’s Belt and Road Initiative is an individual decision of Member States.</p> <p>The EU does not participate in the Belt and Road initiative nor endorses it or</p>

<p>issues related to Chinese investments in BRI projects”.</p>	<p>foresees joint projects or actions. It is for individual countries to weigh on benefits and commitments stemming from their participation in this project advanced by China.</p>
<p>1.12. “The EESC considers it essential to improve coordination between the EU institutions and its Member States on the BRI in order to avoid fragmentation of relations with the PRC, which would harm the EU as a whole. It is essential to ensure that the EU Member States act together in relation to China and to promote effective communication between the EU institutions and the PRC”.</p>	<p>The EU maintains its ‘multifaceted approach’ to China (partner - competitor - rival), confirmed by the European Council on 30 June 2023<sup>64</sup>. These conclusions demonstrated unity in the EU’s approach towards China and the EU’s interest in pursuing constructive and stable relations, anchored in respect for the rules-based international order, balanced engagement, and reciprocity. At the same time, the EU needs a robust and realistic approach towards China, and continues to de-risk its relations with China, reducing critical dependencies and vulnerabilities and diversifying where necessary and appropriate, without de-coupling. The EU and China continue to be important trade and economic partners. However, it is in the EU’s interest to ensure a level playing field, and a balanced, reciprocal and mutually beneficial relationship. The 24th EU-China Summit in Beijing on 7 December 2023 provided an opportunity to explain the EU’s approach and convey EU expectations that China address imbalances in the economic relationship.</p>
<p>1.14. “For the EESC, projects falling within the BRI and carried out within or outside the EU27 but involving economic actors from the EU Member States (as beneficiaries, suppliers or donors), and Global Gateway projects, must undergo an economic, financial, social, environmental and legal impact assessment demonstrating their suitability and</p>	<p>As required by Articles 208 and 212 of the Treaty on the Functioning of the EU, cooperation with third countries is implemented in accordance with the principles and objectives of support to human rights and to foster the sustainable economic, social, and environmental development of developing countries.</p>

<p>compatibility with the EU values and the principles and objectives set out in point 5.1.1. above”.</p>	<p>Projects that implement Global Gateway and which are funded under the Neighbourhood, Development and International Cooperation Global Europe (NDICI-GI) Instrument<sup>65</sup> support the Union’s fundamental interests, principles, and values in all their aspects, complying with and promoting the principles of respect for high social, labour and environmental standards, for the rule of law and for international law. In that regard, the NDICI-GE applies a rights-based approach encompassing all human rights, whether civil and political or economic, social, and cultural. NDICI-GE programmes and actions mainstream the fight against climate change, environmental protection (environment and climate risk screenings are carried out), human rights, democracy, gender equality and address interlinkages between the Sustainable Developments Goals.</p> <p>Infrastructure projects funded by the EU and European Financial Institutions require the preparation of Environmental and Social Impact Assessments before the start of any operations.</p>
<p>2.3.1. “Until at least 2019, the 27 EU Member States had no unified policy on the BRI in terms of:</p> <p><i>- a shared vision of the Initiative, with 18 EU Member States having signed the memoranda of understanding with China and 20 having joined the BRI’s main financial instrument (the Asian Infrastructure Investment Bank (AIIB) without the prior agreement of the EU institutions [...].”</i></p>	<p>The decision to join the Asian Infrastructure and Investment Bank (AIIB) is an individual decision of Member States.</p>

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<p>2.4. “In 2019, the EU's BRI strategy changed radically. ...”</p>	<p><i>See response to 1.12. above.</i></p>
<p>3.5. “At the end of 2022, a year on from the launch of the Global Gateway, the EU committed over EUR 9 billion in grants for key investments in Africa, Latin America, the Caribbean and the Pacific. The EU also approved an additional EUR 6.05 billion in financial guarantees to support 40 investment programmes in sub-Saharan Africa, Latin America and the Asia-Pacific region, which are expected to generate more than EUR 50 billion in investments in key sectors. In addition, the agreement signed in May 2022 between the EFSD + and the EIB guaranteed EUR 26.7 billion of coverage for sovereign loans in areas such as clean energy and green infrastructure. In this respect, 34 projects for EUR 7.4 billion of investments have already been approved [...]”.</p>	<p>By October 2023, the European Commission had already mobilised EUR 27 billion in grants and macro-financial assistance and 39 billion for blending and guarantee agreements to leverage investments in support of the sectoral priorities of Global Gateway. This includes: the Commission EIB signed on May 2022<sup>66</sup>; the 40 open architecture guarantees already approved by the European Fund for Sustainable Development Plus (EFSD+) Board (most of them still to be signed); and the blending projects recommended by the various Investment Facility boards.</p>
<p>3.7.3. “[...] the EESC has doubts about the real possibility of mobilising the necessary funding. It is not clear how many of the promised investments will actually materialise.”</p>	<p>As shown in the response to point 3.5 above, a substantial amount had already been mobilised by October 2023 - and by the Commission alone (as above figures do not take into account contributions by EU Member States). The Commission is therefore optimistic that the target of EUR 300 billion will be achieved by 2027.</p> <p>To keep track of progress towards the announced ambition of EUR 300 billion in mobilised investments between 2021-2027, a Global Gateway financial tracking methodology was developed at the end of 2023. This tracking mechanism will provide robust information on both direct budget contributions and investments mobilised</p>

<sup>66</sup> <https://www.eib.org/en/press/all/2022-224-european-commission-and-eib-sign-an-agreement-to-enable-further-investments-worldwide>

	<p>by the EU, EU Member States, EU Member States DFIs/PDBs, EIB and EBRD.</p> <p>In addition, outreach to the European private sector continues to raise their interest in Global Gateway with numerous events held in 2023 (e.g., conferences on Global Gateway, visits to EU Member States, and meetings with European Business Associations).</p>
<p>3.7.5. “The EESC's view is that the Global Gateway should ensure greater strategic coordination between EU funds and those implemented by the 27 EU Member States. This strategic coordination has so far been completely absent and should be organised and coordinated by the EU itself on certain strategic EU objectives”.</p>	<p>The Commission ensures coordination with EU Member States through several regular fora, such as the Working Party of Foreign Counsellors (RELEX) in the Council of the EU, the Global Gateway Board, and the EU and Member States regular Development Directors-General meetings.</p> <p>Close coordination is also at the heart of the Team Europe approach. The more than 160 Team Europe Initiatives currently being implemented are testimony to the functioning and active collaboration between EU institutions and Member States.</p>
<p>3.7.5.1. “The EESC regrets that insufficient information (e.g., on the composition of the Global Gateway Committee) was provided [...]”.</p>	<p>Information on the Global Gateway Board and its composition is available on Commission press corner site.<sup>67</sup></p>
<p>3.8. “The EESC is prepared to organise regular meetings between the Global Gateway Committee and civil society organisations/social partners in order to ensure a constant flow of information to local stakeholders in the initiative and to assess and highlight the strategic nature of the Global Gateway”.</p>	<p>The EU remains open to consider opportunities to cooperate with the Committee on Global Gateway, in coordination with the Global Gateway CSO-LA Dialogue Platform (where the EESC has already been invited to attend).</p> <p><i>See also response to 1.9. above.</i></p>

<p>3.8.1.1. “The highly inclusive nature of the Global Gateway gives rise to a further concern [...]” and 3.8.1.2. “[...] an impact assessment should be carried out for each project [...]”.</p>	<p><i>See response to 1.14. above.</i></p>
<p>3.9. “The EESC believes that, in order to affirm the necessary transparency of the Global Gateway initiative, its portal should contain all Global Gateway-labelled projects together with all the necessary information on the investment projects – including their relevant economic, social and environmental impact assessments – and the state and non-state actors involved in them”.</p>	<p><i>See response to 1.6. above.</i></p>
<p>3.10. “In the view of the EESC, the EU institutions and the Member States should ensure effective information and communication on the opportunities that the Global Gateway initiative can provide to regional and local state and non-state actors, ensuring that a one-stop shop is opened in the EU's representations and thus facilitating EU private sector investment and the involvement of all potential economic and social, public and private actors”.</p>	<p><i>See response to 1.7. above.</i></p>
<p>4.5.2. “The EESC regrets that the launch of the BRI, both within the EU and in non-EU neighbourhood countries, has led to a lack of coordination between EU-China infrastructure programmes, creating inconsistencies in connectivity infrastructure. The EESC also stresses that BRI investments could weaken ownership of strategic national infrastructure in EU Member States”.</p>	<p>The EU remains open to a dialogue on tackling global challenges, including issues related to sustainable infrastructure investments. The EU's de-risking approach aims to reduce vulnerabilities and increase resilience.</p>
<p>4.5.3. “The EESC points to a complete lack of reciprocity in economic relations between the EU and the PRC, to the clear disadvantage of EU businesses”.</p>	<p>The EU's de-risking approach focuses on reducing vulnerabilities and increasing resilience in line with the EU's Economic Security Strategy. The EU's commitment to ensure that the trade and economic relations with China are more balanced, reciprocal, and mutually beneficial is a</p>

	<p>core priority of the EU's policy towards China, as reflected in the June 2023 European Council Conclusions on China and the 24th EU-China Summit in December 2023.</p>
<p>4.5.4. “The EESC is deeply concerned that the signing of Memoranda of Understanding by individual EU Member States, without any kind of coordination by the European institutions, could undermine the unity of the EU. The EESC also reiterates that the "14 + 1" cooperation framework, which includes 9 EU Member States, could trigger some EU cohesion risks”.</p>	<p><i>See response to 1.11. above.</i></p> <p>The EU itself is not a member of the 14+1 format, although it has had ‘permanent observer’ status at past summits up to 2019, since which time none has been held.</p> <p>Should the now 14+1 format ever function again as a platform for dialogue, the EU would insist that any positions taken by Member State participants, and outcomes, are compatible with the EU aquis.</p>
<p>4.5.10. “The EESC recognises that the BRI has merely filled a space that was negligently left blank in the "underestimates" of the EU and its Member States during the 2010-2019 ten-year period. Although since 2007, with the Central Asia Strategy, the EU has identified the strategic priorities for connecting transport and energy networks, only with the BRI have significant investment flows been directed to this area and to other areas (the Balkans, Mediterranean and Atlantic ports, Africa, South East Asia, etc.). In this context, the investments made by Chinese companies have certainly improved the infrastructure interconnectivity of these areas and strategically important intermodal hubs”.</p>	<p>The EU is in favour of a sustainable connectivity with benefits for all, in line with EU’s values of democracy, transparency/good governance and sustainability, ensuring the highest environmental, financial, social, labour and financial management standards. The EU’s core priority is to deliver quality projects with its partners. The Sustainable Development Goals remain the EU’s compass, and all contributions to the Agenda 2030 should be in line with the core principles of the UN Charter and international human rights law.</p>
<p>4.5.12. “It is not desirable for relations with China to be entrusted to 27 bilateral relationships or managed through individual Memorandums of Understanding or cooperation frameworks, such as 14+1.” [...] “It is therefore essential to ensure that the EU Member States act together with regard to</p>	<p><i>See response to 1.12. above.</i></p>

<p>China and to foster effective communication between the EU institutions and the PRC”.</p>	
<p>5.1.1. “The EESC believes that projects falling within the BRI and implemented within the territory of the 27 EU Member States or outside this area but involving economic actors belonging to the EU Member States (as beneficiaries, suppliers or donors), and Global Gateway projects must promote the following principles: [...]”.</p>	<p><i>See response to 1.14. above.</i></p>
<p>5.1.1.1. “This impact assessment must be conducted within reasonable time limits: - <i>in the case of the BRI: by the EU and the Member States involved in the BRI project working together;</i></p>	<p>The Commission has no mandate to carry out impact assessments for BRI projects.</p>
<p>5.2 “The EESC is willing to organise regular meetings within the EU-China Round Table to discuss the BRI and the Global Gateway with representatives of civil society organisations and social partners, seeking to highlight the opportunities and problems of the two programmes, along with potential solutions. It asks to be able to do this”.</p>	<p><i>See response to 3.8. above.</i></p>



<p><b>N°17    The impact of high energy prices on the agricultural sector and rural areas</b>  <b>(own-initiative opinion)</b>  <b>EESC 2023-01906 – NAT/899</b>  <b>583<sup>rd</sup> Plenary Session – December 2023</b>  <b>Rapporteur: Simo TIAINEN (FI-III)</b>  <b>DG AGRI – Commissioner WOJCIECHOWSKI</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.3. The EESC points out that rapidly rising prices and therefore rapidly rising production costs also present a challenge for the mechanisms of the common agricultural policy (CAP). For this reason, the EESC suggests that the Commission consider including counter-cyclical elements in the CAP instruments after 2027.</p>	<p>The Commission remarks that risk management tools and crisis management tools include some type of countercyclical aspects. In preparation of the future Common Agricultural Policy (CAP) instruments after 2027, the Commission remains committed to examine possible adjustments, taking into account the assessment of the performance of the CAP between 2023 and 2027.</p>
<p>1.4. The EESC supports all initiatives with the aim of reducing reliance on fossil-based inputs and energy sources. The EESC emphasises the need for improved policy coherence to increase the pace of the green transition, especially decarbonisation and non-fossil based energies. In addition to agricultural and rural policies, other sectoral policies need to take greater account of these objectives.</p>	<p>The CAP provides significant financial support for investments in energy efficiency and in the production and use of renewable energy sources. The Commission also established the Recovery and Resilience Facility (RRF) to build more sustainable and resilient EU economies. With 23 REPowerEU chapters adopted as part of the Member States' Recovery and Resilience Plans more than 42% (EUR 275 billion) of the total revised RRF allocation will finance investments and reforms supporting the green transition and the REPowerEU plan.</p> <p>Under REPowerEU, the Commission intends to make the Innovation Fund a key decarbonisation instrument considering the urgency to decrease</p>

	<p>fossil fuels imports and the investment challenges associated with this objective. According to the estimates the Innovation Fund might provide around EUR 40 billion until 2030 for investments in breakthrough low-carbon technologies, thereby playing a key part in delivering on the climate neutrality objectives.</p>
<p>1.5. The EESC strongly supports the idea that the contractual practices within the food supply chain should take better account of the higher production costs in primary production. The contracts related to the food supply chain are usually rigid and do not sufficiently consider rapidly changing production costs. The EESC clearly states that the situation must be improved. The EESC calls for the various contract laws and contractual practices to be harmonised in order to create consistency and efficiency between Member States. The EESC emphasises that the quality of statistical data on farmers' production costs and price margins must be improved.</p>	<p>The Common organisation of agricultural markets (CMO) is favouring contractualisation and the improvement of price and margin transmission. The Unfair Trade Practices (UTP) Directive<sup>68</sup> also provides a complementary framework to contracts in the agri-food supply chain. Contracts provide stability and predictability to actors of the food supply chain and for this purpose, by essence, they entail some degree of rigidity. In the recent inflation period, contractualisation has protected actors of the food supply chain, including farmers, and buffered out the shocks.</p> <p>The Commission is carefully examining whether the framework to contracts in the agri-food supply chain should be improved and how. While this will be addressed in the framework of the evaluation of the UTP Directive and in the preparation of the CAP post-2027, the Commission will also look at possible targeted amendments in this matter in the context of answers to be given to farmers' discontent with regards to strengthening their position on the food supply chain.</p> <p>The Commission remains committed to improve the quality of statistical data on farmers' production costs and price margins through, inter alia, the</p>

	<p>continuous work on the development and consolidation of the Farm Sustainability Data Network and within the sectoral market observatories.</p>
<p>1.7. The EESC points out that the future and prosperity of rural areas is of paramount importance for Europe's food security, strategic autonomy, and resilience, as well as for a sustainable energy mix which contributes to the EU's energy independence. The EESC considers it important to commit to implementing the goals of the EU's long-term rural vision. Moreover, the EESC underlines the importance of maintaining and developing rural infrastructure throughout the EU. Proper and well-maintained infrastructure improves resilience and allows adjustment to evolving crisis.</p>	<p>The Commission agrees that rural areas play a crucial role in food security in Europe and globally, and further developing and maintaining both competitive and sustainable infrastructures in rural areas is pivotal for their resilience. The Long-Term Vision for the EU's Rural Areas reflects a broad consensus that place-based approaches and the involvement of all governance levels are essential to make the most of the potential of rural areas, in view of fostering a balanced and integrated territorial development that can ensure a just and inclusive transition within rural territories.</p> <p>The Strategic dialogue on the future of EU agriculture will contribute to developing a joint understanding of the future EU farming and food system among actors across the whole agri-food chain. The Strategic Dialogue will address challenges and opportunities, such as a fair standard of living for farmers and rural communities, supporting agriculture within the boundaries of our planet and its ecosystems, exploiting the huge opportunities offered by knowledge and technological innovation and promoting a thriving future for the EU's food system in a competitive world.</p>
<p>1.8. The EESC underlines that the role of local and regional energy communities must be recognised and promoted to achieve a fair and efficient energy transition in rural areas. The EESC sees many opportunities in energy</p>	<p>The Commission has been supporting the development of energy communities across Europe through the Energy Communities Repository and Rural Energy Community Advisory Hub from</p>

<p>communities and finds renewable energy communities in particular very interesting from a rural perspective. The promotion of local and regional energy communities must be accompanied by easy access, bureaucratic flexibility, and a reduction in administrative burdens. It is important that these types of projects in rural areas are also supported by EU funds.</p>	<p>2022-2023. In 2024, both projects will be merged in the Energy Communities Facility to provide grants energy communities to procure services to design their business plans. Energy communities are also recognised to contribute to a fair energy transition by empowering energy poor and vulnerable households, as recognised in the Commission’s Recommendation on Energy Poverty.<sup>69</sup></p>
<p>1.9. The EESC highlights the importance of energy savings and energy efficiency both in private and public consumption. This can be achieved via energy renovations of buildings, investments in new machinery and other technology, as well as less energy-consuming agricultural operations, among other things.</p>	<p>The Commission agrees that energy savings can be achieved by way of technological investments, optimisation of various agricultural processes and less energy-consuming agricultural operations. The CAP contributes, inter alia, by providing support for investments in energy efficiency, the promotion of and awareness raising on energy efficiency and renewable energies through knowledge transfer, advisory services, cooperation (e.g. innovative activities can be supported under the European Innovation Partnerships – EIP) and water management strategies. .</p>
<p>3.5. In EU agriculture, costs of fertilisers in 2022 increased by 103% compared to 2020. Since the observed price increase is somewhat higher compared to changes in costs, the total amount of fertilisers used in production was lower in 2022 compared to 2020. By comparison, total energy costs were 66% higher within the same period. Thus, energy usage in agriculture was also lower in 2022.</p>	<p>The Commission agrees that energy and fertilisers costs represent a significant share of total input charges, and, because of increased prices, the total amount of fertilisers application decreased in 2022. The Commission is committed to improve transparency in the EU fertiliser markets via the EU Fertilisers Market Observatory established in 2023. This will provide the Commission with advice and expertise regarding the economic and other relevant factors affecting fertiliser markets developments, in order to</p>

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[https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L\\_202302407](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L_202302407)

	facilitate production and investment decisions by farmers and EU industry.
5.13. The EESC emphasises the importance of saving energy and improving energy efficiency. Beside other benefits, energy-saving can help to better withstand future crises. There are many possibilities for saving energy, such as better insulation of buildings, better energy efficiency, smarter use of electricity, different mobility options and remote work. In agriculture, these possibilities include precision farming, more fuel and energy efficient production methods and machinery, among other things.	To realise the full potential of energy efficiency in the agricultural sector, the recently adopted recast of the Energy Efficiency Directive <sup>70</sup> is particularly relevant in that it requires the establishment of sectoral energy efficiency partnerships at European level. As such, an arrangement does not exist yet in the agricultural sector. However, the Commission is looking into possible options in this direction.
5.6. The EU Green Deal and its Farm to Fork Strategy aim to reduce the use of inorganic nitrogen fertilisers in agriculture. Reducing the dependency of EU agriculture on fossil-based nitrogen fertilisers is a key objective. Enhancing the use of recycled nutrients and non-fossil based sources of nitrogen would benefit the environment and provide new business and innovation opportunities regionally. This is important also in terms of meeting the goal of carbon neutrality by 2050.	<p>Via the Delegated acts of the Fertilising Product Regulation, the Commission reiterates its commitment to enhance the use of recycled nutrients and pathways to market products made from recovered waste and by-products available in the EU. Moreover, the Commission has launched a public consultation in the context of an evaluation of the Nitrate Directive. The evaluation will look, inter alia, at whether the Directive is sufficiently promoting the recycling of nutrients from various sources.</p> <p>The EU invests considerably in agricultural research and innovation as well as in capacity building to take up and effectively deploy innovative solutions in line with the Green Deal and Farm to Fork objectives. The EU has reinforced its efforts in the area, with agricultural, bioeconomy and food-related research and Innovation funding having almost doubled for the current period.</p>

<sup>70</sup> [https://energy.ec.europa.eu/topics/energy-efficiency/energy-efficiency-targets-directive-and-rules/energy-efficiency-directive\\_en](https://energy.ec.europa.eu/topics/energy-efficiency/energy-efficiency-targets-directive-and-rules/energy-efficiency-directive_en)

**N°18 The role of youth in rural development  
(Own-initiative opinion)  
EESC 2023-01996 – NAT/893  
583<sup>rd</sup> Plenary Session – December 2023  
Rapporteur: Nicoletta MERLO (IT-II)  
DG EAC – Commissioner IVANOVA**

**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°19 Regulation on circularity requirements for vehicle design and end-of life vehicle (ELV) management**  
**COM(2023) 451 final**  
**EESC 2023-03741 – NAT/880**  
**583<sup>rd</sup> Plenary Session – December 2023**  
**Rapporteur: Bruno CHOIX (FR-I)**  
**DG ENV – Commissioner SINKEVICIUS**

**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><b>N°20    Strengthening Multilateralism and core international principles for a rules-based order in a rapidly changing world – The importance of Civil Society contribution to the UN system</b>  <b>(own-initiative opinion)</b>  <b>EESC 2023-02225 – REX/571</b>  <b>583<sup>rd</sup> Plenary Session – December 2023</b>  <b>Rapporteur: Christian MOOS (DE-III)</b>  <b>Co-rapporteur: Tanja BUZEK (DE-II)</b>  <b>EEAS – Vice-President BORRELL FONTELLES</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.4. Civil society, including the social partners, expect the EU and its Member States to commit more than ever to strengthening the UN through fundamental reform. In order to make the UN fit for the rising challenges and to stabilise the consensus on shared values and norms, UN governance has to become more representative, inclusive and effective. To ensure more equal representation, the Global South needs a stronger say in the UN.</p> <p>3.10. The UN's current governance no longer represents the geopolitical and societal realities of the 21st century. In order to strengthen support for the UN and its common norms and values, it is necessary to make the UN's governance more representative, inclusive and effective. In the SC, like in all other UN bodies, developing countries require better representation.</p>	<p>The idea that the UN needs to become networked, inclusive and effective is expressed in the 2021 report of the Secretary General, ‘Our Common Agenda’, which emphasises the need for the Organisation to evolve in response to a changing world. There is therefore full agreement between the Commission and the Committee.</p>
<p>1.6. Despite some progress, the EESC believes the EU's coordination needs to be improved. In all UN bodies and related institutions, it should speak with a single voice and act accordingly. The EESC's contribution to the first EU voluntary review on the implementation of the 2030 Agenda and its involvement during the official EU presentation at the High-level Political Forum</p>	<p>There is always potential for further improvement in EU coordination, so this suggestion will be taken into account. Nonetheless, as the Committee remarks in the report, there are good examples of progress in this direction. The ability of the EU to speak with a single voice across the vast range of subjects dealt with by the UN deserves credit.</p>



<p>in 2023 are examples to follow for the EU institutions, as well as for the structured engagement of European civil society and the convening role that the EESC can play in this context</p>	
<p>2.6. To contribute to SDG 17 (Partnerships for the goals) several UN bodies have established their own procedures for engaging with stakeholders, including civil society. To democratise the UN and empower it to address current challenges, engagement with civil society should be carried out in a more systematic way.</p>	<p>The EU is a strong advocate for recognising the crucial contribution that civil society has to make and ensuring the meaningful participation, including in decision-making processes, of an independent and diverse civil society. There is therefore full agreement between the Commission and the Committee.</p>
<p>3.7. The EESC welcomes the UN's ambition to put special emphasis on the protection of women, children and vulnerable groups in its conflict prevention and resolution activities. To this end, MGoS should be given stronger voice, support and recognition.</p>	<p>The EU has been proactive in support of work on Women, Peace and Security, as well as Youth, Peace and Security, raising issues relevant to the specific concerns of these groups across the range of UN bodies, up to and including the UN Security Council. There is therefore full agreement between the Commission and the Committee.</p>
<p>5.5. The EESC sees a need for better coordination of EU positions on UN-related matters. In line with the provisions of Art. 34(2) TEU on the SC, the High Representative should represent the EU's position in all UN bodies on behalf of all Member States. As long as the EU lacks formal participation rights, national governments' representatives shall represent the EU's common position and act accordingly.</p>	<p>Given the number and variety of UN bodies, as well as the range of other responsibilities held by the High Representative, this is not a practical possibility, not least because EU Member States are members of the UN in their own right, whereas the EU holds enhanced observer status.</p>
<p>5.10. The EESC supports the idea of inclusive consultations with civil society on a new architecture for stakeholder involvement in UN governance throughout the whole design-process; some UN bodies already offer advanced opportunities to participate, more UN bodies should follow this example.</p>	<p>The EU has long been at the forefront of supporting civil society around the world through a variety of means including financial support via instruments such as the Neighbourhood, Development and International Cooperation Instrument (NDICI) and political support via</p>

	statements and dialogue with international partners. There is therefore full agreement between the Commission and the Committee.
5.11. The EESC calls upon the EU to take a leading role in improving opportunities within the UN system to engage with democratic CSOs, with the EESC's assistance. In its foreign policy, the EU should help build civil society's capacity around the world, including its ability to better engage with the UN.	The EU is fully convinced of the value that an independent and diverse civil society brings to decision taking through a range of differing perspectives and lived experience that make policy more representative, resilient and sustainable. There is therefore full agreement between the Commission and the Committee.
5.15. The EESC expects the new European Parliament and Commission in 2024 to make implementing the concrete steps agreed in the "Pact for the Future" a key priority of the EU's external relations during the next institutional term in 2024-2029. The promotion of multilateralism and a rules-based order should be a priority area in the next Commission's political guidelines and be reflected in the work programme as well as the European Council's new strategic agenda.	It is up to each Commission to determine its own political guidelines and work programme. Nonetheless, the importance of multilateralism and a rules-based international order is matter of strategic and enduring importance, as well reflected in the Treaty on the European Union.
5.17. The EESC proposes building a coalition of like-minded regional organisations so that they can be better represented at the UN, including more rights for its representatives to participate in various UN bodies and agencies. In order to achieve a better representation of the Global South, the EU should partner in particular with its closest neighbour, the African Union, in pursuing common reforms in the UN.	The EU has been a vocal partner with the African Union at the UN, including in support of strengthening connections between the UN and regional organisations, as well as using UN assessed contributions for African-led Peace Support Operations authorised by the Security Council. There is therefore full agreement between the Commission and the Committee.

<p><b>N°21 EU Climate Diplomacy (own-initiative opinion) EESC 2023-01864 – REX/569 583<sup>rd</sup> Plenary Session – December 2023 Rapporteur: Christian MOOS (DE-III) Co-rapporteur: Tanja BUZEK (DE-II) EEAS – Vice-President BORRELL FONTELLES</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>EEAS/European Commission position</b></p>
<p>1.2. With regard to climate diplomacy, the EESC firmly believes that the way forward is by upgrading it to the status of flagship action of the EU's external affairs and foreign policy. At its core, climate diplomacy is preventive and multilevel diplomacy.</p>	<p>The European External Action Service (EEAS) welcomes the own initiative opinion of the Committee. In many aspects, the opinion reflects the ambitions, ideas and initiatives taken by the EEAS and the Commission. With the development of annual Council Conclusions on climate diplomacy since 2019 and the expanded scope of these Conclusions in 2023 on climate and energy diplomacy and the 2024 Council Conclusions on green diplomacy<sup>71</sup>, the EU and EU Member States have developed and established ambitious language that paved the way for an ambitious EU position towards COP28.</p>
<p>1.4. For the EU to become a central driving force paving the way to climate neutrality, it needs a fresh, robust and credible strategic plan to adjust its climate diplomacy to the current geopolitical landscape and the UN Sustainable Development Goals. This strategy should set both short and long-term priorities and concrete activities for different EU actors in order to integrate climate action into all fields of external action, including security and defence, trade, investments, transport,</p>	<p>Every region and every country has a specific context and specific interests and needs when it comes to the challenges related to climate change, environmental degradation and the energy transition. The EEAS and the EU Delegations, jointly with the Commission services, continue to work closely together to ensure that EU interaction, engagement and support to countries and regions is tailor-made.</p>

<sup>71</sup> <https://www.consilium.europa.eu/media/62942/st07248-en23.pdf>  
<https://data.consilium.europa.eu/doc/document/ST-7865-2024-INIT/en/pdf>

<p>migration, development cooperation, financial and technical assistance, culture and health. It should also enrich the climate diplomacy toolbox with new initiatives aiming not only to raise climate ambition, but also to share the EU's experience and best practices, as well as the cost and benefits of the climate and just transition.</p>	<p>EU diplomacy in support of a just transition towards sustainable and climate neutral economies, in balance with nature, is a core component of EU foreign and security policy, requiring a holistic and coherent approach subsuming all EU policy areas, as also underlined in the Council Conclusions on Climate and Energy Diplomacy of 2023.</p> <p>Naturally, diplomatic outreach also needs to take constantly into account the rapidly changing geopolitical landscape, as <i>inter alia</i> reflected in the Joint Communication 'EU external energy engagement in a changing world'<sup>72</sup> as an essential element of the 'REPowerEU' plan. The Council Conclusions adopted by the Foreign Affairs Council in 2022<sup>73</sup> and 2023<sup>74</sup> and the recently adopted conclusions of 18 March 2024<sup>75</sup> outline the priorities for EU engagement and cooperation and as such, represent the EU comprehensive strategy on climate and energy diplomacy.</p>
<p>1.5. The EESC firmly promotes a broader view of European climate diplomacy, which entails an array of different actions involving not only state but also non-state actors. European climate diplomacy must take into consideration and make the most out of the role of civil society, private stakeholders, businesses, and trade unions. By co-creating policies that will be readily acceptable and implementable, climate diplomacy will benefit from solutions found at other levels (such as regional and local), as well as from better implementation that can be shared externally. Civil society and the private sector</p>	<p>Non-governmental organisations (NGOs), businesses, trade unions and the numerous and active organisations representing different parts of society - but also sub national entities, such as cities or provinces - play an increasingly key role in helping identifying challenges and opportunities in the transition to a net-zero economy while also proposing and experimenting with possible practical solutions. EU Delegations are encouraged to engage with sub-national and local actors, to continuously spur and encourage a bottom-up dialogue and</p>

<sup>72</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=JOIN%3A2022%3A23%3AFIN>

<sup>73</sup> <https://www.consilium.europa.eu/media/54433/st06120-en22.pdf>

<sup>74</sup> <https://www.consilium.europa.eu/media/62942/st07248-en23.pdf>

<sup>75</sup> <https://data.consilium.europa.eu/doc/document/ST-7865-2024-INIT/en/pdf>

<p>have a significant role in climate diplomacy and, given the right support and legislative framework, they can export best practices to their foreign peers.</p>	<p>approach, where appropriate, for example during the EU Climate Diplomacy Weeks. During these weeks, EU Delegations and embassies of EU Member States around the world regularly host events to foster dialogue and cooperation on climate change, showcase success stories and inspire further action. Events include conferences, citizens’ debates and other outreach activities, bringing together communities and a wide range of citizens and stakeholders.</p>
<p>1.6. To enhance the above, the EESC recalls its proposals for establishing a Civil Society Climate Diplomacy Network and for strengthening the Domestic Advisory Groups (DAGs). The EESC believes that the EU should make climate change a strategic priority in diplomatic dialogues and initiatives occurring within different fora and with different partners.</p>	<p>Climate change is already a strategic strand of policy/political dialogue at the bilateral and multilateral level between the EU and its partners worldwide. Engaging civil society in climate, environment and energy transition discussions, feeding in as appropriate in decision shaping, is part and parcel of the EU’s approach to policy development. This is often done through public consultation to gather people’s views on EU proposals and initiatives likely to have an impact on communities and organisations in the EU and worldwide (the most recent example being the 2023 public consultation on the 2040 emission reduction target that gathered 903 responses). Contributions from civil society to the debate through the appropriate channels could represent useful and valuable input for the consolidation and enhancement of EU Climate Diplomacy.</p>
<p>4.8. The effective implementation of the EGD internally gives the EU credibility to influence and inspire others to draft similar green action plans. Therefore, the EU should enhance coordination among the EU actors – both Member States and institutions – so as to align</p>	<p>The EEAS, the Commission and Member States have committed to strengthen EU Climate and Energy Diplomacy as a political priority, through intensified coordination, information exchange and strengthened EU Delegations and</p>

their respective policies with the climate objectives and accelerate domestic action to implement the EGD. Better coordination should be established with Member States' ministries of foreign affairs, by encouraging them to align their foreign affairs with climate imperatives and the EGD's goals.

Member States' embassies, and relevant EU and international networks and working groups. This commitment was reiterated most recently in the Foreign Affairs Council Conclusions of 9 March 2023 on Climate and Energy Diplomacy and of 18 March 2024 on green diplomacy. It was operationalised even before through the different informal networks (such as the informal EU climate ambassadors' network and the Green Diplomacy Network [GDN] and through increased local cooperation and coordination between EU Delegations and Member States' embassies). As one overall result, Member States' ministries of foreign affairs have increasingly aligned their diplomatic efforts with the EU set goals. The fact that several EU Member States have established climate diplomacy and climate negotiations as one of their highest priorities, including through the creation of 'front post embassies' for this purpose, represents one of the most salient developments of the most recent years. It equally bodes well for a stronger EU coordinated stance in global climate action.

<p><b>N°22    Revision of the toy safety directive</b>  <b>COM(2023) 462 final</b>  <b>EESC 2023-03708 – INT/1014</b>  <b>583<sup>rd</sup> Plenary Session – December 2023</b>  <b>Rapporteur: Tymoteusz Adam ZYCH (PL-III)</b>  <b>DG GROW – Commissioner BRETON</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p><b>Conclusions and recommendations</b></p>	
<p>1.2. The proposed extension of generic bans, justified by scientific progress, is proportionate, as it would significantly reduce the number of accidents and diseases associated with toys that are caused by contact with harmful chemicals. Moreover, the proposal is a part of a wider EU chemical strategy and of legislation regarding other products (including childcare products).</p>	<p>The Commission welcomes the Committee’s support to the Commission proposal to extend the generic bans to the most harmful chemicals to better protect children.</p>
<p>1.3. Introducing a digital product passport can have an impact on customers' willingness to buy non-compliant toys and can help market surveillance and custom authorities distinguish between compliant and non-compliant toys. However, as the projected provisions can disproportionately negatively impact the market of traditional and personalised non-serial toys, the EESC suggests introducing dedicated measures to help the manufacturers of such toys.</p>	<p>As set out in the Commission Impact Assessment accompanying this proposal<sup>76</sup>, the product passport does not address primarily consumers. The product passport is first of all expected to lead to more efficient and effective inspections. All commercial goods imported into the EU require a customs declaration for release for free circulation. The main benefit of the product passport will be that a reference to it should be included in the customs declaration for every toy, and this will concern also online purchases by individual EU customers from third countries.</p> <p>The reference of the product passport, which for toys would include the product compliance information, will also have to</p>

<sup>76</sup>

Commission staff working document SWD(2023) 269 final.

	<p>be included in a central registry managed by the Commission, which will be interconnected with the IT customs environment to allow for its automatic verification. This will allow that any toy which does not indicate a valid digital product passport reference in the customs declaration is automatically stopped at EU customs and is not released for free circulation. Customs authorities will be able to carry out this automated control on all toys entering the Union market, further to the controls on a risk-based manner for a limited amount of toys, as is the case today. Automated controls should reduce the number of non-compliant toys reaching the Union market. All toys in the Union market will have the compliance information immediately accessible, and this will be easier to verify when market surveillance authorities inspect them.</p> <p>The Commission takes note of the Committee's suggestion to include provisions on traditional and personalised non-serial toys. This will inform the current discussions with the European Parliament and Council.</p>
<p>1.4. The EESC invites the Commission to consider the potential threats to child safety that could be brought on by a possible increase in the market share of non-compliant toys as a result of higher toy prices. The risk can be balanced by efficient market surveillance, paying particular attention to the compliance of imported toys.</p>	<p>The Commission takes note of the Committee's suggestion. However, as noted in reply to comment 1.3. the Commission believes that the introduction of a product passport and its controls at customs when imported toys are presented for release for free circulation can lead to a significant reduction in the number of non-compliant toys reaching the Union market.</p>
<p>3.4. Besides the above, the EESC agrees with some of the stakeholders that the proposal</p>	<p>As concerns the Committee's suggestion to consider the scope of the proposal or</p>



might not be sufficient to reduce the number of non-compliant toys and potential threats to children's health connected with toys. Thus, the EESC invites the Commission to once again consider the scope of the proposal or extend it in the near future, in particular by defining online marketplaces as economic operators, by defining minimum levels of sanctions mentioned in Art. 52, and by introducing specific requirements to regulate noise levels (in a more detailed way than what is proposed in Annex II Part I par. 10). Moreover, as a precautionary principle is mentioned in the preamble to the proposal, it should also be added to the legal text of the toys regulation, similar to what is laid down in Art. 39 of the Toys Safety Directive.

extend it, in particular by defining online marketplaces as economic operators, the Commission believes that it would raise serious issues of incompatibility with the Digital Services Act (DSA), in particular with its fully harmonized regime of liability exemptions for providers of online intermediary services such as online marketplaces. The DSA was recently adopted following intense discussions between the co-legislators and it sets out a fully harmonized framework for the due diligence obligations applicable to providers of online intermediary services, including online marketplaces, as regards illegal content (including products) on their services. If online marketplaces were assimilated to economic operators, many product-specific obligations traditionally conceived for economic operators would apply to online marketplaces, even if they only intermediate the product between traders and user, without therefore being physically in contact with the product. Such an assimilation would disregard the role of online marketplaces as intermediaries of information and impose on them obligations that would be disproportionate and even impracticable in view of their role. Furthermore, considering online marketplaces as economic operators under this proposal would lead to inconsistencies across different product-specific Single Market rules. The current definition of economic operator under this proposal ensures consistency with other Single Market instruments, in particular with the General Product Safety Regulation.

The Commission takes note of the Committee's further remarks on these points. As regards non-compliant toys

	<p>imported from outside the EU, please see the replies to comments 1.3. and 1.4.</p> <p>As regards the other specific remarks, these will inform the discussions with the European Parliament and the Council being held at the moment.</p>
<p>4.3 Secondly, the proposal is a part of a wider EU chemical strategy and of legislation regarding other products (including childcare products) which is in the works<sup>77</sup>. The EESC believes that this background is crucial for considering possible proportionality and discriminatory charges against the proposal to be unjustified in this respect. However, the EESC notes that for that reason the toys regulation should rather be a part of a wider legislative package. The EESC therefore invites the Commission to consider combining the legislative process regarding the toys regulation with other proposed or projected pieces of legislation concerning harmful chemical substances in products. It is particularly important to build firm guarantees for the safety of childcare products other than toys.</p>	<p>As the Committee indicates, the revisions included in the proposed Toy Safety Regulation respond to the commitments set out in the Chemicals Strategy for Sustainability<sup>78</sup> as regards the most harmful chemicals. Whilst this Communication was accompanied by an Action Plan announcing work on different legislative proposals; they are not presented as a single legislative package.</p> <p>However, work on the restriction proposal for the use and presence of chemicals which are carcinogenic, mutagenic or toxic for reproduction (CMRs) in childcare articles based on Article 68(2) of Regulation on Registration, Evaluation, Authorisation and Restriction of Chemicals<sup>79</sup> (REACH) is underway.</p>
<p>6.3. As highlighted in the impact assessment report<sup>80</sup>, "[d]ata on the period 2016- May 2022</p>	<p>The Commission takes note of the Committee's remark and its concern that</p>

<sup>77</sup> See the chemicals strategy for sustainability, p. 10: "The Commission will extend the generic approach to risk management to ensure that consumer products – including, among other things, food contact materials, toys, childcare articles, cosmetics, detergents, furniture and textiles – do not contain chemicals that cause cancers, gene mutations, affect the reproductive or the endocrine system, or are persistent and bioaccumulative. [The Commission will] ensure the safety of children from hazardous chemicals in childcare articles and other products for children (other than toys) to provide the same level of protection as in toys, through the mandatory legal requirements of the General Product Safety Directive and restrictions in REACH".

<sup>78</sup> COM(2020)667

<sup>79</sup> Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC (OJ L 396, 30.12.2006, p. 1).

<sup>80</sup> Commission staff working document impact assessment report, SWD(2023) 269 final, p. 16.

<p>reveals that 43% of the toys subject to in depth inspections were found to be non-compliant and more than half of these relate to substantive safety risks" and "[t]he value of the non-compliant toys market has been estimated for 2019 to span from EUR 248 million to EUR 1.65 billion<sup>81</sup>". This means that the market share of non-compliant toys is very high, possibly nearly half of the whole market. However, this status relates to compliance with the requirements that are currently in force (based on the Toys Safety Directive), so tightening these can only worsen the situation. It can be balanced (or improved), however, by better market surveillance or by curbing customers' willingness to buy non-compliant toys.</p>	<p>introducing stricter requirements may provide further incentives to non-compliance.</p> <p>As regards the exact percentage of non-compliant toys in the EU, the Commission would like to note that market surveillance authorities rely on risk management procedures to try and target their activities on toys with higher probabilities to be non-compliant. In-depth checks are carried out on toys which present such higher risks of non-compliance. The fact that 43% of toys subject to in-depth checks are non-compliant shows the effectiveness of such procedures, even if it also indicates the high number of non-compliant and unsafe toys that are present on the Union market.</p>
<p>6.7. For these reasons the EESC does not believe that the measure in question will significantly decrease the number of non-compliant toys on the EU market, meaning that the proposal's second objective can only be achieved to a limited extent.</p>	<p>See the reply provided under point 1.3.</p>
<p>7.3. The EESC also invites the Commission to consider amending Art. 54 par. 1 by removing the maximum deadline for toys placed on the market in conformity with the Toys Safety Directive to continue to be made available on the market. Given that the market life cycle varies from product to product (also taking into account seasonal sales), and it is unlikely that manufacturers would place extra supplies of their products on the market during the transitional period, the proposed wording of Art. 54 par. 1 seems to be unreasonable.</p>	<p>The Commission takes note of the Committee's concern. This will inform the discussions with the European Parliament and Council being held at the moment.</p> <p>As regards the transition period, the Commission proposal aims at strengthening toy safety and better protecting children from harmful substances in toys. This is why the Commission believes that toys which do not comply with the new rules, once applicable, should not remain indefinitely in distribution in the Union</p>

<sup>81</sup> Commission staff working document impact assessment report, SWD(2023) 269 final, p. 17.

	market and that 42 months is a sufficient period to exhaust stocks of products in the distribution chain.
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**N°23 Industrial Policy as an instrument to reduce dependencies and boost an EU market for green products in the resource and energy-intensive industries (REEIs)**  
**(own-initiative opinion)**  
**EESC 2023-01023 – CCMI/210**  
**583<sup>rd</sup> Plenary Session – December 2023**  
**Rapporteur: Matteo Carlo BORSANI (IT-I)**  
**Co-rapporteur: Dirk JARRÉ (DE-Cat. 3)**  
**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.

**N°24 Initiative on virtual worlds**  
**COM(2023) 442 final**  
**EESC 2023-03581 – CCMI/216**  
**583<sup>rd</sup> Plenary Session – December 2023**  
**Rapporteur: Andrea MONE (IT-II)**  
**Co-rapporteur: Patrice CHAZERAND (FR-Cat. 1)DG CNECT –**  
**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><b>N°25 Harmonised measurement of transport and logistics emissions</b>  <b>COM(2023) 441 final</b>  <b>EESC 2023-02269 – TEN 814</b>  <b>582<sup>nd</sup> Plenary Session – October 2023</b>  <b>Rapporteur: Angelo Pagliara (IT-II)</b>  <b>DG MOVE– Commissioner VALEAN</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p><b>Conclusions and recommendations</b></p>	
<p>1.5. The EESC calls for a transport sector strategy that ensures a just transition by addressing social issues, protecting workers and guaranteeing accessible and affordable transport services. The EESC believes that, by adopting specific measures to protect consumers and workers, the proposed initiative could encourage the use of sustainable transport.</p>	<p>The Commission takes note of the Committee’ opinion and would like to draw the Committee’s attention on the 2020 Sustainable and Smart Mobility Strategy<sup>82</sup>, which establishes an action plan towards a sustainable, efficient and resilient transport system of the future. The strategy states that greening mobility and digitalisation should leave nobody behind, mobility should be available and affordable for all, rural and remote regions should also be better connected, transport should be accessible for persons with reduced mobility and with disabilities, and the sector needs to offer good working conditions, reskilling opportunities, and provide attractive jobs. These aspects were duly taken into consideration when developing this initiative.</p>
<p>1.6. The EESC calls for the European Commission to adopt all necessary measures to safeguard affordable public services in order to ensure that the measures are effective from all perspectives.</p>	<p>The Commission would like to inform the Committee that the Impact Assessment accompanying the proposal on the accounting of greenhouse gas emissions of transport services<sup>83</sup> has considered various possible impacts, having not identifying specific threats or</p>

<sup>82</sup> [https://transport.ec.europa.eu/transport-themes/mobility-strategy\\_en](https://transport.ec.europa.eu/transport-themes/mobility-strategy_en)

<sup>83</sup> <https://data.consilium.europa.eu/doc/document/ST-11821-2023-ADD-3/en/pdf>

	impediments for the affordability and availability of public transport services.
<b>General comments</b>	
2.6. The EESC notes that this proposed Regulation does not make GHG emission reporting mandatory. It establishes a methodological framework, but it does not mandate that this framework be used. However, any entity that decides to calculate and disclose information on GHG emissions from transport services will have to adhere to the Count Emissions EU rules.	The Commission confirms the observation of the Committee.
2.7. The objective of the Commission's proposal is to establish a single methodology for calculating and quantifying the GHG emissions of transport services across different modes to enable a fair comparison between various transport services. However, it is important to highlight, that, being highly technical, the proposal may need to be regularly adapted to reflect technical developments, particularly concerning the common reference calculation methodology and the rules on input data, certification and verification.	The Commission notes the observation of the Committee and refers to the provisions included in Articles 4, 6 and 8 of its proposal. Article 4 enables the Commission to conduct an assessment of the reference methodology provided through EN ISO standard 14083 and empowers the Commission to request the respective standardisation body to revise the standard, or to exclude part of the standard from the scope of the Regulation. Articles 6 and 8, respectively, lay down rules for the development and maintenance of the EU databases of default values for greenhouse gas emission intensity and greenhouse gas emission factors. These databases would be updated on regular basis. Any evolution of the emission calculation methodology and input data would be duly reflected in the respective procedures concerning the certification of external calculation tools and verification of calculation outputs and underlying processes.
<b>Specific comments</b>	



<p>3.3. The EESC also notes that, although this proposed Regulation addresses "well-to-wheel" GHG emissions stemming from both vehicle use and vehicle energy provision, the transport sector does create other adverse effects, such as air pollutant and noise emissions, that are outside the scope of the proposal.</p>	<p>The Commission notes the opinion of the Committee and recalls that the Impact Assessment accompanying the proposal demonstrates the greenhouse gases (GHG) well-to-wheel approach is most adequate to effectively address the objectives of this Regulation. However, the assessment also points out to the need of continuous development of the reference methodology, reflecting the scientific state of the art associated with the emissions accounting of transport services.</p>
<p>3.7. Common rules for the communication and transparency of emission accounting results should be provided too. The EESC considers this crucial for correctly comparing GHG emission data on the market and facilitating transport users' choices. It notes that this is in the interest of companies and the energy sector too.</p> <p>The Sustainable and Smart Mobility Strategy published on 9 December 2020 refers to incentives for choosing the most sustainable transport options. These incentives may be of both an economic and a non-economic nature, including providing better information for users and consumers and making the GHG performance of transport services more transparent.</p>	<p>The Commission draws the Committee's attention to the fact that the common rules for the communication and transparency of emission accounting results are already integral part of its proposal. These are specifically included in Article 10 and address aspects related to the disclosure of GHG emission data, as well as the rights and responsibilities of various actors, depending on their role in the transport chain.</p> <p>The Commission points out to Recitals (5) and (6) of its Proposal that explicitly refer to the Sustainable and Smart Mobility Strategy as regards the important role of market incentives for choosing the most sustainable transport options, within and across the modes.</p>
<p>3.8. The EESC considers that the EU common methodology should not produce extra red tape that would be counterproductive to the objectives pursued. This is of particular relevance for SMEs, which represent the vast</p>	<p>The Commission shares the opinion of the Committee. In this respect it would like to refer to the Impact Assessment accompanying its proposal that explains different policy measures that can</p>

<p>majority of companies in the transport sector, and for workers as well.</p> <p>EESC notes that the capacities of the national authorities will influence the enforcement of the EU common methodology too. This aspect should be carefully scrutinised to ensure the effective implementation of the proposed Regulation.</p>	<p>prevent producing excessive red tape for the concerned stakeholders, and to minimise administrative and adjustment costs for businesses, especially the small and medium-sized enterprises. These policy measures were adequately reflected in the legislative proposal, including the semi-voluntary character of the Regulation, provision of free of charge common EU databases for input data or exemption of SMEs from the mandatory verification system.</p> <p>The Commission takes note of the Committee’s opinion; however it would like to recall that no provisions imposing specific enforcement obligations on the Member States are included in its proposal. Otherwise, the Commission confirms that the Member States should ensure their general enforcement capability for the implementation of this Regulation.</p>
<p>3.9. In this respect, the EESC calls for a transport sector strategy that ensures a just and green transition by addressing social issues, protecting workers and guaranteeing accessible and affordable transport services. This includes protecting consumers against false or misleading information and greenwashing marketing.</p>	<p>The Commission takes note of the Committee’ opinion and would like to draw the Committee’s attention on the 2020 Sustainable and Smart Mobility Strategy, which establishes an action plan towards a sustainable, efficient and resilient transport system of the future. The strategy states that greening mobility and digitalisation should leave nobody behind and that it is crucial that mobility should be available and affordable for all, rural and remote regions should also be better connected, transport should be accessible for persons with reduced mobility and with disabilities, and that the sector needs to offer good working conditions, reskilling opportunities, and provide attractive jobs.</p>

Furthermore, the Commission notes that its Proposal shares synergies and complementarities with the Directive concerning unfair business-to-consumer commercial practices in the internal market<sup>84</sup>, which applies to misleading environmental claims; and the proposal for a Directive on empowering consumers for the green transition<sup>85</sup> (amending the former Directive), which strengthens consumer protection rules against greenwashing. These synergies primarily concern the provision of better and reliable data on the sustainability of transport services that contribute to protecting consumers against false or misleading information about their environmental credentials. While the Directive and the proposal for a Directive set general requirements and conditions for protecting consumers from misleading environmental claims, CountEmissions EU provides a specific framework for accounting GHG emissions of transport services based on a concrete reference methodology and measures facilitating calculation and the disclosure of emissions data. The Proposal also shares the objectives of the proposed Green Claims Directive<sup>86</sup> setting out specific rules on the substantiation, verification and communication of voluntary environmental claims and labelling schemes in EU markets. However, while the Green Claims Directive aims to set general rules for all sectors and all environmental claims, the Proposal for CountEmissions EU establishes

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<sup>84</sup> <https://eur-lex.europa.eu/eli/dir/2005/29/oj>

<sup>85</sup> [https://commission.europa.eu/publications/proposal-directive-empowering-consumers-green-transition-and-annex\\_en](https://commission.europa.eu/publications/proposal-directive-empowering-consumers-green-transition-and-annex_en)

<sup>86</sup> [https://environment.ec.europa.eu/publications/proposal-directive-green-claims\\_en](https://environment.ec.europa.eu/publications/proposal-directive-green-claims_en)

	<p>methodological rules to substantiate one type of environmental claims for a specific sector, namely the well-to-wheel greenhouse gas emissions of transport services. For these type of claims it takes precedence over the rules set out in the proposal for Green Claims Directive</p>
<p>4. In this respect, efficient awareness-raising campaigns should inform consumers, so as to provide them with better knowledge of the performance of transport services, data availability, the options available for travelling in a more environmentally sustainable way and how much these options cost.</p>	<p>The Commission takes note of the opinion of the Committee and confirms the importance of efficient awareness-raising campaigns among consumers and other transport users for better transparency and availability of sustainable transport options. The Commission will strive for appropriate measures in that respect, where possible in collaboration with the Member States.</p>

<p><b>N°26 Energy policies and strategies in the Euro-Mediterranean region (Own-initiative opinion) EESC 2022-03888 – REX/555 582nd Plenary Session – October 2023 Rapporteur: Ioannis VARDAKASTANIS (EL-III) Co-rapporteur: Maria Helena DE FELIPE LEHTONEN (ES-I) DG NEAR – Commissioner VARHELYI</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.1. The Mediterranean region will be disproportionately affected by the climate crisis and has already been identified as a global climate crisis hotspot.</p>	<p>The Commission recognises the specific impact of climate change in the Mediterranean region and is addressing this through developing close partnerships with Southern Mediterranean countries on both mitigation and adaptation to climate change, as well as accelerating the green energy transition. As an example, the Green Partnership with Morocco focuses on the climate-energy-environment nexus cooperation.</p>
<p>1.2. The transition from hydrocarbons to a renewable energy economy in the Euro-Mediterranean region can prove to be a valuable instrument for sustainable and inclusive economic growth, regional trade, and cooperation.</p>	<p>Mirroring the internal-EU Green Deal approach, the Commission supports its Mediterranean partners in building inclusive, resilient, sustainable, and interconnected economies through their green transition. As an example, the EU-Egypt Strategic Partnership on renewable energy aims at scaling up renewable energy development for local consumption and export, entailing new ‘green’ employment, as well as building resilient value chains. The transition away from hydrocarbons is a big opportunity for the region given the high potential for RES (Renewable Energy Sources) generation. Stronger integration of the energy systems in the Mediterranean region will support</p>

	investments and higher penetration of RES bringing socio-economic benefits to Europe and the Northern Africa.
1.3. Shifting from a fossil-fuel-based energy system to a regime of renewables inevitably has geopolitical, economic and social consequences, involving “transition losers”, which can be mitigated by the European Union.	The Commission is committed to ensuring a just and socially inclusive transition. Within the European Fund for Sustainable Development Plus (EFSD+), financial instruments are available to support the energy transition and ensure job creation, skills development, and facilitation of the transition for local actors. The Commission’s renewable energy partnerships with Southern Mediterranean partner countries offer opportunities for them to become leading renewable energy exporters, gradually replacing their fossil fuel exports and entailing major socio-economic benefits.
1.4. Given the energy complementarities between the north and the south, energy interconnections are crucial for developing an integrated energy system in the Euro-Mediterranean area.	North-South and South-South energy market integration in the Mediterranean region is a priority of the Commission. For years, the Commission has supported developments in this sense through the MED-TSO (Association of the Mediterranean Transmission System Operators (TSOs) for electricity) and MED-REG (for the development and integration of energy markets) initiatives. Recently, the Commission has awarded considerable financing under the Connecting Europe Facility to the EuroAsia Interconnector between Israel, Cyprus and Greece as well as to the ELMED Inter-connector Electricity Transmission Project between Italy and Tunisia. The Commission has also granted the Egypt-Greece (GREGY) Interconnector between Egypt and Greece the status of a Project of Mutual Interest under the TEN-E Regulation <sup>87</sup> .

<p>1.5. Micro, small and medium-sized enterprises could rise as an essential part of a new European energy strategy in the Euro-Mediterranean region.</p>	<p>Supporting access to finance for micro, small, and medium-sized enterprises is a key component of the New Agenda for the Mediterranean to unlock the potential of local value chains. Existing projects include, for example, support for businesses working on climate change issues through EFSD+.</p>
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<p><b>N°27 Soil Health Law</b>  <b>COM(2023) 416 final</b>  <b>EESC 2023-03275 – NAT/906</b>  <b>582<sup>nd</sup> Plenary Session – October 2023</b>  <b>Rapporteur: Arnold PUECH D'ALISSAC (FR-I)</b>  <b>DG ENV – Commissioner SINKEVICIUS</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.1. The EESC agrees with the European Commission that better monitoring of the condition of European soils is necessary; [...] The EESC notes that the establishment of a comprehensive knowledge base on the health of European soils is necessary but is not enough to achieve the target of ensuring that all European soils are healthy by 2050. It emphasises that, in order to achieve this target, the directive must be supported by appropriate financial resources from funds earmarked for the environment.</p>	<p>The Commission strongly welcomes the support of the Committee for a Soil Monitoring Law, which will contribute to the Green Deal objectives. This legislative proposal is now under co-decision and suggestions from the Committee may be considered in that context, without prejudice to the outcome of the interinstitutional negotiation.</p> <p>The Commission fully agrees with the Committee that the proposed directive must be supported by appropriate financial resources (see the comment made under point 1.3.) and that only developing a common knowledge base is not enough to achieve its objectives. Therefore the proposal also includes measures on sustainable soil management and regeneration practices, and to investigate, assess and remediate contaminated sites.</p>
<p>1.2. However, the EESC has a number of comments and concerns regarding the methodology and criteria used to assess soil health. [...] The criteria chosen to determine the level of soil health are divided into three categories: criteria determined at EU level, criteria determined by the Member States and non-quantitative soil descriptors. The criteria left to the discretion of the Member States risk distorting competition.</p>	<p>The Commission stresses that the discretion left to Member States to set some of the criteria is not absolute and is framed by the provisions of the proposed directive. The discretion left to Member States for determining certain criteria is necessary to adapt to local conditions.</p>



<p>1.3. [...]. The EESC notes that there is no provision for new sources of funding and that the Commission proposes financing action through the national strategic plans drawn up by the Member States under the Common Agricultural Policy (CAP), which the EESC does not consider acceptable.</p>	<p>Successful implementation of the proposal requires tapping into various sources of funding at European, national, regional and local level. Therefore, alongside the legislative proposal, the Commission published a Staff Working Document (SWD)<sup>88</sup> providing an overview of funding opportunities available (including those under the current Common Agricultural Policy (CAP)) under the EU's 2021-2027 multiannual budget for the protection, sustainable management, and regeneration of soils. Possible enhanced funding would need to be considered within the upcoming discussions on the next Multiannual Financial Framework.</p>
<p>1.4. While it is necessary to monitor and preserve soil health the sustainable soil management practices that the Commission wishes to encourage require common rules to be set that are compatible with the characteristics of the various soils, while limiting Member States' room for manoeuvre as much as possible. [...] In this regard, the EESC stresses the importance of ensuring the health of people and ecosystems, and that food is produced safely, reliably and sustainably on European farmland, in light of international crises affecting the global food market and of the effects of climate change, which are jeopardising biodiversity and food security. Furthermore, the EESC believes that preserving soil health is the most valuable investment to be made at EU level in ensuring our adaptation to climate change and food security for current and future generations of Europeans.</p>	<p>The Commission shares the views of the Committee that food needs to be produced safely, reliably, and sustainably on European farmland and that healthy soils are important in ensuring our adaptation to climate change and food security for current and future generations of Europeans.</p> <p>The discretion left to Member States to define the sustainable soil practices is needed to take account of the national and local conditions, but is framed by the proposed Directive since these practices will need to respect the sustainable soil management principles laid down in the annex of the proposed Directive.</p>
<p>1.5. The EESC endorses the timetable suggested by the Commission, which provides</p>	<p>The Commission stresses that the proposal requires Member States to</p>

<p>for two stages of implementation: first, soil health would be monitored and analysed, and then sustainable soil management measures would be extended to areas where the soil is deemed to be in poor health. However, the EESC emphasises the need to give financial and technical support to farmers who already play an important role in maintaining soil health through various practices, such as crop rotation, mulching and certain tillage practices that prevent soil degradation, erosion and the loss of fertility in certain areas.</p>	<p>define sustainable soil management practices for all managed soils independently of their health status while regeneration practices would only need to be defined later for unhealthy soils. The proposal requires Member States to ensure easy access to impartial and independent advice on sustainable soil management, training activities and capacity building for soil managers, landowners, and relevant authorities. It also calls on the support for Union financing for the implementation of the Directive and requires Member States to make available a regularly updated mapping of available funding instruments and activities to support the implementation of sustainable soil management. The EU Mission 'A Soil Deal for Europe' will also be key in the implementation of the proposal, in terms of scientific knowledge, sharing sustainable soil management practices and support.</p>
<p>1.6. With regard to the objective of reducing land take, the EESC finds the proposal for a directive disappointing. Article 11 stipulates principles for mitigating the effects of land take[...]. The EESC calls for the "no net land take by 2050" target to be strengthened. This can be achieved by prioritising land reuse and recycling, by minimising urban development projects on arable land and by restoring equivalent areas to offset such projects.</p>	<p>The proposal lays down a common definition of land take and requires Member States to monitor land take and lays down mitigation principles. These provisions are expected to contribute to the attainment and monitoring of the EU objectives on land take.</p> <p>The Commission shares the views of the Committee that prioritising land reuse and recycling, minimising urban development projects on arable land and restoring equivalent areas to offset such projects are measures that can contribute to achieve a state of no net land take.</p>
<p>1.7. The EESC recommends that the indicators of good soil health relating to excess nutrients in soils, contamination from heavy metals and</p>	<p>The approach recommended by the Committee was assessed during the preparatory work preceding the adoption</p>

<p>organic contaminants, and a reduction in the soil's capacity to retain water (listed in part B of Annex I), which are currently left to the discretion of the Member States, be harmonised in order to limit any distortions of competition.</p>	<p>of the proposal (see sections 5.2. and 6.1. of the impact assessment report<sup>89</sup>). A full harmonisation of these parameters at EU level would not be possible since it does not sufficiently allow to take into account the variability of soils and local conditions and needs. The current scientific knowledge allows to set criteria at Union level for only some of the soil descriptors. Therefore, the responsibility to set criteria for a limited number of soil descriptors is left to Member States but this discretion is framed by the provisions of the proposed Directive. Furthermore, an overview of impacts on competitiveness of the proposal can be found in section 7.1.3. of the impact assessment.</p>
<p>1.8. The EESC supports the objective of ensuring that all soils are healthy by 2050 but believes that the definition of good health proposed by the European Commission is too restrictive. [...]. The EESC therefore recommends that failure to meet all the criteria listed in parts A and B of Annex I should not result in soil being considered to be in poor health. It suggests establishing a multi-criteria rating system [...].</p>	<p>The Commission stresses that the proposal, supported by the available scientific evidence, defines a minimum common set of measurable criteria, which, if not respected, would lead to a critical loss in the soil's capacity to function as a vital living system and to provide ecosystem services.</p>
<p>3.1. Three indicators of good soil health are left to the discretion of Member States, to be adapted to local characteristics [...]. This risks distorting competition – an issue that could arise when determining the value of land (in particular, agricultural land), with the Member States each using different criteria to assess soil health.</p>	<p>The Commission wishes to reiterate its comments made under points 1.2. and 1.7.</p>
<p>3.2. There is also a risk of distorting competition with regard to sustainable soil management practices, due to the flexibility</p>	<p>The Commission wishes to reiterate its comment made under point 1.4.</p>

<p>left to the Member States on how to define and remunerate such practices.</p>	
<p>3.3. With regard to contaminated sites, the EESC stresses the need to carefully monitor both the measures imposed to decontaminate the sites and how the associated costs are covered. [...]. It is therefore important to clarify the responsibilities of the various stakeholders and how the costs will be covered. As far as possible, this should be done in accordance with the polluter pays principle, in order not to impose on the public authority or the new owner the consequences of past actions, while taking into account the conditions and legislative framework under which those actions were carried out, in particular in the agricultural sector.</p>	<p>The Commission shares the views of the Committee that the costs associated to soil decontamination should be covered, as far as possible, by applying the polluter pays principle. At the same time, it is crucial to ensure that all contaminated sites are adequately identified, assessed and managed in a way that ensures that they do not pose unacceptable risk for the human health or the environment.</p>
<p>4.2. It is important that all types of agriculture have access to sustainable soil management practices and certification of healthy soil in order to avoid distortions of competition. A close watching brief must be ensured when the Member States draw up the criteria for which they are responsible.</p>	<p>The Commission fully shares the views of the Committee. The proposal requires Member States to establish a voluntary certification of healthy soils and further requires Member States to inform the Commission when soil descriptors and soil health criteria are set or adapted by them.</p>
<p>4.3. The Commission does not propose binding targets regarding land take, meaning that this phenomenon will not be curbed even though it results in less agricultural and forest land being available across Europe. The target of "no net land take by 2050", set in 2013 as part of the 7th EU Environment Action Programme, must be strengthened.</p>	<p>The Commission reiterates its comment made under point 1.6.</p>
<p>4.4. The cost of identifying contaminated soil (EUR 29 billion over 15 years) is estimated to be higher than that of soil remediation or containment (EUR 24.9 billion over 25 years). Given the magnitude of these costs and the uncertainties surrounding their estimation according to the Commission's impact</p>	<p>The Commission shares the view of the Committee that costs should be primarily borne, where possible, by the polluter in accordance with the polluter pays principle enshrined in the Treaty. The Commission stresses that the impact assessment accompanying the Soil</p>

<p>assessment, the EESC believes that the impact assessment needs to look deeper into this point. It is therefore important to provide sufficient sources of funding to ensure that the cost to landowners and farmers is not intolerable and to give them visibility. This requires identifying who is responsible for soil contamination and distributing the costs fairly</p>	<p>Monitoring Law proposal has considered all available data and literature resources regarding costs related to identification, investigation and remediation of contaminated sites. The Commission considers that the data generated in the course of the implementation of the Directive will be instrumental and will inform an early evaluation of the Directive in accordance with the proposed Article 24.</p>
<p>4.5. With regard to soil health indicators, the descriptive criteria need to be monitored. These criteria risk distorting competition between Member States, [...].</p>	<p>Some soil descriptors need only to be monitored but are not taken into account for the assessment of the soil health.</p>
<p>4.6. The EESC supports the Commission's approach of implementing certification of healthy soil [...]. However, it expresses reservations regarding the idea that the certificate will lead to a gain in terms of land value or through the price of the food produced there. The EESC therefore recommends that the proposal for a directive do more to regulate the valuation of good soil health</p>	<p>The Commission welcomes the support of the Committee and takes note of the Committee's recommendations. The certification of healthy soil is expected to increase the value of the carbon removal certificate and give greater social and market recognition for sustainable soil management. The benefits of healthy soils and measures to achieve this will also help boost private financing.</p>
<p>4.7. The definitions of "natural land" and "semi-natural land", as opposed to "artificial land", used to define the parameter "land take" are problematic. The EESC therefore proposes deleting the definitions of "natural land" and "semi-natural land", and defining "land take" as "the conversion of land into artificial land" for the extension of buildings, infrastructure, quarries and so on. It would also be useful to have a list of examples of forms of land cover so that all Member States could follow the same criteria to monitor land cover artificial land [...].</p>	<p>The Commission takes note of the Committee's recommendations on the definitions, while the final wording will be subject to the outcome of the ongoing interinstitutional negotiations. It also takes note of the suggestion of the Committee regarding the list of examples of forms of land covers in order to support Member States. Lastly, the Commission further refers to the actions aimed at supporting Member states as set out in the EU Soil strategy for 2030<sup>90</sup>.</p>



<p><b>N°28    The decarbonisation of European industry and the role of innovation and digitalisation in driving it</b>  <b>(Exploratory opinion requested by the Spanish Presidency)</b>  <b>EESC 2023-01315 – CCMI/207</b>  <b>580th Plenary Session – July 2023</b>  <b>Rapporteur: Andrés BARCELÓ DELGADO (ES-I)</b>  <b>Co-rapporteur: Monika SITÁROVÁ (SK-cat. 2)</b>  <b>DG CLIMA/GROW – Commissioner HOEKSTRA/Commissioner BRETON</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>2.6. The extent of the EU's dependence on third countries for the supply of some clean technologies makes it extremely challenging for the EU to reach its target of 40% renewable energy by 2030. Europe is largely reliant on imports when it comes to cleantech; at the same time, the EU's deployment of cleantech will have to be dramatically accelerated to reach the Fit for 55 objectives. The EU needs to identify the technologies requiring specific support to develop manufacturing activities and propose additional measures.</p>	<p>The co-legislators have agreed to a revised renewable energy directive<sup>91</sup> that includes an EU renewable energy target for 2030 of 42.5% with the aspiration to reach 45%.</p> <p>In that context, renewable energy deployment needs to drastically increase. Furthermore, as part of the Green Deal Industrial Plan, the Commission has announced its intention to also increase clean technology manufacturing capacity in the EU, in order to avoid replacing fossil fuel dependencies by new dependencies.</p> <p>In particular, the Net Zero Industry Act (NZIA) proposal<sup>92</sup> aims at facilitating investments in net-zero technologies through providing predictability, reducing the length of permitting procedures, supporting innovation, skills deployment, or creating better conditions for market access. To support clean technologies industries and their supply chains it is crucial to ensure that the workforce is equipped with adequate skills. For this reason, the NZIA proposes</p>

<sup>91</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32023L2413&qid=1699364355105>

<sup>92</sup> [https://single-market-economy.ec.europa.eu/publications/net-zero-industry-act\\_en](https://single-market-economy.ec.europa.eu/publications/net-zero-industry-act_en)

the establishment of Net-Zero Academies to provide training and education on net-zero technologies, and lead to quality jobs creation.

The EU budget actively supports green technologies. This includes the support under the Recovery and Resilience Facility for investments in green projects, as well as for reforms that provide an effective enabling framework for the deployment of green technologies.

In July 2023, the European Investment Bank increased by 50% its REPowerEU package from EUR 30 billion to EUR 45 billion. This entails mobilised public and private investment for the increased package estimated at more than EUR 150 billion. The funds will be directed to renewables, energy efficiency, grids and storage, electric-vehicle charging infrastructure, and breakthrough technologies, such as low-carbon hydrogen.

The Innovation Fund, financed by EU Emissions Trading System, has provided more than EUR 6.5 billion funding to innovative clean technologies. In November 2023, a new call was launched with a budget of EUR 3 billion, out of which EUR 0.7 billion is reserved for clean tech manufacturing.

The Commission launched on 23 November the first auction under the European Hydrogen Bank to support the production of renewable hydrogen in Europe, with an initial EUR 800 million channelled through the Innovation Fund.

Moreover, the ‘Strategic Technologies for Europe Platform’ (STEP) will reinforce and leverage existing EU instruments for a quick deployment of



	<p>financial support towards critical technologies in several fields, including clean technologies.</p>
<p>3.6. The decarbonisation process will increase the demand for electricity; the EESC calls for climate-neutral technology that gives priority to an affordable carbon-free power supply and energy security.</p>	<p>It is estimated that to achieve climate neutrality, demand for decarbonised electricity will more than double by 2050.</p> <p>To promote a faster deployment of renewables, the revision of the Renewable Energy Directive does not only set a higher EU renewable energy target, but also includes decisive reforms to reduce permitting times for renewable energy projects and reinforce sustainability criteria for the use of biomass for energy. Moreover, the Commission is financially supporting the roll out of decarbonised electricity and its use in industry through programmes such as the Innovation Fund, Modernisation Fund, Life program, or contributions to Invest EU.</p> <p>In parallel, in Member States that choose to rely on such technologies, investment in nuclear energy can also play an important role.</p> <p>As explained above, the Green Deal Industrial Plan aims at preventing that such additional deployment needs lead to new dependencies.</p>
<p>3.7. European companies must buy carbon certificates under the ETS framework. Carbon certificate prices are over EUR 80, and the price premium on electricity spot prices due to the increasing costs of carbon certificates is around EUR 40. With a few exceptions, the EU's other main trade partners do not have this kind of carbon price, and so it will be difficult in the future for EU industry to compete in the</p>	<p>Comparing the increases in the gas and carbon prices from January 2021 to the height of the energy crisis in 2022, the effect of the gas price increase on the electricity price has been on average around eight times bigger than the effect of the carbon price increase, for an</p>

<p>international markets, even with the CBAM shield for the single market.</p>	<p>average gas-fired power plant<sup>93</sup>. Moreover, the Emissions Trading System Directive allows for the possibility for Member States to financially compensate European companies for so-called indirect carbon costs passed on in the electricity price.</p> <p>The Carbon Border Adjustment Mechanism Regulation (CBAM) will ensure a level playing field between imports and European production on the single market, while incentivising third countries to adopt effective policies to fight climate change. Regarding international markets, the CBAM regulation includes measures to mitigate carbon leakage risks for exports, while also including a review clause to assess the situation and intervene, if necessary.</p>
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<sup>93</sup> See *inter alia* COM(2021) 660 final – Communication from the Commission, ‘*Tackling rising energy prices: a toolbox for action and support*’. The figure was updated regularly throughout the energy crisis as commodity prices evolved.

<p><b>N°29    Revision of the EU waste framework Directive</b>  <b>COM(2023) 420 final</b>  <b>EESC 2023-03281 – NAT/907</b>  <b>582<sup>nd</sup> Plenary Session – October 2023</b>  <b>Rapporteur: Zsolt KÜKEDI (HU-III)</b>  <b>DG ENV/SANTE – Commissioner SINKEVICIUS/KYRIAKIDES</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1. The organised European civil society welcomes the circular revision of the Waste Framework Directive on food and textile waste. Tackling food and textile waste must be a strategic priority for the EU. Not consumed and wasted food and unused textiles are not only waste, but also a serious environmental problem. The new directives should prioritise waste prevention, eco-design and improved recycling in order to reduce transport to landfills.</p> <p>The EESC considers it necessary to clarify the legislation on the prevention of textile waste, which allows the deduction from the producer's EPR fee of revenues from the sale of secondary raw materials originating from this waste.</p> <p>The EPR scheme should finance textile exports and pollution clean-up costs (in countries of the Global South) and support the role of the Global South in the circular economy.</p> <p>The EESC proposes that the Circular Economy Stakeholder Platform be consulted in order to align the policies with the current agenda and goals set by the EU for its Member States.</p>	<p>The Commission concurs that tackling food and textile waste is a priority.</p> <p>The provisions of the targeted amendment for a revision of the Waste Framework Directive (WFD) concerning extended producer responsibility (EPR) and the modulation (eco-modulation) of EPR fees on the basis of the ecodesign requirements, to be adopted pursuant the Commission's proposal for the Ecodesign for Sustainable Products Regulation<sup>94</sup>, are expected to incentivise more sustainable textile design leading to improved circularity of the sector. In addition, the proposed Article 22a(4) lists the costs to be covered by the EPR schemes, which include, <i>inter alia</i>, support for research and development to improve the sorting and recycling processes for textiles.</p> <p>The provisions included in the targeted amendment for a revision of the WFD aim at the prevention of textile waste and at the treatment of textiles in line with the waste hierarchy.</p> <p>The proposed EPR schemes are intended to operationalise the general minimum requirements included in the WFD in force<sup>95</sup>. According to its Article 8a, the fee paid by producers in the framework of an</p>

<sup>94</sup> [https://environment.ec.europa.eu/publications/proposal-ecodesign-sustainable-products-regulation\\_en](https://environment.ec.europa.eu/publications/proposal-ecodesign-sustainable-products-regulation_en)

<sup>95</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02008L0098-20180705>

	<p>EPR scheme can take into account the revenues from re-use, from sales of secondary raw material from its products and from unclaimed deposit fees. EU law on waste can regulate activities taking place within the territory of EU Member States and not the ones taking place in third countries.</p> <p>The Commission will continue promoting the Circular Economy Stakeholder Platform as a place for stakeholders to exchange information, as announced in the Circular Economy Action Plan.<sup>96</sup></p>
<p>2. The introduction of the mandatory extended producer responsibility system, which enforces the "polluter pays" principle, will <b>improve environmental protection</b> and should boost waste recovery and reuse activities in the European Union by setting new rules and targets for textile waste. However, the Committee suggests to reconsidering the position whereby the protection of micro-enterprises takes precedence over the polluters-pays principle. <b>(Amendment 1 and 2)</b></p>	<p>The proposal requires producers to take responsibility of managing the end-of-life of their products, while ensuring that the rules would not affect disproportionately micro enterprises and self-employed tailors, which have a small share on the market for textiles.</p> <p>The Commission has carefully assessed the economic and competitiveness impacts of this proposal on the small and medium-sized enterprises (SMEs). Indeed, microenterprises cover around 88% of the sector, representing 12% of the textile turnover. This means that 88% of the textile turnover would be covered under the EPR. For those 12% turnover originated by microenterprises that are not covered under the EPR scheme, the WFD provisions and other relevant EU law applies. This includes obligations for separate collection and potentially upcoming rules under the Ecodesign for Sustainable Products Regulation. While this approach does exempt a significant number of firms, it effectively encompasses the majority of the market's turnover, hence covering most products available. This proposed</p>

<sup>96</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2020%3A98%3AFIN>

	<p>approach, having been subject to an impact assesment, is designed to protect SMEs, especially those with fewer than 10 employees, from an excessive administrative burden.</p> <p>The fulfilment of the EPR would be exercised collectively by means of producer responsibility organisations, which would benefit from cost savings because of reduced administrative burden since they will not need to administrate a very large number of micro enterprises and self-employed contributing marginally to the EPR schemes.</p>
<p>2. The legislation needs to be clarified to ensure that textile garments and footwear do not become waste, but remain in the cycle as products. This is because as soon as they become waste, they are placed under a strictly regulated and complex legal regime governing waste treatment, under which preparation for re-use (e.g. sewing, washing, ironing) can only be carried out if waste management permits are held, which is not realistic. (<b>Amendment 3</b>)</p>	<p>Considering that used and waste textiles, textile-related and footwear products that are separately collected in accordance with Article 22c(5) are waste upon collection is important to ensure their treatment in line with the waste hierarchy.</p> <p>This provision aims at ensuring that used and waste textile are properly sorted and treated, and to avoid that textile waste is shipped under the guise of used textiles.</p> <p>The Commission proposal also includes a specific provision (art. 22c(5)(c)) to ensure that the separate collection system established by the Producer Responsibility Organisations collects free of charge the waste generated by social enterprises and other non-waste operators from textile, textile-related and footwear products collected through the connected collection points.</p> <p>In addition, in its recital 31., the Commission proposal clarifies that used clothes professionally assessed as fit for re-use by the re-use operators or social enterprises and social economy entities at the collection point from end-users should not be considered waste.</p>

	<p>Finally, as indicated in the Impact Assessment, data from the social enterprise sector indicates that the majority of those involved in the separate collection of waste, including social enterprises, already have the necessary waste management permits.</p>
<p>3. Supports the proposed requirement for NUTS 2 level surveys on textile waste – and proposes that a common methodology be established, to have the same rules at Member State level – whereby mixed municipal waste should be used to determine the amount of waste textiles and footwear, and proposes a territorial breakdown of the data currently available. <b>(Amendment 4)</b></p>	<p>Art. 22a(4)(b) of the Commission proposal requires MS to ensure that producers carry out compositional surveys of collected mixed municipal waste.</p> <p>To make sure that harmonised rules are in place, the Commission, according to the proposed Art. 22c(9), shall adopt implementing acts laying down the methodology for the calculation and verification of the separate collection rate.</p>
<p>4. At present, in practice, charities often sell clothing prepared for re-use and fund their own operations with the proceeds from these sales. Under the proposed rules, this revenue which would have to be reinvested in the extended producer responsibility system. This could jeopardise the survival of these organisations.</p> <p>It is proposed that in Art. 22c(3)(b) an exception is made for <i>social enterprises</i> in relation to this revenue. Thus, a financial settlement will not have to be concluded between extended producer responsibility schemes and charitable organisations where textiles and footwear donated free of charge to these organisations are not passed on by the charitable organisation free of charge. <b>(Amendment 5)</b></p>	<p>The Commission agrees with this point and considers that the proposal already addresses it.</p> <p>Art. 22c(3)(b) refers to the financial contributions paid to the Producer Responsibility Organisations by producers of textile, textile-related and footwear products listed in Annex IV.</p> <p>According to the proposed definition of 'Producer of textile, textile-related and footwear products listed in Annex IVc', social enterprises are not considered producers as they would likely be considered supplier of used textile and footwear products.</p> <p>Therefore Art. 22c(3)(b) would not apply to social enterprises.</p> <p>In addition, art. 22c(5)(a) provides for the collection, free of charge, of waste generated by social enterprises and other non-waste operators from such textile, textile-related and footwear products</p>

	collected through the connected collection points.
<p>5. The EESC draws attention, in relation to <u>food waste</u> prevention, to the fact that, in addition to the mandatory targets proposed under the legislation, the prospect of an infringement procedure seems premature for the residential sector, where Member States do not have a legislation and penalties toolkit, while more than half of waste occurs in households.</p>	<p>The Commission is of the view that experience gained in Member States which are front-runners shows that it is possible to achieve the 30% reduction target jointly in retail and other distribution of food, in restaurants and food services and in households, by 2030.</p> <p>Results and knowledge gained regarding the efficiency of food waste prevention initiatives, better tools and continued sharing of best practice through the EU Platform on Food Losses and Food Waste and the wide range of existing, ongoing and planned initiatives at EU level will support Member States in reaching the targets.</p> <p>The proposal also includes the application of an early warning mechanism, which is aimed to anticipate any implementation challenges, and to allow taking corrective action ahead of the deadlines for meeting the targets. Any possible infringement procedure would only be considered after 2030 and in full appreciation of the efforts undertaken by Member States.</p>
<p>6. The EESC calls on the European Commission to swiftly present its proposal for a revision of the Food Information to Consumers legislation, including provisions for improving date-marking and its understanding and use by consumers.</p>	<p>The Commission takes note of the view of Committee. The Commission’s work to review the Regulation on Food Information to Consumers is ongoing, including on date marking (‘use by’ and ‘best before’ dates). Given the complexity of this work, focus is on gathering robust evidence and data, particularly as regards the impact of food labelling on consumer behaviour.</p> <p>The EU Platform on Food Losses and Food Waste and its dedicated sub-group on date marking provides a forum for sharing – on an ongoing basis – experience, learning and</p>

	best practice in relation to date marking and food waste prevention.
7. Suggests that the concepts and terminology in relation to the prevention of food waste should be revised in order to ensure a uniform interpretation of the law; suggests that the definition of "food waste" be revised and does not need to cover mature and unharvested food, as it should be a circular part and efficient way to compost/fertilise the soil organically. <b>(Amendment 6)</b>	<p>While the Commission agrees with the importance of uniform interpretation of the legislation, it is of the view that the food waste definition included in Article 4a of the WFD as well as the scope of food waste measurement described in Decision (EU) 2019/1957 ensures clarity as regards the scope of obligations related to food waste prevention.</p> <p>The Commission clarifies that the definition of food waste does not cover mature and unharvested crops left on the fields or otherwise used on farms (see Article 2.1. of the WFD). It does however include food waste destined for composting, including home composting.</p>
8. The EESC suggests that farmers should be able to market less perfect but still edible products in line with recommendation No 16 of the European Citizens' Panel on Food Waste.	The Commission takes note of the view of the Committee and would like to inform that the Fruits and Vegetables marketing standards <sup>97</sup> , allows the marketing of fruit and vegetables that do not comply with EU or United Nations Economic Commission for Europe (UNECE) standards but are still safe and suitable for local or direct consumption.
9. The EESC suggests that composting be considered a natural cycle. Organic waste is also generated in our homes; on average, it makes up a third of household waste. The use of organic materials inevitably produces residual organic waste (e.g. vegetable and fruit peelings, coffee grounds, tea, grass, etc.). An environmentally conscious lifestyle should involve proper management and composting of this waste. This possibility is clearly a given for households with a garden, but attention must also be	The Commission agrees with this point and notes that composting, which is one of the ways of treating waste, is already addressed by the Waste Framework Directive (see art 22 on bio-waste). As the focus of the current proposal is on preventing the generation of food waste, recommendations related to waste treatment, such as composting, go beyond its scope.



<p>drawn to the importance of community composting in urban environments. The final product of composting is suitable for replenishing nutrients and fertilising, and is a climate-friendly and cost-saving solution. <b>(Amendment 6)</b></p>	
<p>10. The EESC suggests that the reduction of food waste should apply only to preventable waste and that waste that cannot be prevented should not be included in the waste methodology or in the reduction percentage. <b>(Amendments 7, 8, 9, 10)</b></p>	<p>The Commission agrees that there are parts of food waste which cannot be effectively prevented at household level and this has been considered in the proposed food waste reduction target levels.</p> <p>While setting food waste reduction targets that focus only on avoiding or preventing discarding the edible fractions of food could be considered, this cannot be achieved in the short-term. Today, there is no EU harmonised definition for what constitutes the edible and inedible fractions of food, and hence the part of food waste that could be considered as avoidable/preventable nor a methodology to quantify and monitor this fraction of such food when it is discarded.</p> <p>Reporting on the edible fraction of food that is discarded is possible on a voluntary basis, but so far, few Member States have made use of this possibility and the data vary significantly.</p> <p>Considering the urgency to reduce food waste in light of the ambition to reach the Sustainable Development Goals by 2030 and in order to put food systems on a sustainable footing within planetary boundaries, it was considered necessary to act in a timely manner on the basis of the available and agreed methodology.</p>
<p>11. The EESC calls attention in relation to food waste prevention to the fact that mandatory targets on primary production will be important in the future.</p>	<p>The Commission takes note of the view of the Committee.</p> <p>The current proposal focusses on those sectors where most food is wasted, which is</p>

	<p>mainly elsewhere than in primary production.</p> <p>Moreover, food discarded in primary production has a different environmental footprint as such food has not been subject to transport, storage (e.g. cooling) or further processing. Such food is also often entirely recycled on site.</p> <p>However, it may be considered in the future, in order to ensure a more integrated approach in reducing food waste along the whole food value chain.</p>
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<p><b>N°30    Impact of the energy crisis on the European economy (Own-initiative opinion) EESC 2023/493 – TEN/800 579<sup>th</sup> Plenary Session – June 2023 Rapporteur: Alena MASTANTUONO (CZ-I) DG ENER – Commissioner SIMSON</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.3. 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, as well as a loss of external economic competitiveness. Building on the ECB recommendations, the EESC suggests establishing a "Green triple-T" criterion so that future interventions are tailored, targeted and transition-proof. Untargeted price measures would only prolong the period of elevated inflation in the longer run.</p>	<p>The Commission agrees with the Committee. Public support in the area of energy (generation, distribution and consumption) should be targeted, timely, time-bound and focusing on reducing energy demand and favouring carbon-neutral energy sources.</p> <p>The Commission monitors, through the annual Energy Subsidies Report<sup>98</sup>, all energy-related subsidies and public support measures and works with Member States to ensure that such support measures are harmonised with the objectives of the European Green Deal.</p> <p>The Commission also maintains its position that subsidies or other government measures targeting fossil fuels should be phased out by Member States in order to comply with the international commitments of the European Union.</p> <p>In addition, a new pilot initiative, the Covenant of Companies for Climate and Energy (CCCE), has been launched to encourage and support European companies, and in particular the small and medium-sized enterprises (SMEs), to step up their contribution regarding clean energy transition and climate action. The initiative aims to provide practical, step-by-step guidelines and technical assistance, free of</p>

	<p>charge, to European companies, in particular SMEs, to help them take concrete actions contributing to the decarbonisation of their businesses. The hands-on assistance programme offers applicants a variety of services to choose from, including assistance in carrying out energy audits, assessing appropriate technologies, implementing clean energy projects, identifying avenues of financial support and many others. In fact, there are 17 services to choose from, depending on applicants' level of progress in their decarbonisation journey.</p>
<p>1.5. The EESC believes the EU needs to move beyond emergency fiscal responses and focus on structural changes to allow it to decouple from fossil fuels more quickly. To ensure its smooth and competitive economic development, the EU needs reliable and secure deliveries of affordable energy based on an integrated energy market with a large share of clean energy, which is resilient and able to face disruptions and shocks.</p>	<p>The Commission agrees with the Committee. This is why the Commission has not proposed a prolongation of the Council Regulation<sup>99</sup> on an emergency intervention to address high energy prices.</p> <p>The Commission also agrees on the need to implement changes that will allow the electricity market to decouple from fossil fuels more quickly, and this is one of the main objectives of the electricity market design reform where a provisional agreement has been reached with the co-legislators. The reform will make the energy bills of European consumers and companies more independent from the short-term market price of electricity, which is very often driven by volatile fossil fuel costs. The reform addresses this through an improvement of the way the long-term markets work and an acceleration of the deployment of renewables and thus a faster phase out of natural gas, making the system cleaner and more resilient to face disruptions and shocks.</p>
<p>1.6. It strongly endorses all policy steps to reduce inflation sustainably over the course of this year and is in favour of economic recovery</p>	<p>With the Net Zero Industry Act (NZIA) proposal (on which an agreement was reached with the co-legislators), as a part of</p>

<sup>99</sup> <https://eur-lex.europa.eu/eli/reg/2022/1854>

<p>based on investments in the green, digital and strategically important sectors and industries, supporting the EU industrial base and global competitiveness, while using all of advantages of the single market. It is absolutely vital that production of clean technologies becomes a business case for Europe. The social partners want to ensure, at all costs, that knowledge, skills and the production base do not leave Europe. To ensure smart independence, industry – and the jobs it creates – has to stay in Europe. Therefore, being competitive and creating quality jobs must become a way of life and central to making and implementing our policies.</p>	<p>the Green Deal Industrial Plan, the Commission has a once-in-a-generation opportunity. It is an opportunity to secure the EU's industrial lead in the fast-growing sector of net-zero technologies, to scale up manufacturing of clean technologies in the EU and make sure the Union is well-equipped for the clean energy transition. The global market for key mass-manufactured net-zero technologies is set to triple by 2030 with an annual worth of around EUR 600 billion. Seizing this opportunity would mean turning skills into quality jobs and innovation into mass production. For the European society, it would mean fostering green growth and green prosperity. The NZIA will accelerate the progress towards the EU's 2030 climate and energy targets and the transition to climate neutrality, while boosting the competitiveness of EU industry, creating quality jobs, and supporting the EU's efforts to become energy independent.</p>
<p>1.7. The implementation of the Green Deal including the transition to a carbon neutral economy and maintenance of a competitive EU industry requires vast investments from public and private sources. However, the EU lacks a long-term framework for robust financing of the Green Deal implementation. The EESC therefore asks for an adequate framework in order to support measures financing the transition to a climate neutral economy in a simple and efficient manner.</p>	<p>The EU has put forward significant funding possibilities to support the transition. The EU multi-annual budgetary framework (MFF), strengthened by the recovery instrument NextGenerationEU, makes over EUR 2 trillion in funding available to support the energy transition between 2021 and 2027. Thirty percent of this amount will need to be dedicated to measures supporting climate-related objectives. This includes decarbonising energy production and use including in industry or transport as well as other sectors. A number of EU budgetary programmes as well as the Emissions Trading System (ETS) based funds (Modernisation Fund and Innovation Fund) support projects in areas key for achieving climate neutrality such as renewable energy generation, energy efficiency, electricity networks, and hydrogen. The main</p>

	<p>instruments include the Recovery and Resilience Facility (RRF), strengthened with additional EUR 20 billion and voluntary transfers from other funds, CEF-Energy supporting cross-border infrastructure and renewables, cohesion policy funds, Horizon Europe for research and innovation projects as well as InvestEU, the latter being an EU budgetary guarantee instrument seeking to mobilise EUR 372 billion of investments.</p> <p>Cohesion Policy is investing EUR 93 billion in 2021-2027 for deploying renewables, implementing sustainable water management plans and investments, decarbonising energy supply and fully transitioning to a circular economy.</p> <p>Regions affected by the transition to climate neutrality, specifically coal and carbon-intensive regions, can rely on the Just Transition Fund (JTF) with a budget of about EUR 19 billion. The Fund was created to alleviate the socio-economic impacts and invests in skills and economic diversification. These investments also target at creating resilient and future-proof economies.</p> <p>Following the NZIA, the Strategic Technologies for Europe Platform ('STEP') aims at preserving the European edge on critical and emerging technologies relevant to the green and digital transitions, and net-zero technologies.</p> <p>Nevertheless, even with these significant efforts, it is clear that public finance will not be enough to cover the substantial investments needs of the green transition. In this context, mobilising private capital will be of key importance.</p>
<p>3.1. The EESC stresses that the main cause of the crisis was the EU's high dependence on</p>	<p>For years, Europe had been dependent on Russia for approximatively half of its</p>

Russia's gas supplies and proposes setting a long-term vision which will make the EU less energy-dependent on third countries; this also includes independence with regard to clean technologies. The EESC underscores that all EU and national measures must incentivise this strategic shift to secure Europe's strategic autonomy.

natural gas imports. This dependency made the European economy and citizens vulnerable to price fluctuations and to the manipulations with the gas supply. The REPowerEU Plan<sup>100</sup> sets the trajectory to increase our energy autonomy by phasing out Russian fossil fuels before 2030 and by accelerating the development of renewables and energy efficiency. The EU makes good progress on the implementation of the Plan with immediate impacts regarding the Russian fossil phase out. In less than a year, EU pipeline gas imports from Russia fell to less than 10%.

Pushing forward the green transition also means reducing our dependency from fossil energy imports. However, currently, Europe is a net importer of net-zero energy technologies and of critical raw materials needed for the clean energy transition. That constitutes a risk to replace our dependency from fossil fuels with industrial and technological dependencies in the field of clean technologies, and with dependencies on a few suppliers of critical raw materials. Therefore, scaling up our net-zero industry manufacturing base, as well as ensuring the security of supply of critical raw materials, also means scaling up our resilience and strategic autonomy. In this context, the Commission has put forward the Green Deal Industrial Plan and the Net-Zero Industry Act, which will not only lead to more energy resilience but also foster green growth and green jobs. The Commission further proposed the Critical Raw Materials Act, consequently enabling the EU to build up the energy sector in terms of renewables and clean energy technologies. A focus here lies also on diversifying the supply chains

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<sup>100</sup> [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_22\\_3131](https://ec.europa.eu/commission/presscorner/detail/en/ip_22_3131)

	to ensure resilience and preparedness in times of crisis.
<p>3.3. The energy-saving measures made by households and businesses helped avert any serious risk of energy shortages. However, it should not go unnoticed that some savings were made only because of the shutdown of business activities. The most vulnerable industries in the crisis logically include the most energy-intensive ones (chemical industry, producers of fertilisers, steel industry and ironworks). Special attention should be paid to them in terms of their energy transition as well as the risk of EU deindustrialisation (carbon leakage).</p>	<p>To answer Russia’s weaponisation of gas supply, the EU has adopted in 2022 the Gas Demand Reduction Regulation<sup>101</sup>. Following its implementation, between August 2022 and March 2023, the EU has reduced its gas consumption by 18%, saving 53bcm of gas, keeping its storages to historic high levels at the end of the heating season (55%). Main demand reduction has been achieved in the industrial and residential sectors. The Commission is monitoring the long-term impact of the energy crisis on the European industrial sector.</p> <p>Sustainable production of fertilisers in the EU is key to our open strategic autonomy and our continued contribution to global food security. The Commission's Communication on fertilisers adopted in November 2022 outlines short to long term measures for this sector in the transition to a fully decarbonised economy, including the substitution, whenever possible, of mineral fertilisers by organic fertilisers.</p> <p>In addition, the European Commission notes the importance of the need to increase the resilience of the EU chemical industry, while fostering its sustainability and competitiveness.</p> <p>To this end, the Commission has published the Transition Pathway for the Chemical Industry in January 2023.<sup>102</sup> It is a detailed roadmap co-developed by the European Commission with EU countries, chemical industry stakeholders, non-governmental organizations (NGOs), and other interested parties. In line with the 2021 updated</p>

<sup>101</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32022R1369>

<sup>102</sup> <https://ec.europa.eu/docsroom/documents/54595>



	<p>Industrial Strategy, the Pathway highlights about 190 actions needed for the digital and green transition as well as increased resilience of the EU chemical industry. For each action the Pathway indicates the actor that should implement that action and the timeframe for implementation.</p> <p>Following the publication, the Commission has started working with stakeholders in March 2023 on co-implementing the actions highlighted in the Pathway. The co-implementation process is key to achieve the twin transition and increase the resilience of the EU chemical industry. As part of this process, the Commission has launched in July 2023 a call for transition initiatives and published the first set in December 2023. Through this process, businesses, national authorities and other organisations have the opportunity to share how they are contributing and intend to contribute to a greener, more digital and more resilient EU chemical industry. (e.g. through investments in green-technologies and CO2 emissions reduction).</p>
<p>3.4. The basis of the green transition is a strong and interconnected energy infrastructure, which has suffered severe underinvestment in recent years. Infrastructure investment and upgrading will play a key role in the coming years. Therefore, it is important that new rules send a clear and long-term signal to investors. However, the capacity of SMEs to invest in the energy transition has been very limited since the initial crisis (COVID-19) broke out. The reforms must respect the goals of the EU energy policy in terms of the green transition, resilience and social welfare, as well as the huge differences among the energy mix structures of</p>	<p>The Commission considers, indeed, that a strong and interconnected energy infrastructure is essential for the green transition. For this reason, one of the first actions of the Commission after the Green Deal Communication was to proceed with the revision of the Trans-European Networks for Energy framework.<sup>103</sup> The revised Regulation entered into force in June 2022 and facilitates the development of the necessary energy infrastructure to enable the implementation of the Green Deal: introduction of renewable and low carbon hydrogen infrastructure and</p>

<sup>103</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.L.2022.152.01.0045.01.ENG&toc=OJ%3AL%3A2022%3A152%3ATOC>

<p>particular Member States. The crisis has had a serious impact on investment certainty.</p>	<p>enhancing the development of electricity grids, including the necessary infrastructure to integrate offshore renewables. The Commission published the first list of projects based on the revised TEN-E Regulation in November 2023.</p> <p>Investments in energy infrastructure have increased exponentially over the past decade since the enactment of the TEN-E policy. However, since the European energy system is subject to several parallel transformations to ensure the energy transition, and not only, infrastructure investments need to be significantly accelerated.</p>
<p>3.7. The EESC is well aware that huge financial resources are needed for this process. The green transition will not be possible without investment in research, innovation, infrastructure and people who should be properly prepared via education, upskilling and reskilling. Despite the large sums under new EU financing programmes proposed for this purpose, national public and private sources are absolutely essential to make this a reality. The EESC highlights a need for simple, efficient and easy-access financing and calls for innovative methods to engage private capital via financial instruments. The EESC also takes into account the broadened role of State aid support and financing for a targeted purpose, but recommends ensuring a level playing field in the EU.</p>	<p>As shown in the yearly Competitiveness Progress Reports<sup>104</sup>, the EU is at the forefront of clean energy research, with research and innovation (R&amp;I) investment steadily growing. However, the Commission agrees that more public and private investments in clean energy research and innovation are key to address the challenges and exploit the opportunities of the EU clean energy technologies. Although many funding dynamics are positive, structural barriers and societal challenges are still holding back EU-based climate tech scale-ups, in comparison with other major economies. Several Union funding programmes, such as the Recovery and Resilience Facility, InvestEU, cohesion policy or the Innovation Fund are available to support investments in net-zero technology manufacturing projects. On top of that, the Net Zero Industry Act proposal foresees to support net-zero strategic project promoters in their efforts to raise private funding and aims at safeguarding a diversified access to net-zero industry</p>

	<p>technologies in the future. Public authorities would have to apply sustainability (climate and environmental) and resilience (diversification) criteria when purchasing net-zero technologies, designing auctions to deploy net-zero technologies and providing public incentives schemes for their citizens.</p> <p>The European Skills Agenda strongly promotes an approach based on partnerships between all public and private stakeholders. This is especially visible in the Pact for Skills, its flagship actions. Within the Pact twenty large-scale partnerships have been set up to address skills challenges in all sectors of the European industrial strategy. For example, the renewable energy ecosystem<sup>105</sup> includes partnerships on Offshore renewable energy and on the Digitalisation of the energy value chain.</p>
<p>4.1. The EESC calls upon the European Commission and its co-legislators to do their utmost to secure a consensus on the key market design parameters and categories. For example, in the case of PPAs, it would be a good idea to define common EU rules on public tenders for them, requirements for related state guarantees, or a framework for incentives for business to utilise the full potential of PPAs. The EESC would like to see results soon. Otherwise, owing to the lack of transparency and long-term predictability, investors will postpone their investment decisions or leave the market and the investments will not be made until the framework is absolutely clear to them.</p>	<p>The Commission supports the use and the development of the Power Purchase Agreements (PPAs) as a way to promote the development of new renewable projects and for customers to make the energy bills more independent from the short-term market price of electricity, very often driven by volatile fossil fuel costs.</p> <p>The Renewable Energy Directive already obliges Member States to remove regulatory and administrative barriers for this kind of contracts. These provisions are further enhanced in the revision that entered into force in 2023.</p> <p>Furthermore, the recently agreed electricity market design reform includes a number of measures further enhancing the development of PPAs in general, and in particular, for those customers facing barriers to entry to the PPA market. In this</p>

<sup>105</sup> [https://pact-for-skills.ec.europa.eu/about/industrial-ecosystems-and-partnerships/renewables\\_en](https://pact-for-skills.ec.europa.eu/about/industrial-ecosystems-and-partnerships/renewables_en)

	<p>respect, the proposal provides that Member States shall facilitate PPAs. It obliges Member States to ensure that, to reduce the financial risks, instruments such as guarantees schemes at market prices associated to off-taker payment default are available to customers facing barriers to entry to the PPA market. The Renewable Energy Directive also obliges Member States to allow projects that apply for support schemes to reserve part of the electricity for sale through PPAs. Member States should endeavour to use evaluation criteria in these support schemes to incentive the access for customers facing barriers to entry to the PPA market.</p>
<p>4.4. The EESC firmly supports a strengthened system of consumer protection as a lesson from the impact of the current energy crisis on customers. This means a comprehensive service, including legal protection, information and advisory services, detailed instructions, best practice sharing, etc. Special attention should be paid to those at risk of energy poverty.</p>	<p>The Commission agrees with the Committee. During the crisis, the need for enhanced consumer protection was obvious. The main tool for protecting consumer is the Clean Energy Package and its rigorous implementation. The Commission also introduced provisions to reinforce the consumer protection within the electricity market design reform, for all consumers, and in particular energy poor, notably by reinforcing pre-contractual information, banning on disconnections and giving consumers more choice for contracts. The Commission also published an updated recommendation on energy poverty in 2023.</p>

<p><b>N°31 Individual and collective energy self-consumption as a factor in the fight for the green and energy transition, and for economic and social balance (Own-initiative opinion)</b>  <b>EESC 2023-00714 – TEN/801</b>  <b>582<sup>nd</sup> Plenary Session – October 2023</b>  <b>Rapporteur: Pierre Jean COULON (FR-II)</b>  <b>DG ENER – Commissioner SIMSON</b></p>	
<p><b>Points of the European Economic and Social Committee opinion considered essential</b></p>	<p><b>European Commission position</b></p>
<p>1.2. The EESC considers that local and regional authorities need to favour 'extended collective' self-consumption projects. The societal dimension of self-generation and the fight against energy poverty are after all part of the equation. Allowing greater flexibility for local and regional authorities to use surplus could mitigate the risk of a social divide caused by the emergence of 'private energy preserves' for consumers who are sufficiently well-off to invest in means of production and ultimately pay less for their energy</p>	<p>The provisional agreement on the Electricity Market Design Reform (EMD) introduces a right to energy sharing in Article 15a with the aim to facilitate the uptake of 'extended collective self-consumption' schemes by amongst others public bodies, including for the purpose of addressing energy poverty. The Commission's recent Energy Poverty Recommendation<sup>106</sup> also recognises the major role of municipalities in making collective self-consumption schemes open and accessible to households affected by energy poverty. The Commission will set up a Prosumer Repository in 2024 to provide technical assistance to public authorities to help set up such schemes.</p>
<p>1.3. Not everyone can produce renewable energy at home, often because they do not own their homes or do not have the financial means to do so. The EESC therefore believes that it would be useful to make it possible for everyone to use electricity produced outside the immediate vicinity of the individual or collective self-generation installation. It would also be sensible to make it easier for the most vulnerable part of the population,</p>	<p>The right to energy sharing in Article 15a in the provisional agreement on the EMD facilitates access to off-site generation and storage facilities across the bidding zone or within a more limited geographical area for those consumers that do not have the financial means or available space to install renewable energy sources (RES) installations. Under the proposal, Member States have the obligation to ensure accessibility of</p>

<sup>106</sup> (EU) 2023/2407 of 20 October 2023

<p>including those living in energy poverty, to generate and use their own energy.</p>	<p>such schemes for energy poor and vulnerable customers, whether through production allocation quota or financial support. In particular, Member States need to do their utmost to promote that at least 10% on average of the energy shared is accessible to vulnerable or energy poor customers or citizens.</p>
<p>1.4. Taking an educational approach and providing clarity on the way the data collected are used, further consideration should be given to promoting the widespread use of smart meters compatible throughout the EU and the pooling of generation and storage equipment as ways to standardise self-generation and make it affordable. In this vein, the grid also needs to be modernised</p>	<p>Pursuant to the Electricity Market Directive,<sup>107</sup> the roll out of smart meters hinges on a positive cost-benefit assessment that needs to be revised every four years. According to the 2022 ACER/CEER Market Monitoring Report, nine Member States have either a pending, inconclusive, negative or no cost-benefit assessment. Where the deployment of smart metering systems is assessed positively, at least 80 % of final customers shall be equipped with smart meters either within seven years of the date of the positive assessment or by 2024 for those Member States that have initiated the systematic deployment of smart metering systems before 4 July 2019. On the basis of Article 24 of the Electricity Market Directive, the Commission adopted on 6 June 2023 its first implementing act to improve access to metering and consumption data, contributing to consumer awareness and knowledge of consumption data and patterns.</p> <p>As regards the pooling of distributed assets for the purpose of standardising and optimising self-generation, the provisions on aggregator and citizen energy communities allow for the pooling of such resources. Through HorizonEurope projects such as</p>

<sup>107</sup>

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32019L0944>

	<p>REScoopVPP<sup>108</sup>, the Commission is funding research and development with regard to cooperative driven virtual power plants. The ongoing work on the Network Code on Demand-Response will further ensure the accessibility to relevant flexibility markets for these categories of actors and virtual power plants to help optimise grid use.</p> <p>The provisional agreement on the EMD further promotes the use of data from dedicated measurement devices for the purpose of unleashing demand-response and flexibility services. Moreover, through energy sharing, multiple active customers with different assets and loads will be able to coordinate and balance their supply and demand within the imbalance settlement period.</p>
<p>1.6. The EESC plans to update this opinion and issue fresh conclusions and recommendations in the light of the Commission studies on this subject and the study on energy poverty, which are to be published at the end of 2023.</p>	<p>The Commission’s study on self-consumption (ENER/C4/2022-397–under framework contract ENER/2020/OP/0021) is planned to be finalised by the end of this year and will be published in quarter 3-4 of 2024. The Staff Working Document<sup>109</sup> and Recommendation on Energy Poverty has been adopted on 20 October 2023.</p>
<p>2.6. It also encourages the development of citizen energy communities as referred to in Article 16 of Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on recast of common rules for the internal market for electricity.</p>	<p>Through the Rural Energy Community Advisory Hub and Energy Communities Repository, the Commission has provided direct technical assistance to more than 50 energy communities across the EU from 2022-2023. In 2024, the Energy Communities Facility will integrate both initiatives and provide grants to energy communities to procure services to develop business plans. EU</p>

<sup>108</sup> <https://www.rescoopvpp.eu/>

<sup>109</sup> [https://energy.ec.europa.eu/system/files/2023-10/SWD\\_2023\\_647\\_F1\\_OTHER\\_STAFF\\_WORKING\\_PAPER\\_EN\\_V5\\_P1\\_3016190.PDF](https://energy.ec.europa.eu/system/files/2023-10/SWD_2023_647_F1_OTHER_STAFF_WORKING_PAPER_EN_V5_P1_3016190.PDF)

	<p>cohesion policy funds for the period 2021-2027 provide substantial support in setting up energy communities in almost all EU Member States, jointly with other EU funds such as, Horizon Europe, LIFE, Just Transition Fund, Recovery and Resilience Facility, the Modernisation fund, and the Common Agricultural Policy funds</p>
<p>3.8. The EESC notes that abuse and fraud committed by 'ecocriminals' also prevent self-consumption from developing smoothly. These are sales representatives and independent actors who take advantage of people's enthusiasm for energy self-consumption, and solar energy in general, to mislead people with inaccurate sales pitches, promises of huge savings, state aid that does not exist and disguised consumer credits. Professionals in this sector have reacted by creating guides to fight scams, but the trust of the energy self-consumer is still not guaranteed.</p>	<p>Pursuant to Article 15a (6) of the revised Renewable Energy Directive,<sup>110</sup> Member States need to provide adequate information on renewable energy and available incentives in the context of heating and cooling. In addition, the Directive also mandates Member States to create certification schemes for renewable energy installers and make them public.</p> <p>In the EU Solar Energy Strategy,<sup>111</sup> the Commission also calls on Member States to put in place integrated one-stop-shops that provide citizens information advice on both energy efficiency measures and solar energy projects, including information on investment costs, available financial support, return on investment, as well as the technical requirements and administrative steps.</p>
<p>3.9. Digital tools for sharing data which monitor consumption pose problems in terms of data protection and processing and the security of the servers storing those data. Will the "energy ombudsman" provided for in 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<sup>7</sup> , currently being reviewed<sup>8</sup> , be sufficient or even competent in the event of a</p>	<p>On the basis of Article 24 of the Electricity Market Directive, the Commission adopted on 6 June 2023 its first implementing act to improve access to metering and consumption data, contributing to consumer awareness and knowledge of consumption data and patterns. As regards personal data, the implementing act recalls that the General Data Protection Regulation is applicable.</p>

<sup>110</sup> <https://eur-lex.europa.eu/eli/dir/2023/2413/oj>

<sup>111</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2022%3A221%3AFIN>



<p>dispute between private individuals? This would mean extending the remit of the ombudsmen.</p>	<p>As regards their consumption and metering data, final customers will have to give their permission for third party to access and use this data.</p> <p>The right to energy sharing in Article 15a of the provisional agreement on EMD ensures that active customers engaged in energy sharing can access out of court dispute settlement mechanisms, including the energy ombudsmen, when it comes to disputes over energy sharing arrangements/agreements.</p>
<p>3.13. Local and regional authorities and civil society will therefore be at the forefront in implementing the energy transition and will have a key role to play in fostering the development of extended collective self-consumption projects. However, it is also necessary to strengthen and stabilise the regulatory framework and provide financial incentives such as investment premiums for individual self-consumption, guarantee tax exemption and contribute to network costs for the energy consumed, not penalise low self-generation rates, build confidence in the photovoltaic and wind power sectors by combating ecocriminals, allow the re-sale of the surplus on the electricity market, and allow links between individual and collective self-consumption in cases of limited use.</p>	<p>The revised Renewable Energy Directive preserves the right of all consumers to become self-consumers and to receive remuneration for the electricity they feed into the grid. The EU Solar Energy Strategy calls on Member States to incentivise prosumers through a supporting and enabling policy framework, covering investment subsidies, feed-in tariffs, exemptions from certain taxes or the possibility to sell excess electricity to other consumers or directly in the market. Some Member States have made use of their Recovery and Resilience Plan to provide investment support for consumers to become self-consumers. Self-consumption from local authorities, SMEs and ordinary citizens is also the focus of EU cohesion policy funds intervention in the renewable energy sector, where more than EUR 9 billion are planned for the period 2021-2027. Among other things, the new State aid Climate, Energy and Environmental Aid Guidelines (CEEAG) include exemptions from mandatory competitive bidding processes to allocate aid and determine the aid level for small projects, including those below or equal to 1 MW</p>

	<p>of installed capacity. In addition, the 2021 proposal for the revision of the Energy Taxation Directive continues to allow Member States not to tax electricity of solar origin.</p>
<p>3.14. Encouraging municipalities to favour extended collective self-consumption projects is also part of the equation, along with allowing more flexibility for regional authorities to use the surplus, particularly with a view to combating energy poverty and reducing the social divide caused by the emergence of 'private energy preserves' for consumers who are sufficiently well-off to invest in means of production and ultimately pay less for their energy.</p> <p>The EESC points out that in a recent survey the majority (57%) of energy communities identified energy poverty as a significant or very significant problem, but relatively few are taking significant action to tackle it. Vulnerable households do not feel that they are properly aware of or informed about the technical and financial support available to them. What is more, some households do not have the wherewithal to opt into energy communities or can be reluctant to ask for help, either because they are worried about being stigmatised or, sometimes, because they do not trust these communities. This occurs when electricity suppliers are themselves part of energy communities. Specific programmes and targets for vulnerable and energy poor households are therefore needed</p>	<p>The Commission recommendation on Energy Poverty as well as the accompanying Staff Working Document sets out the major role that municipalities play in diagnosing and in directly addressing energy poverty and delivering services to energy poor. They could, ideally in cooperation with social workers on the ground, address energy poverty in the local context and solutions. They can also play a major role in making collective self-consumption schemes open and accessible to households affected by energy poverty, especially in cases where entry would otherwise entail financial requirements, and of complex administrative procedures and costs. Municipalities also have a role to play regarding addressing energy poverty when it comes to</p> <p>Energy sharing schemes beyond energy communities, as enabled by provisional agreement on EMD can help facilitate direct access to renewable energy for these categories of consumers, especially where upfront investments are not required (e.g., when public authorities share excess electricity for free or at an affordable price).</p> <p>The Social Climate Fund will mobilise an estimated EUR 86.7 billion to help the most vulnerable Europeans. These funds can also be used to facilitate direct access to renewable energy for energy poor and vulnerable households, including</p>

	through energy sharing and energy communities.
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