

**FOLLOW-UP PROVIDED BY THE COMMISSION TO THE OPINIONS  
OF THE**

**EUROPEAN ECONOMIC AND SOCIAL COMMITTEE**

**PLENARY SESSION OF JULY 2018<sup>1</sup>**

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<sup>1</sup> Including the follow-up to one opinion adopted during the January 2018 plenary session and one opinion adopted during the April 2018 plenary session.

N°	Title	References
<b>DG GROW</b>		
1.	<p><b>The application of the Euro 5 step to the type-approval of two- or three- wheel vehicles and quadricycles</b></p> <p>Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 168/2013 as regards the application of the Euro 5 step to the type-approval of two- or three- wheel vehicles and quadricycles</p> <p>Rapporteur: Mr Gerardo LARGHI (GRIT-IT)</p>	<p>COM(2018) 137 final – 2018/0065 COD</p> <p>EESC-2018-02263-00-00-AC-TRA</p> <p>INT/849</p>
2.	<p><b>Promoting SMEs in Europe with a special focus on a horizontal legislative SME approach and respect of the SBA's "think small first"</b></p> <p>Rapporteur: Ms Milena ANGELOVA (GRI-BG) Co-rapporteur: Mr Panagiotis GKOFAS (GRIT-EL)</p>	<p>EESC-2017-04540-00-00-AS-TRA</p> <p>INT/832</p> <p>Exploratory opinion requested by the Bulgarian presidency</p> <p><b>Opinion adopted during the plenary session of January 2018</b></p>
3.	<p><b>The LeaderSHIP 2020 strategy as a vision for the maritime technology industry: towards an innovative, sustainable and competitive maritime industry in 2020</b></p> <p>Rapporteur: Mr Marian KRZAKLEWSKI (GRIT-PL) Co-rapporteur: Mr Patrizio PESCI (IT)</p>	<p>EESC-2017-02892-00-00-AS-TRA</p> <p>CCMI/152</p> <p>Own-initiative opinion</p> <p><b>Opinion adopted during the plenary session of April 2018</b></p>

<b>DG EMPL</b>		
4.	<p><b>Transition management in a digitalised world of work</b></p> <p>EU concepts for transition management in a digitalised world of work – key input for an EU White Paper on the future of work</p> <p>Rapporteur: Ms Franca SALIS-MADINIER (GRII-FR) Co-rapporteur: Mr Ulrich SAMM (GRI-DE)</p>	<p>EESC-2018-01730-00-00-AC-TRA</p> <p>SOC/578</p> <p>Exploratory opinion requested by the Austrian presidency</p>
5.	<p><b>The situation of women with disabilities</b></p> <p>Rapporteur: Ms Gunta ANČA (GRIII-LV)</p>	<p>EESC-2018-01639-00-00-AC-TRA</p> <p>SOC/579</p> <p>Exploratory opinion requested by the European Parliament</p>
<b>DG ENV</b>		
6.	<p><b>Monitoring framework for the circular economy (communication)</b></p> <p>Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on a monitoring framework for the circular economy</p> <p>Rapporteur: Mr Cillian LOHAN (GRIII-IE) Corapporteur: Ms Tellervo KYLÄ-HARAKKA-RUONALA (GRI-FI)</p>	<p>COM(2018) 29 final</p> <p>EESC-2018-00464-00-00-AC-TRA</p> <p>NAT/722</p>
7.	<p><b>Recast of Regulation 850/2004 on persistent organic pollutants (POPs)</b></p> <p>Proposal for a Regulation of the European Parliament and of the Council on persistent organic pollutants (recast)</p> <p>Rapporteur: Mr Brian CURTIS (GRII-UK)</p>	<p>COM(2018) 144 final – 2018/0070 COD</p> <p>EESC-2018-01688-00-00-AC-TRA</p> <p>NAT/719</p>

8.	<p><b>Quality of water for human consumption (recast)</b></p> <p>Proposal for a Directive of the European Parliament and of the Council on the quality of water intended for human consumption (recast)</p> <p>Rapporteur: Mr Gerardo LARGHI (GRI-IT)</p>	<p>COM(2017) 753 final - 2017/0332 COD</p> <p>EESC-2018-01285-00-00-AC-TRA</p> <p>NAT/733</p>
<b>DG CNECT</b>		
9.	<p><b>Modernisation of the regulations establishing an .eu top-level domain name</b></p> <p>Proposal for a Regulation of the European Parliament and of the Council on the implementation and functioning of the .eu top level domain name and repealing Regulation (EC) No 733/2002 and Commission Regulation (EC) No 874/2004</p> <p>Rapporteur: Mr Philippe DE BUCK (GRI-BE)</p>	<p>COM(2018) 231 final - 2018/0110 COD</p> <p>EESC-2018-02477-00-00-AC-TRA</p> <p>TEN/663</p>
<b>DG TAXUD</b>		
10.	<p><b>Taxation of profits of multinationals in the digital economy</b></p> <p>Proposal for a Council Directive laying down rules relating to the corporate taxation of a significant digital presence</p> <p>Proposal for a Council Directive on the common system of a digital services tax on revenues resulting from the provision of certain digital services</p> <p>Rapporteur: Mr Krister ANDERSSON (GRI-SE) Co-rapporteur: Mr Petru SORIN DANDEA (GRII-RO)</p>	<p>COM(2018) 147 final - 2018/0072 CNS</p> <p>COM(2018) 148 final - 2018/0073 CNS</p> <p>EESC-2018-01556-00-00-AC-TRA</p> <p>ECO/459</p>
11.	<p><b>Union Customs Code (Amendment)</b></p> <p>Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 952/2013 laying down the Union Customs Code</p> <p>Rapporteur: Mr Antonello PEZZINI (GRI-IT)</p>	<p>COM(2018) 259 final - 2018/0123 COD</p> <p>EESC-2018-02825-00-00-PAC-TRA</p> <p>INT/862</p>

<b>DG HOME</b>		
12.	<p><b>Revision of the Regulation on marketing and use of explosives precursors</b></p> <p>Proposal for a Regulation of the European Parliament and of the Council on the marketing and use of explosives precursors, amending Annex XVII to Regulation (EC) No 1907/2006 and repealing Regulation (EU) No 98/2013 on the marketing and use of explosives precursors</p> <p>Rapporteur: Mr David SEARS (GRI-UK)</p>	<p>COM(2018) 209 final – 2018/0103 COD</p> <p>EESC-2018-02235-00-01-AC-TRA</p> <p>INT/850</p>
13.	<p><b>Rules facilitating the use of financial and other information in criminal cases</b></p> <p>Proposal for a Directive of the European Parliament and of the Council laying down rules facilitating the use of financial and other information for the prevention, detection, investigation or prosecution of certain criminal offences and repealing Council Decision 2000/642/JHA</p> <p>Rapporteur-general: Mr Victor ALISTAR (GRIII-RO)</p>	<p>COM(2018) 213 final – 2018/0105 COD</p> <p>EESC-2018-02736-00-00-PAC-TRA</p> <p>SOC/595</p>
<b>DG FISMA</b>		
14.	<p><b>SEPA/Extension - Single Euro Payments Area extension</b></p> <p>Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 924/2009 as regards certain charges on cross-border payments in the Union and currency conversion charges</p> <p>Rapporteur: Mr Daniel MAREELS (GRI-BE)</p>	<p>COM(2018) 163 final – 2018/0076 COD</p> <p>EESC-2018-01993-00-00-AC-TRA</p> <p>INT/847</p>
15.	<p><b>Non-performing loans package</b></p> <p>Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 575/2013 as regards minimum loss coverage for non-performing exposures</p> <p>Proposal for a Directive of the European Parliament and of the Council on credit servicers, credit purchasers and the recovery of collateral</p> <p>Rapporteur: Mr Juan MENDOZA CASTRO (GRII-ES)</p>	<p>COM(2018) 134 final – 2018/0060 COD</p> <p>COM(2018) 135 final – 2018/0063 COD</p> <p>EESC-2018-01109-00-00-AC-TRA</p> <p>ECO/451</p>

<p>16.</p> <p>DG JUST co-lead</p>	<p><b>Reducing barriers to cross-border distribution of investment funds</b></p> <p>Proposal for a Directive of the European Parliament and of the Council amending Directive 2009/65/EU of the European Parliament and of the Council and Directive 2011/61/EU of the European Parliament and of the Council with regard to cross-border distribution of collective investment funds</p> <p>Proposal for a Regulation of the European Parliament and of the Council on the law applicable to the third-party effects of assignments of claims</p> <p>Proposal for a Regulation of the European Parliament and of the Council on facilitating cross-border distribution of collective investment funds and amending Regulations (EU) 345/2013 and (EU) 346/2013</p> <p>Rapporteur: Mr Petr ZAHRADNÍK (GRI-CZ)</p>	<p>COM(2018) 92 final – 2018/0041 (COD)</p> <p>COM(2018) 96 final – 2018/0044 (COD)</p> <p>COM(2018) 110 final – 2018/0045 COD</p> <p>EESC-2018-01533-00-00-AC-TRA</p> <p>ECO/452</p>
<p>17.</p>	<p><b>European covered bonds framework</b></p> <p>Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 575/2013 as regards exposures in the form of covered bonds</p> <p>Proposal for a Directive of the European Parliament and of the Council on the issue of covered bonds and covered bond public supervision and amending Directive 2009/65/EC and Directive 2014/59/EU</p> <p>Rapporteur: Mr Daniel MAREELS (GRI-BE)</p>	<p>COM(2018) 93 final – 2018/0042 COD</p> <p>COM(2018) 94 final – 2018/0043 COD</p> <p>EESC-2018-01058-00-00-AC-TRA</p> <p>ECO/453</p>
<p>18.</p>	<p><b>Financial Technology (FinTech) (communication)</b></p> <p>Communication from the Commission to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee and the Committee of the Regions - FinTech action plan: for a more competitive and innovative European financial sector</p> <p>Rapporteur: Mr Petru Sorin DANDEA (GR11-RO)</p>	<p>COM(2018) 109 final</p> <p>EESC-2018-01056-00-00-AC-TRA</p> <p>ECO/454</p>

19.	<p><b>Crowd and peer-to-peer finance</b></p> <p>Proposal for a Directive of the European Parliament and of the Council amending Directive 2014/65/EU on markets in financial instruments</p> <p>Proposal for a Regulation of the European Parliament and of the Council on European crowdfunding service providers for business</p> <p>Rapporteur: Mr Daniel MAREELS (GRI-BE)</p>	<p>COM(2018) 99 final – 2018/0047 COD</p> <p>COM(2018) 113 final – 2018/0048 COD</p> <p>EESC-2018-01108-00-00-AC-TRA</p> <p>ECO/455</p>
<b>DG ENER</b>		
20.	<p><b>The effects of a new carbon-free, decentralised and digitalised energy supply structure on jobs and regional economies</b></p> <p>Rapporteur: Mr Lutz RIBBE (GRIII-DE)</p>	<p>EESC-2018-00984-00-00-AC-TRA</p> <p>TEN/660</p> <p>Own-initiative opinion</p>
<b>DG MOVE</b>		
21.	<p><b>Role of transport in realising the sustainable development goals, and consequent implications for EU policy-making</b></p> <p>Rapporteur: Ms Tellervo KYLÄ-HARAKKA-RUONALA (GRI-FI)</p>	<p>EESC-2018-00982-00-00-AC-TRA</p> <p>TEN/661</p> <p>Own-initiative opinion</p>
<b>DG MARE</b>		
22.	<p><b>Multiannual plan for demersal fisheries in the Western Mediterranean</b></p> <p>Proposal for a Regulation of the European Parliament and of the Council establishing a multi-annual plan for the fisheries exploiting demersal stocks in the western Mediterranean Sea</p> <p>Rapporteur: Mr Gabriel SARRÓ IPARRAGUIRRE (GRIII-ES)</p>	<p>COM(2018) 115 final – 2018/0050 COD</p> <p>EESC-2018-05933-00-00-AC-TRA</p> <p>NAT/731</p>

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<p>23.</p>	<p><b>Strengthening the security of identity cards of Union citizens and of residence documents issued to Union citizens and their family members exercising their right of free movement</b></p> <p>Proposal for a Regulation of the European Parliament and of the Council on strengthening the security of identity cards of Union citizens and of residence documents issued to Union citizens and their family members exercising their right of free movement</p> <p>Rapporteur: Mr Jorge PEGADO LIZ (GR11-PT)</p>	<p>COM(2018) 212 final - 2018/0104 COD</p> <p>EESC-2018-02986-00-00-PAC-TRA</p> <p>SOC/594</p>
<p>24.</p>	<p><b>Evidence in criminal proceedings</b></p> <p>Proposal for a Directive of the European Parliament and of the Council laying down harmonised rules on the appointment of legal representatives for the purpose of gathering evidence in criminal proceedings</p> <p>Proposal for a Regulation of the European Parliament and of the Council on European Production and Preservation Orders for electronic evidence in criminal matters</p> <p>Rapporteur: Mr Christian BÄUMLER (GR11-DE)</p>	<p>COM(2018) 226 final – 2018/0107 COD</p> <p>COM(2018) 225 final – 2018/0108 COD</p> <p>EESC-2018-02737-00-00-PAC-TRA</p> <p>SOC/596</p>



<p><b>N°1 Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 168/2013 as regards the application of the Euro 5 step to the type-approval of two- or three-wheel vehicles and quadricycles</b>  <b>COM(2018) 137 final</b>  <b>EESC 2018/2263 – INT/849</b>  <b>536<sup>th</sup> Plenary Session – July 2018</b>  <b>Rapporteur: Mr Gerardo LARGHI (GR11-IT)</b>  <b>DG GROW – Commissioner BIENKOWSKA</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 European Economic and Social Committee welcomes the proposal for a Regulation since it amends certain parts of Regulation (EU) No 168/2013 to strike a balance between the need to develop technologies with a low environmental impact (Euro 5 type-approval step) and the actual ability of some companies to introduce these within the stipulated timeframe (technical feasibility).</p>	<p>The Commission welcomes the Committee's support for its proposal.</p>
<p>1.6. The European Economic and Social Committee recommends extending the derogation for the application of the Euro 5 emissions limits for light quadricycles (L6e-B), three-wheel mopeds (L2eU), trial motorcycles (L3e-AxT) and enduro motorcycles (L3e-AxE) to 2024.</p>	<p>The Commission is not supportive of this recommendation. Taking into account on the one hand the Commission's environmental objectives and promotion of clean transport and on the other hand technical feasibility and competitiveness of the industry, the Commission concluded that two years extra lead time (until 2022) for these four categories would be sufficient for the industry to shoulder obligations stemming from new regulatory limits.</p>

<p><b>N°2 Promoting small and medium-sized enterprises in Europe with a special focus on a horizontal legislative SME approach and respect of the Small Business Act's "think small first" (exploratory opinion)</b>  <b>EESC 2017/4540 – INT/832</b>  <b>531<sup>st</sup> Plenary session - January 2018</b>  <b>Rapporteur: Ms Milena ANGELOVA (GRI/BG)</b>  <b>DG GROW - Commissioner BIENKOWSKA</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>Small Business Act and Small and Medium-sized Enterprise policy:</p> <p>1.1. The European Economic and Social Committee invites the Commission to make the Small Business Act and its principles legally binding. All actors involved in the Small Business Act (European Union, Member States, small and medium-sized enterprise stakeholders) must be committed to implement it.</p> <p>1.2. The European Economic and Social Committee includes implementation of the Small Business Act as a permanent scrutiny exercise in the Semester and Annual Growth Survey, in close cooperation with the representative small and medium-sized enterprise organisations.</p> <p>1.3. The European Economic and Social Committee calls for a horizontal European small and medium-sized enterprise policy which also takes into account the needs of all the different small and medium-sized enterprise sub-groups.</p>	<p>The Small Business Act<sup>2</sup> is a comprehensive framework for Union small and medium-sized enterprise policy. It includes legislative (legally binding) proposals and measures to be implemented at European and national level<sup>3</sup>. The Small Business Act and its principles were endorsed by Member States in the Competitiveness Council conclusions of 1 and 2 December 2008. The European small and medium-sized enterprise representatives take part at the meeting of the SME (“small and medium-sized enterprise”) Envoy Network and are therefore involved in the Small Business Act governance structure.</p> <p>The implementation of the Small Business Act is already part of the European Semester and the Small Business Act country fact sheets, published under the SME (“small and medium-sized enterprise”) Performance Review exercise, contribute to the drafting of the Country Reports and of the Annual Growth Survey.</p>

<sup>2</sup> COM(2008) 394 final.

<sup>3</sup> The legislative proposals and the other measures are listed in the Small Business Act: <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52008DC0394>

	<p>The European Union's small and medium-sized enterprise policy is addressed to all small and medium-sized enterprises, and the Commission programmes supporting small and medium-sized enterprises take into account their different needs.</p>
<p>Small and medium-sized enterprise Definition:</p> <p>4.1., 4.2. The European Economic and Social Committee calls for a revision of the small and medium-sized enterprise definition to take into account the heterogeneity and diversity of small and medium-sized enterprises.</p>	<p>The current Definition of a small and medium-sized enterprise as defined in European Union Recommendation 2003/361/EC<sup>4</sup> does not prevent the set-up of specific support measures for the different types of small and medium-sized enterprises (micro companies, social companies, etc.)<sup>5</sup>.</p> <p>Since the adoption of the Definition, three evaluations of its implementation have been carried out (the latest in 2012). Results showed no need for major revision or change of ceilings.</p> <p>The small and medium-sized enterprise Definition is currently undergoing a new evaluation and an impact assessment study including an open consultation. The public consultation ran between 6 February 2018 and 6 May 2018 and the results can be found at:</p> <p><a href="https://ec.europa.eu/info/consultations/public-consultation-review-sme-definition_en">https://ec.europa.eu/info/consultations/public-consultation-review-sme-definition_en</a>.</p> <p>Next steps will depend on the outcome of this exercise.</p>
Small and medium-sized enterprise	The 'credit ombudsman' or similar

<sup>4</sup> Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (Text with EEA relevance) (notified under document number C(2003) 1422), OJ L 124, 20.5.2003.

<sup>5</sup> The small and medium-sized enterprise Definition sets maximum thresholds. Member States and regions are free to target their policies to particular segments of the small and medium-sized enterprise population and thus address specific needs of those small and medium-sized enterprises as they see fit.

<p>financing:</p> <p>5.2. Debt:</p> <p>5.2.2. The European Economic and Social Committee calls for the creation and development of a network of “credit ombudsman”, innovative platforms for peer-to-peer lending (5.2.5.), and corporate bonds market (5.2.7.).</p> <p>5.3. European Union Funds:</p> <p>5.3.3. The European Economic and Social Committee urges the Commission to maintain and further develop COSME Programme<sup>6</sup>, and calls for more diversified support instruments, targeting all types of enterprises and covering all phases of their life cycle (5.3.6.).</p>	<p>institution is already operational in some Member States.</p> <p>The Commission is looking into initiatives on innovative platforms for peer-to-peer lending and corporate bonds markets in the context of the Capital Markets Union initiative<sup>7</sup>.</p> <p>The Commission welcomes the support to the current COSME Programme which targets all kind of small and medium-sized enterprises including traditional ones in all their life cycles.</p> <p>Measures to support small and medium-sized enterprises are included in the Commission proposal for the next Multiannual Financial Framework<sup>8</sup> under the Single Market Programme and the InvestEU Fund.</p>
<p>Network of SME Envoys and SME Assembly:</p> <p>6.1. The European Economic and Social Committee recommends the availability of the results of the Network works.</p> <p>6.3. The European Economic and Social Committee recommends upgrading and strengthening the SME Assembly.</p>	<p>The reports and other documents related to the Network of SME (“small and medium-sized enterprise”) Envoys’ activity are published on the Commission website (<a href="http://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupDetail&amp;groupID=2666">http://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupDetail&amp;groupID=2666</a>). In addition, since 2014 the Annual Reports are presented to the Competitiveness Council of Ministers. Finally, the Envoys have recently adopted the European SME (“small and medium-sized enterprise”) Action Programme (<a href="http://www.eurocommerce.eu/media/143276/European%20SME-Action%20Programme.pdf">http://www.eurocommerce.eu/media/143276/European%20SME-Action%20Programme.pdf</a> ).</p> <p>The SME (“small and medium-sized enterprise”) Assembly is a policy</p>

<sup>6</sup> COSME = Europe’s Programme for small and medium-sized enterprises.

<sup>7</sup> [https://ec.europa.eu/info/business-economy-euro/growth-and-investment/capital-markets-union\\_en](https://ec.europa.eu/info/business-economy-euro/growth-and-investment/capital-markets-union_en)

<sup>8</sup> COM(2018) 98 final.

	<p>conference rather than a decision-making platform. Small and medium-sized enterprise representatives of all Member States attend the event and the agenda is agreed with the SME Envoys Network and the main European small and medium-sized enterprise Business Organisations. The Commission welcomes any concrete ideas to improve the Assembly.</p>
<p>Administrative and regulatory burden: 7.2. The European Economic and Social Committee recommends that the “once only” principle and SME Test is applied systematically and made legally binding.</p>	<p>The ‘once only’ principle is part of the eGovernment Action Plan<sup>9</sup>, under the Digital Single Market strategy. The Action Plan contains two actions related to the following principles: the ongoing Large Scale Pilot ‘The Once-Only Principle Project’ (TOOP) and Coordination and Support Action (SCOOP4C).</p> <p>The Commission has included the SME (“small and medium-sized enterprise”) test as a compulsory element of its impact assessment reports. The Commission also actively promotes the application of the SME test in the Member States by encouraging the exchange of best practices through dedicated expert seminars and the work of SME Envoys</p> <p><a href="http://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupDetail&amp;groupID=2666">http://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupDetail&amp;groupID=2666</a>).</p>
<p>Human resources: 8.3. The European Economic and Social Committee invites the Commission to develop support measures providing off-season and tailor-made training</p>	<p>These support measures are normally not managed directly by the Commission. The support service providers at regional and national level can do this after assessing the needs, and the European Regional Development Fund and</p>

<sup>9</sup> COM(2016) 179 final.

<p>programmes to qualify the workforce of small and medium-sized enterprises.</p>	<p>European Social Fund can be used for this.</p>
<p>Entrepreneurship: 9.2. The European Economic and Social Committee calls for progress on implementation of the Entrepreneurship Action Plan<sup>10</sup>.</p>	<p>The Entrepreneurship Action Plan includes measures to be implemented by the Commission as well as measures to be implemented by the Member States. Among the actions under the responsibility of the Commission, 25 are ongoing while 15 actions have already been completed. The Commission has however no data on, and no specific tool for monitoring to what extent recommendations in the Action Plan are being implemented by the Member States.</p>
<p>Access to markets: 10.2 The European Economic and Social Committee invites the Commission to evaluate which small and medium-sized enterprise instruments in the different sectors could help small and medium-sized enterprises to be more active and involved in participating in trade agreement and trade defence negotiations, and to make an effort to further promote the most effective instruments, putting the ‘think small first’ principle at the heart of Union trade policy.</p>	<p>Small and medium-sized enterprise participation in trade agreement negotiations: small and medium-sized enterprises and stakeholders are invited to participate in Free Trade Agreement Impact Assessments and Sustainability Impact Assessments of each trade agreement and other consultations on trade issues:</p> <p><a href="http://ec.europa.eu/trade/policy/policy-making/analysis/policy-evaluation/sustainability-impact-assessments/index_en.htm">http://ec.europa.eu/trade/policy/policy-making/analysis/policy-evaluation/sustainability-impact-assessments/index_en.htm</a></p> <p><a href="http://ec.europa.eu/trade/policy/policy-making/analysis/policy-evaluation/impact-assessments/">http://ec.europa.eu/trade/policy/policy-making/analysis/policy-evaluation/impact-assessments/</a></p> <p><a href="http://trade.ec.europa.eu/consultations/#_tab_2017">http://trade.ec.europa.eu/consultations/#_tab_2017</a></p> <p>Trade defence and small and medium-sized enterprises: there are no trade defence negotiations. Small and medium-sized enterprises benefit from</p>

<sup>10</sup> COM(2012) 795 final.

	<p>streamlined procedures and support of an SME Trade Defence Helpdesk to make it easier for them to participate in trade defence investigations. It provides practical help and advice from the Commission's trade defence experts, for example on the requirements for bringing a trade defence complaint. There are also practical changes that will make it easier for small and medium-sized enterprises to participate in trade defence investigations. For instance the Commission released a guide in all European Union languages on its trade defence instruments:</p> <p><a href="http://ec.europa.eu/trade/policy/accessing-markets/trade-defence/actions-against-imports-into-the-eu/help-for-smes/">http://ec.europa.eu/trade/policy/accessing-markets/trade-defence/actions-against-imports-into-the-eu/help-for-smes/</a>.</p>
<p>Access to markets:</p> <p>10.4. The European Economic and Social Committee calls for better and more effective operation of small and medium-sized enterprise Centres intended to help small and medium-sized enterprises enter important markets – e.g. China, Japan, etc. It invites the Commission to ensure better and more effective cooperation between small and medium-sized enterprises' representative organisations and standardisation authorities with respect to existing and new European Union technical standards.</p> <p>10.6. The European Economic and Social Committee calls on the Commission to step up its efforts to increase small firms' share of government contracts obtained from public procurement.</p>	<p>The European Union business support projects can indeed play an important role in helping small and medium-sized enterprises develop their business in third countries. The experiences from the European Union small and medium-sized enterprise Centre in China, funded by the DEVCO ICI+ Programme, and the European Union-Japan Centre for Industrial Cooperation co-funded by the Japanese Ministry of Economy, Trade and Industry and the COSME Programme are a good basis for further defining the needs of small and medium-sized enterprises in specific third countries . The Commission is exploring the possibilities of continuing the support to these two small and medium-sized enterprise internationalisation support projects. In line with European Union competences, close cooperation and coordination with Member States,</p>

	<p>Member States' trade promotion organisations and European Union chambers of commerce is needed to avoid overlaps and to find synergies with other existing initiatives at European Union level and in Member States.</p> <p>Improved access to procurement markets for small and medium-sized enterprises is one of the six priorities announced in the Commission Communication of October 2017 on 'Making procurement work in and for Europe'<sup>11</sup>. In this respect, the Commission is carrying out several projects under the COSME Programme to support small and medium-sized enterprise participation in public procurement<sup>12</sup>. The Commission is also encouraging Member States to put in place measures with the same aim.</p>
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<sup>11</sup> COM(2017) 572 final.

<sup>12</sup> Four projects working on Improving small and medium-sized enterprises' access to public procurement: <https://www.ppact.eu/>, [www.sesamproject.eu](http://www.sesamproject.eu), <http://www.tenderio.com/>, <http://madanparque.pt/project/ippon/>. Other projects were launched concerning training staff in centralised purchasing bodies to develop small and medium-sized enterprises-friendly tenders and setting up innovation procurement brokers.



<p><b>N°3      The LeaderSHIP 2020 strategy as a vision for the maritime technology industry: towards an innovative, sustainable and competitive maritime industry in 2020</b>  <b>EESC 2017/2892 - CCMI/152</b>  <b>534<sup>th</sup> Plenary Session - April 2018</b>  <b>Rapporteur: Mr Marian KRZAKLEWSKI (GR11-PL)</b>  <b>DG GROW – Commissioner BIENKOWSKA</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 European Economic and Social Committee recommends that all Commission services step up their efforts to assume responsibility for the completion of the LeaderSHIP 2020 strategy and for the preparation and implementation of the next strategy for the sector (LeaderSHIP 2030), in cooperation with stakeholders.</p>	<p>The strategy outlined in the LeaderSHIP 2020 document<sup>13</sup> contains a number of actions that should be undertaken by different stakeholders in order to strengthen the European Union maritime sector. From the Commission side, as indicated in the report, significant progress has already been achieved. The Commission is committed to continue the work internally, as well as with relevant stakeholders, with an objective to implement fully all the recommendations spelled out in the LeaderSHIP 2020 document.</p> <p>Regarding a development of a next strategy for the sector, the Commission would like to recall that, in September 2017, it presented the Renewed Industrial Policy Strategy<sup>14</sup> calling for a holistic approach that brings together all existing and new horizontal and sector-specific initiatives into a comprehensive industrial strategy. The Renewed Industrial Policy Strategy has extended the Skills Agenda<sup>15</sup> to maritime technology with a blueprint</p>

<sup>13</sup> <http://ec.europa.eu/DocsRoom/documents/10504/attachments/1/translations>

<sup>14</sup> COM(2017) 479 final.

<sup>15</sup> COM(2016) 381 final.

	for sectoral cooperation. The implementation of the Renewed Industry Strategy and the adoption of the relevant pending proposals will also contribute to the competitiveness of the maritime sector.
1.5 The Chinese government and banks will provide all financial support to their state-owned companies in order to implement the recently announced strategy to take over Europe's position as a leader in building high end ships, such as cruise ships, and high tech maritime equipment. Against this backdrop, the European Economic and Social Committee recommends that the Commission adopt a strong industrial and manufacturing policy, based on reciprocity, enabling the European maritime technology industry to survive competition.	In 2017 the Commission presented a Renewed Industrial Policy Strategy with a set of new actions aiming at strengthening European Union industry. Measures presented in the Industrial Policy Strategy equally refer to the maritime sector and should be considered, together with the LeaderSHIP 2020 strategy, as a comprehensive approach to the European Union maritime industry.
1.8 Contrary to Asian competitors, access to finance is a significant problem for European shipyards and European maritime equipment manufacturers. Existing European financial tools are either insufficiently known or not fit for use in such a capital-intensive sector at all. The European Economic and Social Committee therefore calls on the Commission to launch a dedicated financial instrument that would enhance investment in a capital risk intensive sector, such as the European maritime industry.	Several existing financial tools could be used by the companies operating in the maritime sector. However, as pointed out in the opinion, they are insufficiently known, which translates into their relatively limited positive effect on the sector. Therefore, a promotion of the existing tools should be considered a priority.
1.11 The European Economic and Social Committee has taken note of the findings of the report on new trends in the shipbuilding and marine supply industries and calls upon the Commission to cooperate with the Shipyards' and Maritime Equipment Association, SEA Europe, and IndustriALL	The report on 'New trends in the shipbuilding and marine supply industries' <sup>16</sup> provides a very useful overview of the sector with a set of specific recommendations for the Commission and other stakeholders. The Commission will take them into

<sup>16</sup><https://publications.europa.eu/en/publication-detail/-/publication/bc5fa041-bac0-11e7-a7f8-01aa75ed71a1/language-en/format-PDF/source-47807916>

<p>Global Union, and other stakeholders to implement the recommendations made in this report.</p>	<p>consideration and invites other stakeholders including the Shipyards' and Maritime Equipment Association, SEA Europe, and IndustriALL Global Union to develop specific actions on their basis.</p>
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<p><b>N°4 European Union concepts for transition management in a digitalised world of work – key input for a European Union White Paper on the future of work (exploratory opinion)</b>  <b>EESC 2018/1730 - SOC/578</b>  <b>536<sup>th</sup> Plenary Session - July 2018</b>  <b>Rapporteur: Ms Franca SALIS MADINIER (GRII/FR)</b>  <b>Corapporteur: Mr Ulrich SAMM (GRI-DE)</b>  <b>DG EMPL – Commissioner THYSSEN</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. Diversity must be a top priority: the situation in sectors with a strong digital component is quite alarming in terms of the low number of women. It is important to monitor and measure these trends and to promote access for women in these sectors.</p>	<p>The Commission considers diversity essential and strives to encourage and empower women to play a more active role in the digital age.</p> <p>Within the Commission's digital agenda, Women in Digital orientations address the challenge of stereotypes, the promotion of digital skills and education, and the advocacy for more women entrepreneurs. Commission services have also proposed, among other things, to underpin such orientations with a scoreboard to monitor progress at European Union and national level.</p>
<p>1.5. The European Economic and Social Committee notes that investment in social policies accounts for only 0.3% of total public expenditure in the European Union. Sufficient resources, in particular under the forthcoming post-2020 multiannual financial framework, should be made available to strengthen these policies and support the digital transformation in the world of work, for the benefit of workers, companies and society as a whole.</p> <p>2.3. In order to avoid leaving some workers</p>	<p>European Union funding is already available to support workers and individuals in acquiring and developing relevant skills, including those necessary to accompany transitions. For example, funding is available through the European Social Fund and the other European Structural and Investment Funds, the European Fund for Strategic Investment and the European Globalisation Adjustment Fund.</p>

and citizens behind, expenditure on investment in social policies, currently amounting to only 0.3% of overall public expenditure in the European Union, should be beefed up. Sufficient resources, in particular under the forthcoming post-2020 multiannual financial framework, must be made available to support the digital transformation in the world of work.

The European Social Fund is the main European Union instrument investing in human capital with a total budget of EUR 121 billion for the 2014-2020 period (including national contributions). Member States can use the Fund to address the consequences of job losses.

For the post-2020 period, the Commission has proposed a European Social Fund Plus with a budget of EUR 101.17 billion (excluding national contributions) that will continue to play a key role in supporting people to develop the right skills for the digital transformation in the world of work, including placing an emphasis on basic digital skills. Member States can continue using the Fund to facilitate the adaptation of workers, enterprises and entrepreneurs to industrial change and to changes in production systems, including as a result of the digital transformation.

The European Globalisation Adjustment Fund is an emergency instrument that provides support to people losing their jobs as a result of major structural changes in world trade patterns due to globalisation or the financial and economic crisis.

In order to address the labour implications of digitisation/ Artificial Intelligence, the Commission proposes that after 2020, the European Globalisation Adjustment Fund covers any type of large-scale restructuring event – including those caused by digitisation and Artificial Intelligence<sup>17</sup>. Acknowledging the importance of

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<sup>17</sup> COM(2018) 380 final.

	<p>skills required in the digital age, the Commission proposes that, after 2020, Member States include mandatory digital skills training in the package of personalised services designed for displaced workers, adjusted to their needs and depending on their level of qualification.</p> <p>The European Fund for Strategic Investments supports eligible projects in the social sector. Its proposed successor programme, the InvestEU Fund, will have a dedicated social investment and skills window, which should double the support currently available in this field.</p> <p>Furthermore, the Erasmus+ programme funds projects in the field of digital competences and skills at all levels of education. The Digital Education Action Plan<sup>18</sup> supports the acquisition of digital skills and the use of digital technologies for teaching and learning.</p>
<p>1.7. In order to cover all the flexible forms of employment that digitalisation produces and not to leave any worker behind, the European Economic and Social Committee counts preserving the quality and financial viability of social protection systems among its priorities. It encourages the Commission and the Member States to organise dialogue with the social partners on adapting social protection systems for the benefit, in particular, of workers who, because of their status, are not sufficiently covered by these systems.</p>	<p>As part of the implementation of the European Pillar of Social Rights, the Commission has adopted a proposal for a Council Recommendation on access to social protection for workers and the self-employed<sup>19</sup>.</p> <p>The objective is to support people in non-standard forms of employment and self-employment who, due to their employment status, are not sufficiently covered by social security schemes and thus are exposed to higher economic uncertainty.</p> <p>The Commission agrees that social dialogue can play a major role in</p>

<sup>18</sup> COM(2018) 22 final.

<sup>19</sup> COM(2018) 132 final.

	<p>shaping future work, including by ensuring fair and safe working conditions in the face of increased flexibility in the time and place of work.</p>
<p>3.5. As the European Economic and Social Committee noted in its own-initiative opinion on Artificial Intelligence, control of algorithms and their transparency pose a formidable challenge for our democracies and our fundamental freedoms, including in the world of work. A socially and ethically responsible digital transformation must be a European Union objective. The European Economic and Social Committee is in favour of global policy frameworks for Artificial Intelligence that would give Europe a competitive advantage. It emphasises that the European Union should support the new research field of cognitive ergonomics, aimed at adopting measures facilitating a human-centred use of smart technologies.</p>	<p>As stated in the Commission Communication on Artificial Intelligence<sup>20</sup>, the European Union can champion an approach to Artificial Intelligence that benefits people and society as a whole. Artificial Intelligence is to be developed and applied in a framework which promotes innovation and respects fundamental rights and ethical principles such as accountability and transparency. To this end, and to ensure that no one is left behind in the digital transformation, the Communication envisages measures to prepare for the socio-economic changes brought about by Artificial Intelligence. A multi-stakeholder platform, the European Artificial Intelligence Alliance, has also been set up for broad stakeholder engagement, and a High-Level Expert Group has been appointed to propose guidelines on ethics for Artificial Intelligence and policy advice. Based on its values, the European Union has been and continues to be involved in discussions on Artificial Intelligence in international forums, such as the Group of Seven (G7) and the Organisation for Economic Co-operation and Development.</p>
<p>3.7. European researchers, engineers and entrepreneurs who are involved in the</p>	<p>The Commission points to its Communication on Artificial</p>

<sup>20</sup> COM(2018) 237 final.

<p>design, development and marketing of Artificial Intelligence systems must act in accordance with ethical and social responsibility criteria. One good response to this imperative could be to incorporate ethics and humanities into training courses in engineering. An Artificial Intelligence code of conduct might be appropriate.</p>	<p>Intelligence published on 25 April 2018 that recognises the importance of ensuring an appropriate ethical and legal framework on Artificial Intelligence. As a first step to address ethical concerns, guidelines on ethics for Artificial Intelligence will be developed by end 2018, with due regard to the Charter of Fundamental Rights of the European Union. The Commission will bring together all relevant stakeholders in order to help develop these guidelines.</p>
<p>3.8. The European Economic and Social Committee would like to draw attention to a threat emanating from Artificial Intelligence regarding cybersecurity and privacy. The new technology makes it much easier to produce high quality fake pictures, fake videos, fake speech and fake text. Coping with this serious threat has to be given the highest priority in European Union policy.</p>	<p>The Commission shares the view that new technologies such as various Artificial Intelligence solutions, whilst providing important benefits for Europe, also bring along new risks. The Commission's Artificial Intelligence initiative advocates the development and use of Artificial Intelligence for good and for all, and includes corresponding measures, notably ensuring an appropriate ethical and legal framework, including ethics guidelines, for Artificial Intelligence.</p> <p>The Commission also supports the assessment that combatting risks to democracy, such as the potential impact on people's perceptions and opinions, of fake content, be it text, pictures, videos, speech or even the use of virtual or artificial reality, must be of high priority. The actions derived from the Communication on tackling online disinformation<sup>21</sup> urge the numerous actors in the social media ecosystem to react swiftly.</p>
<p>4.2.4. As stated in a recent European</p>	<p>The Commission shares the view that</p>

<sup>21</sup> COM(2018) 236 final.



<p>Economic and Social Committee opinion, given the difficulties for these unemployed people in gaining employment, there is an urgent need to address the issue of training and skills through social dialogue at sector and regional levels, and at national and European levels, so that all workers can gain high-quality employment and develop in their professional career.</p>	<p>social dialogue plays an important role in developing sound employment, employability and skills policies.</p> <p>The Commission supports social dialogue in many ways, including by providing support to 43 sectoral social dialogue committees, where the impact of digitisation on employment and labour markets is often part of work programmes, and by funding projects to support social partners in tackling the changes in employment and work-related challenges.</p>
<p>4.3.1. In view of these challenges, the European Economic and Social Committee stresses the urgent need for a targeted policy at European Union and Member State level to transform initial training and life-long learning to promote relevant teaching methods, so as to develop the creative skills that are becoming increasingly indispensable.</p>	<p>The Commission agrees with the need to prepare for and respond to rapid technological and digital changes.</p> <p>The New Skills Agenda for Europe (Skills Agenda) introduced a number of actions designed to improve the quality and relevance of training and other ways of acquiring skills and making them more visible, underpinned by improved information and understanding of trends and patterns in demands for skills and jobs (skills intelligence) to enable people to make better career choices and find quality jobs.</p> <p>The European Pillar of Social Rights<sup>22</sup>, jointly proclaimed on 17 November 2017 by the European Parliament, the Council and the Commission, sets out 20 key principles and rights to support fair and well-functioning labour markets and welfare systems. The first principle of the Pillar states that ‘everyone has the right to quality and inclusive education, training and life-</p>

<sup>22</sup> [https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights/european-pillar-social-rights-20-principles\\_en](https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights/european-pillar-social-rights-20-principles_en)

	<p>long learning in order to maintain and acquire skills that enable them to participate fully in society and manage successfully transitions in the labour market’.</p> <p>The Council Recommendation on key competences for lifelong learning<sup>23</sup> defines eight key competences of which digital and entrepreneurship competences, including creativity, form part.</p>
<p>4.4.1. Gender equality: The jobs of the future, and those that will gain the most recognition and the highest pay, will be in science, technology, engineering, and mathematics (STEM) fields, particularly in the Information Technology sector. Diversity must be a top priority: the situation in sectors with a strong digital component is alarming in terms of the low number of women. It is important to monitor and measure these trends, and promote women's access to these sectors, if we want to avoid greater inequalities in the future world of work.</p>	<p>Please see also reply to point 1.4.</p> <p>The Skills Agenda for Europe launched in June 2016<sup>24</sup> addresses digital skills, including the digital upskilling of women through concrete actions such as the Digital Skills and Jobs Coalition (which includes a thematic pledge on strengthening digital skills for women) and the Upskilling Pathways initiative<sup>25</sup>. Occupations requiring science, technology, engineering, and mathematics (STEM) skills are indeed growing and this is captured in the measures in the Skills Agenda which focus on better linking education and training with labour market requirements.</p>
<p>5.2. Social dialogue should address working conditions more comprehensively at the point when automation is implemented, in order to take account of the new risks and opportunities. The Commission should undertake an analysis of the agreements that have come out of social dialogue in various Member States</p>	<p>In its 2018 edition of the Employment and Social Developments in Europe report<sup>26</sup>, the Commission analyses the role of social dialogue in a changing world of work.</p> <p>A dedicated chapter (Chapter 6) provides an overview of cases where social partners have succeeded in</p>

<sup>23</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32018H0604%2801%29>

<sup>24</sup> <http://ec.europa.eu/social/main.jsp?catId=1223>

<sup>25</sup> <http://ec.europa.eu/social/main.jsp?catId=1224>

<sup>26</sup> [https://ec.europa.eu/commission/news/employment-and-social-developments-europe-2018-jul-13\\_en](https://ec.europa.eu/commission/news/employment-and-social-developments-europe-2018-jul-13_en)

<p>and sectors, with a view to implementing the results (the right to switch off, teleworking agreements, transferable rights for individuals, collective agreements signed with platforms, etc.).</p>	<p>entering into a constructive social dialogue.</p> <p>The Commission makes a sustained contribution to this objective by providing financial and logistical support to the social partners and promoting their involvement at the European and national level.</p>
<p>5.3. In order to cover all the flexible forms of employment that digitalisation produces and not to leave any worker behind, the European Economic and Social Committee counts preserving the quality and financial viability of social protection systems among its priorities, in keeping with the European Pillar of Social Rights. The Committee encourages the Commission and the Member States to organise dialogue with the social partners on adapting social protection systems to the new forms of work.</p>	<p>Following the Commission-led initiative to relaunch social dialogue in March 2015 – ‘A New Start for Social Dialogue’ – political attention has been placed on the involvement of the European and national social partners in European Semester activities as part of reinforcing the social dimension in European economic governance.</p> <p>Please see also reply to point 1.4. on the Commission’s proposal for a Council Recommendation on access to social protection for workers and the self-employed.</p>
<p>5.5. In fiscal terms, reforms of the tax systems need to be reviewed carefully to ensure similar levels of taxation for all forms of income, whether it is generated in conventionally organised sectors or in the sharing economy.</p>	<p>In this vein, the Commission Communication on an Agenda for the Collaborative Economy<sup>27</sup> recommends Member States to ‘assess their tax rules to create a level playing field for businesses providing the same services. Member States should also continue their simplification efforts, increasing transparency and issuing online guidance on the application of tax rules to collaborative business models’.</p>
<p>5.6. Civil society stakeholders should be actively involved in these developments. Training policies for vulnerable groups faced with rapid technological change and Artificial Intelligence and digitalisation</p>	<p>The Commission recognises the important role of civil society stakeholders. In the Digital Skills and Jobs Coalition, non-governmental organisations play an important role</p>

<sup>27</sup> COM(2016) 356 final.

<p>development policies, the effects of which touch everyone, give legitimacy to the important role played by civil society organisations.</p>	<p>together with educational providers, social partners and local or regional authorities who pledge to take action to tackle the digital skills gap.</p>
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<p><b>N°5 The situation of women with disabilities (exploratory opinion)</b>  <b>EESC 2018/1639 - SOC/579</b>  <b>536<sup>th</sup> Plenary Session - July 2018</b>  <b>Rapporteur: Ms Gunta ANČA (GRII/FR)</b>  <b>DG EMPL – Commissioner THYSSEN</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. and 2.4. This opinion calls on the European Union, jointly with all its Member States, to implement the United Nations Convention on the Rights of Persons with Disabilities, the recommendations that the European Union received from the United Nations Convention on the Rights of Persons with Disabilities Committee with regard to women and girls with disabilities in 2015 and the United Nations Committee's General Comment No. 3 on Article 6 of the Convention on the Rights of Persons with Disabilities.</p>	<p>The Commission is committed to upholding and implementing the United Nations Convention on the Rights of Persons with Disabilities. The European Disability Strategy 2010-2020 serves to frame its various actions.</p> <p>The Commission collects data on employment, education and risk of poverty or social exclusion through the Academic Network of European Disability Experts, which is disaggregated by gender.</p>
<p>1.3. The European Economic and Social Committee calls on the European Union and its Member States to include a disability perspective in its forthcoming gender equality strategy, policies and programmes, and a gender perspective in its disability strategies, including its future European Disability Strategy 2020-2030 and the European Pillar of Social Rights<sup>28</sup>. The successor to the Europe 2020 strategy for smart, sustainable and inclusive growth should also include the perspective of women with disabilities as their economic and social participation is essential for the</p>	<p>The Commission's Strategic Engagement for gender equality 2016-2019 pays particular attention to the specific needs of groups facing multiple disadvantages such as women with disabilities. In the conclusions of the 2017 Annual Colloquium on Fundamental Rights, the Commission stated that, when developing policies, it will increasingly take into account multiple discrimination because of factors such as disability.</p> <p>The review of the European Disability Strategy 2010-2020 will be completed in</p>

<sup>28</sup> [UNCRPD, Concluding observations on the initial report of the EU, United Nations \(Article 6 CRPD/C/EU/CO/1\).](#)

<p>success of Europe's overall economic and social strategy<sup>29</sup>.</p> <p>4.1. Contrary to the references in the Convention on the Rights of Persons with Disabilities, the Convention on the Elimination of all Forms of Discrimination Against Women, the Treaty on the Functioning of the European Union and the Charter, the European Union has neither mainstreamed a disability perspective in all its gender policies, programmes and strategies, nor adopted a gender perspective in its disability strategies. The European Union and its Member States currently lack a strong legal framework to protect, promote and ensure all human rights of all women and girls with disabilities. European Economic and Social Committee calls on the European Union and its Member States to include a disability perspective in its forthcoming gender equality strategy, policies and programmes, and a gender perspective in its disability strategies, including its future European Disability Strategy 2020-2030 and the European Pillar of Social Rights. The successor to the Europe 2020 strategy for smart, sustainable and inclusive growth should also include the perspective of women with disabilities as their economic and social participation is essential for the success of Europe's overall economic and social strategy.</p>	<p>2020. At this moment, the Commission cannot prejudge the result of this review.</p> <p>The European Pillar of Social Rights sets out a number of key principles and rights to support fair, inclusive, and well-functioning labour markets.</p> <p>Principle 2 foresees that equality of treatment and opportunities between women and men must be ensured.</p> <p>Principle 3 regarding equal opportunities recalls that, regardless of gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation, everyone has the right to equal treatment and opportunities regarding employment, social protection, education, and access to goods and services available to the public.</p> <p>Principle 10 also seeks to facilitate the participation of disabled people in the workplace.</p> <p>Principle 17 on the inclusion of people with disabilities recalls that they are entitled to income support to live in dignity, and to services enabling them to participate in the labour market and in society and in a working environment adapted to their needs.</p> <p>The United Nations' 2030 Agenda and Sustainable Development Goals have various relevant aspects that include not only a goal explicitly targeting gender issues (Sustainable Development Goal 5 on gender equality) but also mainstream disability aspects in many of the Sustainable Development Goals, by having targets and indicators that disaggregate the data according to several criteria, including sex, age and</p>
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<sup>29</sup> [Report on women with disabilities, European Parliament, 14/10/2013, p. 6.](#)

	<p>disability status.</p> <p>The forthcoming sixth Reflection Paper "Towards a sustainable Europe by 2030" will put forward policy priorities and its alignment to the United Nations' 2030 Agenda and Sustainable Development Goals.</p>
<p>1.4. and 4.2. At both European Union and national level, the necessary measures should be taken to set up a structured dialogue with an independent budget line sufficient to guarantee meaningful consultation with and participation of persons with disabilities, including women, girls and boys with disabilities, through their representative organisations in the implementation and monitoring of the Convention on the Rights of Persons with Disabilities.</p>	<p>The Commission collaborates with and consults, among others, the European Disability Forum, the European Women's Lobby, Equinet (the European Network of Equality Bodies), Eurochild<sup>30</sup>, COFACE Families Europe<sup>31</sup> etc. The Commission finances meetings and conferences to foster a direct dialogue between civil society representatives and policy makers. Every year the Commission organises the Work Forum on the implementation of the United Nations Convention on the Rights of Persons with Disabilities.</p> <p>Moreover, the Commission financially supports the operating costs of a number of Union-level networks of organisations working in the field of rights of persons with disabilities, social inclusion and anti-discrimination. Direct financial support is available to disabled people's organisations so that they can promote and protect the rights of persons with disabilities, in line with the United Nations Convention on the Rights of Persons with Disabilities, and so that they can engage in meaningful and timely dialogue with the European Union Institutions.</p> <p>Under Justice programmes 2007-2013</p>

<sup>30</sup> Eurochild = Network of organisations and individuals working in and across Europe to promote the rights and well-being of children and young people.

<sup>31</sup> COFACE Families Europe = Pluralistic network of civil society associations representing the interests of all families.

	<p>and 2014-2020, the Commission funded several projects addressing the specific situation of children with disabilities, including on identifying and preventing the abuse of children with mental disabilities in institutions, and on capacity-building for lawyers to advance the rights of children with disabilities<sup>32</sup>.</p>
<p>1.5. and 4.5. The use of current and future European Union funding instruments, particularly the Structural Funds and the European Social Fund, should be used as key tools to support the Member States in promoting accessibility and non-discrimination regarding women and girls with disabilities.</p>	<p>During the 2014-2020 period, the European Structural and Investment Funds, in particular the European Social Fund, allocated approximately EUR 45 billion for social inclusion, EUR 41 billion for employment and EUR 35 billion for education for investment targeting, amongst others things, people with disabilities. These funds contain specific provisions forbidding discrimination against persons with disabilities and requiring accessibility. They also actively promote the right to independent living through investments in the process of transition from institutional/ residential care to family and community based care services.</p> <p>The Commission's proposals for the European Social Fund Plus after 2020 envisage that persons with disabilities continue to benefit, through the implementation of the relevant enabling conditions (respect of the United Nations Convention on the Rights of Persons with Disabilities and the European Charter of Fundamental Rights), the support to the transition from residential/ institutional care to family and community-based care, and to services. Equal opportunities, gender equality and the prohibition of all discrimination are also part of the</p>

<sup>32</sup> See the summary of the project: [http://ec.europa.eu/newsroom/just/document.cfm?doc\\_id=40298](http://ec.europa.eu/newsroom/just/document.cfm?doc_id=40298)



	Commission's European Social Fund Plus proposal.
1.6. and 5.1.3. The European Union and its Member States should accede swiftly to the Council of Europe Convention on preventing and combating violence against women and domestic violence (Istanbul Convention) as a step towards combating violence against women and girls with disabilities. These measures should include criminalising sexual and other types of violence against women and girls with disabilities, including ending forced sterilisation.	On 4 March 2016, the Commission proposed the European Union accession to the Istanbul Convention <sup>33</sup> . The Council adopted two signing decisions on 11 May 2018 followed by European Union signature on 13 June 2017. The signature will be followed by the Council's conclusion decision, which requires the consent of the European Parliament prior to adoption.
1.7. and 5.1.2. The European Union and its Member States should take all measures to ensure that women and girls with disabilities have equal access to disability-specific healthcare services for persons with disabilities, as well as to accessible mainstream services. All women and girls with disabilities must be able to exercise their legal capacity by taking their own decisions, with support when desired, with regard to medical and/or therapeutic treatment, including by taking their own decisions on retaining their fertility and reproductive autonomy.	The Joint Action project of health inequalities, which is co-funded by the Commission (Health Programme) and the Member States, was launched in June 2018 and includes a work package on "better access to health care to those who are left behind (vulnerable groups)". It addresses access to health care of all vulnerable people and could include women with disabilities if identified as a priority by the participating Member States.
3.2. The European Union is a State Party to the United Nations Convention on the Rights of Persons with Disabilities, together with the 28 Member States. They are now bound to the Convention on the Rights of Persons with Disabilities by international law, which means that they are committed to jointly promote, protect and ensure the rights of persons with disabilities as enshrined in the Convention	Directive 2012/29/EU of the European Parliament and of the Council of 25 October 2012 establishing minimum standards on the rights, support and protection of victims of crime <sup>34</sup> puts strong emphasis on access to appropriate support, including specialised support for women and children who have been victims of different forms of violence. This

<sup>33</sup> COM(2016) 109 final.

<sup>34</sup> OJ L 315, 14.11.2012.

<p>on the Rights of Persons with Disabilities, including those of women and girls with disabilities. The European Union and its Member States should set the example as it is the only regional integration organisation worldwide that is a State Party to the Convention on the Rights of Persons with Disabilities and is in a unique position to ensure harmonised and equal protection of women and girls with disabilities across Europe.</p>	<p>Directive supports Article 16 of the United Nations Convention on the Rights of Persons with Disabilities, particularly its gender-related aspects, on freedom from exploitation, violence and abuse.</p>
<p>4.3. Women and girls with disabilities still find themselves on the fringes of all human rights organisations. Periodic reports produced by the relevant European Union and Member State human rights treaty bodies must automatically include information on women with disabilities. This practice should be extended to all institutions engaged in human rights advocacy both at European level and nationally, including the representative organisations of persons with disabilities and their families, women in general and women with disabilities.</p>	<p>For the period 2018-2021, the Commission is funding the European Network of National Human Rights Institutions through a framework partnership within the Justice Programme. The European Network of National Human Rights Institutions coordinates the work of National Human Rights Institutions across the European Union and has a specific working group on the Convention on the Rights of Persons with Disabilities, which may address and prioritise issues related to women and girls with disabilities (<a href="http://ennhri.org/Who-we-are">http://ennhri.org/Who-we-are</a>).</p>
<p>4.4. The European Union and its Member States lack consistent and comparable data and human rights indicators on women and girls with disabilities, as well as research on the situation of women and girls with disabilities in the European Union. The European Economic and Social Committee recommends that the European agencies, notably Eurofound, Cedefop, the European Union Agency for Fundamental Rights and the European Institute for Gender Equality, should adopt a more systematic approach in their work regarding persons</p>	<p>The European Institute for Gender Equality's gender equality index 2017 includes a domain of intersecting inequalities that focuses on inequalities within a few selected groups of women and men based also on disability.</p> <p>Although the European Union Agency for Fundamental Rights does not have a specific report on the topic, information on the situation of women and girls with disabilities can be found in a number of reports of the European Union Agency for Fundamental Rights dealing with</p>

<p>with disabilities and their situation in the labour market and in society. This should particularly take into account the situation of women and the fact that intersectionality can lead to multiple forms of discrimination. The European Economic and Social Committee further recommends that this issue should be clearly included in their Work Programmes. At both European Union and national level, the issues of women and girls with disabilities should be incorporated into the collection of data and statistics on gender and age as well as into existing statistical series and surveys in accordance with United Nations Convention on the Rights of Persons with Disabilities’ principles. A mechanism should be established to monitor progress and fund data collection, studies and research on women and girls with disabilities and the intersectional discrimination they face, including by the most marginalised groups in society such as from ethnic and religious minorities, to guide policy planning. All research on the rights of persons with disabilities should take a gender perspective into account, and research on women and girls should take the disability perspective into account.</p>	<p>various themes:</p> <ul style="list-style-type: none"> <li>- violence against children with disabilities<sup>35</sup>;</li> <li>- the right to political participation for persons with disabilities: human rights indicators<sup>36</sup>;</li> <li>- the legal capacity of persons with intellectual disabilities and persons with mental health problems contains some testimonies regarding women with disabilities<sup>37</sup>;</li> <li>- equal protection for all victims of hate crime – the case of people with disabilities<sup>38</sup>;</li> <li>- women-specific information can also be found in the European Union Agency for Fundamental Rights’ more recent reporting on the transition from institution to community living (Part III)<sup>39</sup>;</li> <li>- some references to the intersectionality can be found in the report on inequalities and multiple discrimination in access to and quality of health care<sup>40</sup>;</li> <li>- finally, the European Union Agency for Fundamental Rights’ annual</li> </ul>
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<sup>35</sup> Violence against children with disabilities: legislation, policies and programmes in the EU (2015): <http://fra.europa.eu/en/publication/2015/children-disabilities-violence>

<sup>36</sup> Indicators on the right to political participation of people with disabilities (2014): <http://fra.europa.eu/en/publication/2014/indicators-right-political-participation-people-disabilities>

<sup>37</sup> Legal capacity of persons with intellectual disabilities and persons with mental health problems (2013): <http://fra.europa.eu/en/publication/2013/legal-capacity-persons-intellectual-disabilities-and-persons-mental-health-problems>

<sup>38</sup> Equal protection for all victims of hate crime - The case of people with disabilities (2015): <http://fra.europa.eu/en/publication/2015/equal-protection-all-victims-hate-crime-case-people-disabilities>

<sup>39</sup> From institutions to community living - Part III: outcomes for persons with disabilities (2017): <http://fra.europa.eu/en/publication/2017/independent-living-outcomes>

<sup>40</sup> Inequalities and multiple discrimination in access to and quality of healthcare (2013): <http://fra.europa.eu/en/publication/2013/inequalities-discrimination-healthcare>.

	<p>Fundamental Rights Reports have often reported on the intersectionality<sup>41</sup>.</p> <p>The Academic Network of European Disability Experts – which is funded by the Commission – provides annual data and statistics on persons with disabilities in Europe, including specific data for women with disabilities, including indicators on employment, education, and poverty and social exclusion.</p>
<p>4.6. and 5.5.2. Women and girls with disabilities are at increased risk of being victims of multiple and intersectional discrimination in Europe. The intersection of race, ethnic origin, social class, age, sexual orientation, nationality, religion, sex, disability, refugee or migrant status, etc. has a multiplier effect which increases the discrimination experienced by women and girls with disabilities. This discrimination arises from the way in which people construct their identities, failing to recognise the diversity which exists among women with disabilities and tending to homogenise women with disabilities in all social spaces and view their reality from an exclusive perspective. The European Union and its Member States should repeal all discriminatory legislation, policies and practices, and outlaw all gender- and disability-based discrimination and its intersectional forms, including by adopting strong and broad Union legislation that protects women with disabilities from intersectional</p>	<p>The Racial Equality Directive<sup>42</sup> and the Employment Equality Directive<sup>43</sup> already allow a combination of two or more grounds of discrimination to be addressed in the same situation. Difficulties may arise, however, from differences in the level of protection provided for different grounds under the two Directives, due to the scope of the Employment Equality Directive being limited to employment matters only. The Commission has sought to close this gap with its 2008 proposal for a new Directive on discrimination in all areas<sup>44</sup>.</p>

<sup>41</sup> E.g. Fundamental Rights Report 2018, p.14: <http://fra.europa.eu/en/publication/2018/fundamental-rights-report-2018>.

<sup>42</sup> Council Directive 2000/43/EC of 29 June 2000 implementing the principle of equal treatment between persons irrespective of racial or ethnic origin, OJ L 180, 19.7.2000.

<sup>43</sup> Council Directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation, OJ L 303, 2.12.2000.

<sup>44</sup> COM(2008) 426 final.

discrimination in all areas of life.	
<p>4.7. History, attitudes and prejudices in the community, including in the family circle, have stereotyped women and girls with disabilities negatively, thus contributing to their social isolation and exclusion. They are almost completely ignored by the media and when they do appear, the approach is to treat women with disabilities from an asexual medical perspective and ignore their capabilities and contribution to the surrounding environment. Women and girls with disabilities are not sufficiently aware of their rights under the Convention on the Rights of Persons with Disabilities, the Convention on the Elimination of All Forms of Discrimination Against Women and Union law. The European Union and its Member States should develop a comprehensive campaign to raise awareness about the Convention on the Rights of Persons with Disabilities and the Convention on the Elimination of All Forms of Discrimination Against Women, raise visibility regarding the situation of women with disabilities and combat prejudice against women and girls with disabilities. The media should be encouraged to consult and involve women with disabilities, preferably nominated by their organisations, which should also take part in presentations and monitor programmes. Organisations of persons with disabilities should receive the necessary funding to inform and train women and girls with disabilities and their families regarding their rights under the Convention on the Rights of Persons with Disabilities.</p>	<p>In 2016 the Commission's European Day for Persons with Disabilities conference paid particular attention to the United Nations Convention on the Rights of Persons with Disabilities, in order to promote the rights of persons with disabilities, and this event included a panel entirely dedicated to women with disabilities<sup>45</sup>.</p> <p>Through the Rights, Equality and Citizenship programme, the Commission funds disabled people's organisations such as the European Disability Forum, which conducts work that promotes the rights of women with disabilities in line with the United Nations Convention on the Rights of Persons with Disabilities.</p> <p>The Commission makes use of opportunities at events (such as the 11th Conference of the State Parties to the Convention on the Rights of Persons with Disabilities in June 2018) to highlight the situation of women with disabilities when there is a significant gender difference.</p>

<sup>45</sup> <http://ec.europa.eu/social/main.jsp?langId=fr&catId=88&eventsId=1152&furtherEvents=yes>

<p>4.8. The European Union as a public administration has a duty to implement the Convention on the Rights of Persons with Disabilities internally within its Institutions. The European Union should ensure that issues of women and girls with disabilities are fully included and respected in their events and meetings, communication, information and consultation efforts and social security and employment policies, and should make an effort to ensure that its budgets are sensitive to gender issues. Positive actions should be taken to ensure that women with disabilities can participate on an equal basis with others in the work and functioning of the European Union Institutions.</p>	<p>Based on the statutory provisions of Article 1(d) of the Staff Regulations<sup>46</sup>, the Commission ensures positive actions with regard to the group mentioned. The concrete measures in this field are further developed in the Communication "A better workplace for all: from equal opportunities towards diversity and inclusion"<sup>47</sup>.</p>
<p>5.1.2. European Union and national legislation on the prevention of exploitation, violence and abuse often lacks a focus on women and girls with disabilities. The European Union should take the necessary measures to mainstream disability in all legislation, policies and strategies to combat violence, abuse and exploitation. Violence against women should be criminalized. They should take all appropriate legislative, administrative, social and educational measures to protect women and girls with disabilities, both within and outside the home, from all forms of exploitation, violence and abuse and to facilitate their access to justice through the provision of suitable community-based assistance and support, taking into consideration their specific</p>	<p>The European Union is currently in the process of concluding European Union accession to the Istanbul Convention; all Member States have signed the Convention and a majority have already ratified it, the exceptions being Bulgaria, Croatia, the Czech Republic, Greece, Hungary, Ireland, Latvia, Lithuania, Luxembourg, Slovakia and the United Kingdom.</p> <p>The Victims' Rights Directive<sup>48</sup> establishes minimum standards on the rights, support and protection of victims of crime and ensures that persons who have fallen victim of crime are recognised and treated with respect. It takes into account the specific situation of victims with disabilities, ensuring that</p>

<sup>46</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A01962R0031-20140501>

<sup>47</sup> COM(2017)5300 final.

<sup>48</sup> Directive 2012/29/EU of the European Parliament and of the Council of 25 October 2012 establishing minimum standards on the rights, support and protection of victims of crime, and replacing Council Framework Decision 2001/220/JHA, OJ L 315, 14.11.2012.

<p>needs, including assistive devices, in order to avoid isolation and confinement in the home.</p>	<p>victims with disabilities are able to benefit fully from the rights set out in this Directive, on an equal basis with others, including by facilitating the accessibility to premises where criminal proceedings are conducted, and access to information.</p>
<p>5.2.2. The choices of women with disabilities, especially women with psychosocial or intellectual disabilities, are often ignored and their decisions are often substituted by those of third parties, including legal representatives, service providers, guardians and family members, in violation of their rights under Article 12 of the Convention on the Rights of Persons with Disabilities. Too often, women and girls with disabilities are forcibly subjected to sterilisation and abortion, or other forms of controlling their fertility. The European Union and its Member States should take all measures to ensure that all women with disabilities must be able to exercise their legal capacity by taking their own decisions, with support when desired, with regard to medical and/or therapeutic treatment, including by making their own decisions on retaining their fertility and reproductive autonomy, exercising their right to choose the number and spacing of children, matters related to their sexuality and exercising their right to establish relationships. This should happen free of coercion, discrimination and violence. Forced sterilisation and forced abortion are a form of violence against women and</p>	<p>Through its Rights, Equality and Citizenship Programme, the Commission funds projects that aim to end harmful practices and support its victims.</p> <p>The Istanbul Convention explicitly mentions forced sterilisation and abortion – parties to the Convention must ensure these are criminalised. This is a Member State competence. All Member States have signed this Convention and the Commission has been urging those who have not yet ratified it to complete the process.</p> <p>The Commission commits to taking measures to ensure the full development, advancement and empowerment of women, as laid down in Article 6<sup>49</sup> and 17<sup>50</sup> of the Convention.</p> <p>Through the Academic Network of European Disability Experts, the Commission funds a variety of thematic disability research, which has included access to health care, with a specific point on legal consent<sup>51</sup>.</p>

<sup>49</sup> <https://www.un.org/development/desa/disabilities/convention-on-the-rights-of-persons-with-disabilities/article-6-women-with-disabilities.html>

<sup>50</sup> <https://www.un.org/development/desa/disabilities/convention-on-the-rights-of-persons-with-disabilities/article-17-protecting-the-integrity-of-the-person.html>

<sup>51</sup> <https://www.disability-europe.net/downloads/205-aned-2014-task-3-synthesis-final>, pp.80-93.

<p>should be criminalised, as defined by Article 39 of the Council of Europe's Convention on Preventing And Combating Violence Against Women And Domestic Violence.</p>	
<p>5.3.5. Relevant European Union Regulations and student exchange programmes (such as Erasmus+) have been improved in recent years by including financial support for the mobility of students with disabilities. However, in practice disabled students face many barriers when trying to access the national educational services of the country of destination (attitude, physical, communication and information barriers and lack of flexibility in the curricula). The European Union programmes on higher education, training and lifelong learning should include support for women with disabilities. The European Entrepreneur Exchange Programme should include financial support for young persons with disabilities, as is currently not the case. Best practices and challenges for student and young entrepreneur exchange programmes should be shared, and training should be provided for educational professionals, social partners and the media.</p>	<p>The Commission has put in place several measures to facilitate the participation of people with disabilities in transnational activities.</p> <p>By signing the Erasmus Charter for Higher Education, higher education institutions commit themselves to making available to mobile students and staff with disabilities the same support services they offer to local students and staff. In 2016, a Working Group issued two sets of recommendations to support higher education institutions<sup>52</sup> and National Agencies<sup>53</sup> in involving more students and staff with disabilities in the Erasmus+ programme.</p> <p>For all mobility activities, the funding rules of the programme foresee the payment of the real additional costs directly related to the participation in learning, teaching, training and youth activities of persons with disabilities (as reflected in the Erasmus+ Programme Guide). Accompanying persons are also entitled to receive a contribution based on real costs.</p> <p>The European Entrepreneur Exchange Programme is part of COSME<sup>54</sup>. So far, none of the programmes under COSME (which aims to broadly support small and medium-sized enterprises) include</p>

<sup>52</sup> [https://ec.europa.eu/programmes/erasmus-plus/sites/erasmusplus/files/erasmus-plus-recommendations-higher-education\\_en.pdf](https://ec.europa.eu/programmes/erasmus-plus/sites/erasmusplus/files/erasmus-plus-recommendations-higher-education_en.pdf)

<sup>53</sup> [https://ec.europa.eu/programmes/erasmus-plus/sites/erasmusplus/files/erasmus-plus-recommendations-national-agencies\\_en.pdf](https://ec.europa.eu/programmes/erasmus-plus/sites/erasmusplus/files/erasmus-plus-recommendations-national-agencies_en.pdf)

<sup>54</sup> COSME = Europe's Programme for small and medium-sized enterprises.



	<p>provisions directed to specific target groups.</p> <p>The Programme is open to everybody, irrespective of gender, origin and location (as long as it is within COSME participating countries), as long as small and medium-sized enterprise-related eligibility criteria are respected.</p> <p>The Commission might consider whether an approach similar to the one used by the Erasmus+ Programme to support the participation of people with disabilities could be applied to the Entrepreneur Exchange Programme as well. Indeed, it is already foreseen that the highest monthly financial contribution of EUR 1,100 should be given to entrepreneurs with disabilities, be they existing or new entrepreneurs.</p>
<p>5.4.2. Considering the high unemployment and labour market inactivity rates among women with disabilities, the European Union and its Member States need to develop both mainstream and positive actions targeting women with disabilities to promote training, job placements, access to employment, job retention, equal pay for equal work, equal career path, adaptations in the workplace and work-life balance. Women with disabilities must have the right, on an equal basis with others, to just and favourable working conditions, including equal opportunities and equal remuneration for work of equal value.</p>	<p>As disability and employment are primarily issues of national competence, the Commission supports Member States through promoting the exchange of best practices. The 2016 report <i>Disability and Labour Market Integration</i><sup>55</sup> outlines policy developments and gives recommendations for public employment services on how to better integrate persons with disabilities into the labour market.</p> <p>The Employment Equality Directive<sup>56</sup> and the Directive on the Implementation of the Principle of Equal Opportunities and Equal Treatment of Men and Women in Matters of Employment and Occupation<sup>57</sup>, mentioned in response to</p>

<sup>55</sup> <http://ec.europa.eu/social/BlobServlet?docId=16601&langId=en>

<sup>56</sup> <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32000L0078:en:HTML>

<sup>57</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32006L0054&from=EN>

	<p>point 4.6., are important legal tools for improving the employment rates of women with disabilities. These Directives provide women with disabilities a route to challenging discrimination in access to employment, be it based on gender or disability grounds, and for ensuring that they are treated equally when in the workplace.</p>
<p>5.4.3. Bearing in mind the European Union instrument for microfinancing and the European Social Fund to boost employment and promote social inclusion, opportunities for self-employment, entrepreneurship among women with disabilities, equal representation in management boards of enterprises, development of social enterprises or starting one's own business should be promoted. Women with disabilities should have equal rights to financial assistance throughout the lifecycle of the company and should be seen as competent entrepreneurs. Positive action measures should be provided in this regard to women with disabilities who are entrepreneurs by means of soft loans, microcredit and non-returnable grants, including for women living in rural areas.</p>	<p>The European Social Fund Regulation<sup>58</sup>, including under its direct and indirect management strand, known as the Employment and Social Innovation Programme (EaSI), lays down provisions to facilitate access to financing social enterprises, especially for those who are furthest away from the labour market, including women and persons with disabilities.</p>
<p>5.4.5. The European Union and its Member States should promote a better balance between professional and private life for women with disabilities and carers of persons with disabilities through effective measures based on their specific demands. Possible measures that may be options to achieving this goal include salary transparency, recruitment</p>	<p>The Work-Life Balance initiative launched by the Commission in April 2017 aims at supporting carers, including those of women with disabilities. The proposal for a Directive foresees a carers' leave entitlement of five days per worker per year to care for a relative in case of serious illness or dependency. The proposal also aims at</p>

<sup>58</sup> Regulation (EU) No 1304/2013 of the European Parliament and of the Council of 17 December 2013 on the European Social Fund and repealing Council Regulation (EC) No 1081/2006, OJ L 347, 20.12.2013.

<p>procedures and social security payments, flexible working hours or part-time teleworking, balance between disability-associated expenses in relation to motherhood and care for other persons with high support needs, promoting universal access to affordable, high quality support services at different times of the day, such as nurseries or care services for older people and other persons with high support needs, may be some options towards reaching this goal.</p>	<p>granting carers the right to request flexible working arrangements such as flexible working hours, reduced working hours and telework. The proposal states that Member States shall assess the need for the conditions of access and detailed arrangements for the application of parental leave to be adapted to the needs of parents having a disability and parents with children with a disability.</p> <p>The Work-Life Balance initiative was accompanied by a Commission Communication<sup>59</sup> in which the Commission commits to take a series of measures, including in the area of long-term care, such as policy guidance, monitoring of Member States' policies and Union funding.</p>
<p>5.4.6. The European Union and its Member States should include women with disabilities and families of persons with disabilities in its proposed Directive on Work-Life Balance for Parents and Carers, and other policy measures to improve the work-life balance of workers and carers.</p>	<p>As mentioned above, the proposal for a Directive on Work-Life Balance aims to support carers and includes specific references to parents with disabilities and parents of children with disabilities.</p>
<p>5.4.7. Women with disabilities also face unique barriers to their equal participation in the workplace, including sexual harassment, unequal pay and lack of access to seek redress because of discriminatory attitudes dismissive of their claims. The European Union and its Member States should also ensure safe and healthy working conditions for women with disabilities and carers of persons with disabilities, including protection from</p>	<p>The Communication 'Safer and Healthier Work for All'<sup>60</sup> stresses that risk management shall pay attention to the specific risks faced by certain groups of workers requiring the design of specific preventive and protective measures, such as for women with disabilities.</p> <p>The European Pillar of Social Rights<sup>61</sup> also highlights the right to an adapted</p>

<sup>59</sup> COM(2017) 252 final.

<sup>60</sup> COM(2017) 12 final.

<sup>61</sup> [https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights\\_en](https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights_en)

<p>harassment and the redress of grievances. Harassment in the workplace should be prevented through the adoption of effective harassment protocols in accordance with the application of the Racial Equality Directive.</p>	<p>working environment that enables people to prolong their participation in the labour market.</p> <p>As regards harassment at the workplace, Council Directive 89/391/EU<sup>62</sup> covers all kind of risks, including harassment and violence at work. The Directive requires employers to assess them and put in place the resulting preventive and protective measures.</p>
<p>5.5.1. The voices of women and girls with disabilities have historically been silenced, which is why they are disproportionately underrepresented in public decision making. In the majority of Member States, the deprivation of legal capacity of citizens with disabilities results in their losing the right to vote. Barriers to the right to vote also take the form of inaccessible voting procedures, including inaccessible polling stations. The European Union should ensure that women with disabilities can fully participate in public and political life, and especially in the 2019 European Parliamentary elections.</p>	<p>The European Union has no competences as regards the practical organisation of elections in the European Union, including the rules that apply to people with disabilities. It is up to Member States to determine the arrangements for the organisation of elections, including participation of people with disabilities, in compliance with Union law and the relevant international standards by which they are bound.</p> <p>Nevertheless, the Commission's actions support and supplement national policies and programmes to promote equality in this matter. The Commission actively promotes the identification and exchange of best practices through its events with the Member State authorities in charge of elections and through funding provided to projects aimed at increasing participation of underrepresented groups.</p> <p>In April 2018, the Commission organised the Event on Democratic Participation and Electoral Matters with Member State authorities in charge of elections, where an entire thematic</p>

<sup>62</sup> Council Directive 89/391/EEC of 12 June 1989 on the introduction of measures to encourage improvements in the safety and health of workers at work, OJ L 183, 29.6.1989.

	<p>session was dedicated to the inclusion/support of underrepresented and vulnerable groups.</p> <p>The Colloquium on Fundamental Rights held on 26-27 November 2018 dedicated parts of its plenary and workshop discussions to the theme of increasing the participation of underrepresented groups, including persons with disabilities, in the democratic life of the European Union. Stakeholders from different European countries and walks of life contributed with their perspectives and best practices aimed at facilitating and encouraging the participation of underrepresented groups. Conclusions of the event are expected to be published soon.</p>
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<p><b>N°6 Monitoring framework for the circular economy</b>  <b>COM(2018) 29 final</b>  <b>EESC 2018/0464 - NAT/722</b>  <b>536<sup>th</sup> Plenary Session - July 2018</b>  <b>Rapporteur: Mr Cillian LOHAN (GRIII-IE)</b>  <b>Co-rapporteur: Ms Tellervo KYLÄ-HARAKKA-RUONALA (GRI-FI)</b>  <b>DG ENV - Commissioner VELLA</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.–1.11. Conclusions and recommendations</p>	<p>The Commission welcomes the conclusions and recommendations put forward by the Committee. The Commission welcomes the involvement of the European Economic and Social Committee, other European Union Institutions and interested stakeholders that will help to further improve the framework and fill current knowledge gaps in key aspects of the circular economy.</p>
<p>1.4. The circular economy is linked to the low-carbon economy and the Sustainable Development Goals, and as a result, the monitoring indicators should reflect this.</p>	<p>The Communication recognises that the transition to a circular economy will help meet the objectives of the 2030 Agenda for Sustainable Development (Paragraph 1).</p> <p>This is reflected in the European Union set of Sustainable Development Goals indicators (<a href="http://ec.europa.eu/eurostat/web/sdi/indicators#2018review">http://ec.europa.eu/eurostat/web/sdi/indicators#2018review</a>), where four indicators overlap with the ones included in the monitoring framework for the circular economy. These indicators (used for Sustainable Development Goal 11 and Sustainable Development Goal 12) are: waste generation and its share of recycling, recycling of municipal waste and</p>

	<p>circular material use rate. The monitoring framework also includes an indicator on patents related to waste management and recycling, while the European Union Sustainable Development Goals indicator on patents (Sustainable Development Goal 9) relates to all patent applications to the European Patent Office. The Sustainable Development Goal indicator list also recognises the food waste indicator as relevant and labels it 'on hold' as data are not yet available.</p>
<p>2.2. The consultation for the development of the monitoring framework focused on stakeholders. This should have included the European Economic and Social Committee, given that its role as a consultative body is enshrined in the Treaties, and its membership includes many of the relevant stakeholder groups.</p>	<p>The Commission welcomes the Committee's comments. The monitoring framework has been designed in cooperation with the European Environment Agency and in consultation with Member States. Stakeholders of the Raw Material Supply Group (also members of the European Economic and Social Committee) have been consulted in the second quarter of 2017. In addition, in March 2017 the Circular Economy Stakeholders conference co-organised by the Commission and the Committee included one session on the monitoring framework.</p>
<p>2.3. It is essential that metrics in any effective monitoring system are based on solid data that is comparable across different Member States.</p>	<p>In view of improving the quality of European Union waste statistics, in the 2015 Waste package, the Commission has proposed to harmonise the methodologies for calculating recycling rates for municipal waste and packaging waste. The new waste directives were published in the Official Journal<sup>63</sup> and entered into force on 4 July 2018, while Member States</p>

<sup>63</sup> OJ L 150 of 14 June 2018.

	are required to implement the directives within two years.
<p>2.5. Resources should be allocated to ensure data gaps are filled with the urgent establishment of criteria and collection of data to establish baseline figures. Continuous research and monitoring of criteria, measurements and indicators is recommended.</p>	<p>Work is ongoing to develop methodologies and data collection for the indicators on food waste and green public procurement. In developing these indicators, the Commission will ensure that the administrative burden for Member States is minimised. In particular regarding green public procurement, the Commission has proposed to use a revised European Union standard form for public procurement (see Commission Staff Working Document on ‘Measuring progress towards circular economy in the European Union’<sup>64</sup>). In addition, through Horizon 2020, the Commission is funding different research projects to complement official statistics, like the European Union raw materials information system.</p>
<p>2.10. The Commission Communication is very waste-focused. This is partially explained by the fact that the data on waste is strong, consistent and comparable. However, any future monitoring needs to move beyond waste and recycling, and focus on design, production and consumption.</p>	<p>The monitoring framework is composed of a set of ten key indicators which cover each phase of the circular economy – i.e. production, consumption, waste management and secondary raw materials – as well as economic aspects, i.e. investments, jobs, gross value added and innovation. Specific indicators relate to the key priority areas: plastics, food waste, critical raw materials, construction and demolition, and biomass. Other indicators cover horizontal measures such as innovation, investment as well as added value and jobs. The indicator on circular material use rate captures the dimension of sustainable</p>

<sup>64</sup> SWD(2018) 17 final, paragraph 3.



	consumption, as it reflects the secondary raw materials used in the economy.
3.3. The ten indicators are heavily focused on waste. There should be a broader analysis to incorporate the whole value chain of products and materials, including eco-design, new business models, changes to business systems and industrial symbiosis, as well as new kinds of consumption models.	In the absence of more specific European Union indicators in the Production and Consumption area, like eco-design, life of products, and industrial symbiosis, the waste generation indicator (expressed in relation to population, Gross Domestic Product and Domestic Material Consumption) would reflect changes in production and consumption patterns. It allows measuring the decoupling of economic growth from the environmental impact (in terms of waste).
4.1.5. Food waste tools used to measure the complex matter of where along the supply chain food is being wasted are essential. It is not sufficient to only capture food waste at a consumer level when systemic change is needed to address this enormous problem.	The Commission is developing a consistent and solid indicator on food waste levels in the European Union. As explained in the Commission Staff Working Document on 'Measuring progress towards circular economy in the European Union' <sup>65</sup> , the Commission would like to clarify that this would cover the entire food value chain, including on the farm, in processing and manufacture, in shops, in restaurants and canteens and in households. The new Waste Framework Directive <sup>66</sup> provides a clear definition of food waste, which would ensure full comparability across Member States.
4.4. Private investment also plays a crucial role in the transition towards a	The Commission agrees with the Committee that private investments

<sup>65</sup> SWD(2018) 17 final, paragraph 3.

<sup>66</sup> Directive (EU) 2018/851 of the European Parliament and of the Council of 30 May 2018 amending Directive 2008/98/EC on waste (Text with EEA relevance).

<sup>67</sup> [http://ec.europa.eu/environment/chemicals/international\\_conventions/index\\_en.htm](http://ec.europa.eu/environment/chemicals/international_conventions/index_en.htm)

<p>low-carbon circular economy. The investment, insurance and banking sectors have already developed tools and evaluation models. As such, private investments as well as public finances should be quantified in the monitoring system.</p>	<p>play an important role in the transition to a circular economy. The Commission notes that the monitoring framework includes the indicator 9a on private investment in identified circular economy sectors; these are estimated to be around EUR 17 billion in the European Union in 2015. In terms of public finances, no full European Union estimates (covering European Union funding and Member State public funding) are currently available.</p>
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<p><b>N°7 Proposal for a Regulation of the European Parliament and of the Council on persistent organic pollutants (recast)</b>  <b>COM(2018) 144 final</b>  <b>EESC 2018/1688 - NAT/719</b>  <b>536<sup>th</sup> Plenary Session – July 2018</b>  <b>Rapporteur: Mr Brian CURTIS (GRII-UK)</b>  <b>DG ENV – Commissioner VELLA</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. Due to the extremely dangerous impact of persistent organic pollutants on human beings and the environment, the manufacturing of such substances must be banned and exemptions restricted to specific applications. The European Economic and Social Committee encourages the Commission to establish stricter control measures, in line with the precautionary approach and the Rio Declaration on Environment and Development.</p>	<p>The Commission considers that, in line with the objectives of the Stockholm Convention, the manufacture, use and placing on the market of persistent organic pollutants must be limited as much as possible and such substances should be replaced by less hazardous alternatives if those alternatives are available. Therefore, the Commission aims at avoiding the use of exemptions and, if that is not possible, limiting it to the minimum at international level and in the Union. In addition, the Commission supports the review of those exemptions with the objective of discarding them as soon as possible.</p>
<p>1.3. The European Economic and Social Committee endorses the proposal to transfer tasks from the Commission to the European Chemicals Agency in order to establish a more appropriate setting in which to provide administrative, scientific and technical support for implementation. Nevertheless, the Committee flags up the need to establish a solid working method involving the Commission, the European Chemicals Agency, Member States and stakeholders.</p>	<p>The proposal contains very clear provisions on the transfer of tasks to the European Chemicals Agency aiming at supporting implementation of the Stockholm Convention and the respective Union legislation. The current practice of cooperation under the existing Regulation ensures involvement of the Member States and stakeholders in the work. The involvement of the European Chemicals Agency will further strengthen that cooperation, based on practices and experiences from other</p>

	areas where the European Chemicals Agency is involved.
1.4. The European Economic and Social Committee recommends proper and limited use of delegated acts in order to maintain open dialogue with all stakeholders, with a specific focus on public awareness and transparency.	The Commission welcomes the Committee's views on the use of delegated acts, which is the correct means for making amendments to non-essential elements of the Regulation. The agreed procedures for development and adoption of delegated acts ensure full transparency and awareness of all stakeholders and the public.
1.5. The European Economic and Social Committee encourages the European Union to be a global leader in the fight against persistent organic pollutants. European Union action should be focused on harmonisation of national strategies and legislation for persistent organic pollutants monitoring and control. In particular, the Committee believes that the European Union should promote sustainability and the upholding of persistent organic pollutants provisions in bilateral and multilateral trade agreements.	The Commission welcomes the Committee's support in the fight against persistent organic pollutants. The European Union actively supports the implementation of the Stockholm Convention, including through financial support of activities aiming at enabling developing countries to fully implement the Convention, e.g. by setting up national implementation plans and legislation. In addition, the Commission supports the international work on monitoring of persistent organic pollutants. The Commission would like to inform the Committee that implementation of the Stockholm Convention is amongst the requirements addressed in European Union bilateral trade agreements.
1.6. The European Economic and Social Committee supports the proposal to organise a broad awareness campaign on persistent organic pollutants at European Union level in the framework of sustainable development. The European Economic and Social Committee considers that an open data bank on	Information on persistent organic pollutants is made available to the public by various means, including the website of the Commission on persistent organic pollutants <sup>67</sup> and IPChem, the Information Platform for Chemical Monitoring <sup>68</sup> . The involvement of the European Chemicals Agency will

<sup>67</sup> [http://ec.europa.eu/environment/chemicals/international\\_conventions/index\\_en.htm](http://ec.europa.eu/environment/chemicals/international_conventions/index_en.htm)

<sup>68</sup> <https://ipchem.jrc.ec.europa.eu/RDSIdiscovery/ipchem/index.html#>

persistent organic pollutants could be a useful tool for enterprises and consumers.

strengthen and broaden the dissemination of information.

<p><b>N°8      Quality of water for human consumption (recast)</b>  <b>COM(2017) 753 final</b>  <b>EESC 2018/1285 – NAT/733</b>  <b>536<sup>th</sup> Plenary Session - July 2018</b>  <b>Rapporteur: Mr Gerardo LARGHI (GR11-IT)</b>  <b>DG ENV – Commissioner VELLA</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 European Economic and Social Committee welcomes the Commission's proposal aimed at updating the Drinking Water Directive<sup>69</sup> and largely endorses its structure, objectives and measures. The Committee is pleased to note that for the first time a legislative process that started with a European Citizens' Initiative is being brought to completion, broadly in keeping with the aims of that initiative. The Committee also points out that more than 99% of the European Union's drinking water complies with the existing Drinking Water Directive.</p> <p>1.2. In line with its previous opinion<sup>70</sup>, the European Economic and Social Committee regrets that the proposal for a Directive stops short of explicitly recognising the universal right of access to safe drinking water and sanitation, as called for by the European Citizens' Initiative on Right2Water and as included in the United Nations Sustainable Development Goals<sup>71</sup>.</p> <p>1.5. The European Economic and Social Committee is in favour of introducing</p>	<p>The Commission welcomes the Committee's opinion. The Commission recalls that the European Citizens' Initiative 'Right2Water' has called on the Commission to propose action at Union level, which the Commission has now done. The Commission included in its proposal a new Article on access to water. This Article is two-fold and requires Member States first to ensure access to water for vulnerable and marginalised groups and second, more generally, to improve access to water through a number of measures (promotion campaigns, availability of water fountains, etc.). In line with the subsidiarity principle, it is proposed to leave Member States free to choose the best option to improve access to water. The proposal contributes to the implementation of Sustainable Development Goal No 6 of the United Nations Agenda 2030, whilst respecting the principle of subsidiarity, meaning it leaves Member States room to adopt the</p>

<sup>69</sup> Council Directive 98/83/EC of 3 November 1998 on the quality of water intended for human consumption, OJ L 330, 5.12.1998.

<sup>70</sup> EESC opinion, on Water and sanitation are a human right! [OJ C 12, 15.1.2015, p. 33](#). Point 1.8.

<sup>71</sup> United Nations General Assembly Resolution of 25 September 2015: Transforming our world: the 2030 Agenda for Sustainable Development. Goal 6: Achieve universal and equitable access to safe and affordable drinking water for all.

<p>measures requiring Member States to facilitate access to drinking water for vulnerable groups and people living in isolated locations, in disadvantaged or peripheral rural areas. In line with the subsidiarity principle, the detailed implementation of the measures should, however, be made in agreement with the Member States.</p> <p>1.13. The European Economic and Social Committee urges that, in future, a distinction be made between recognition of the right to water and the right to health protection.</p>	<p>best national solution and measures.</p> <p>In addition, in 2017, the European Parliament, the Council and the Commission jointly proclaimed the adoption of the European Pillar of Social Rights. One of the principles of the pillar is that ‘everyone has the right to access essential services of good quality, including water, sanitation, energy, transport, financial services and digital communications. Support for access to such services shall be available for those in need’. This is a strong signal to Union citizens that the European Union takes social rights, including access to water, very seriously.</p> <p>Nevertheless, it is clear that the new proposal is not adequate as an instrument to establish new fundamental human rights. The European Union legislature cannot unilaterally proclaim a fundamental right. Fundamental rights in the Union legal framework are only those rights set out in the Charter of Fundamental Rights or recognised by the European Court of Justice as general principles of law.</p>
<p>1.4. In the European Economic and Social Committee’s view, the Commission should: endorse the parametric values suggested by the World Health Organization, continue the derogations mechanism in its current form and reconsider the automatic mechanism provided for under Article 12 of the Directive. This proposal aims to ensure the highest quality standards, as well as to outline protocols that can be used when there is a real risk to consumers.</p>	<p>Concerning the parametric values, the proposal closely follows the recommendations of the World Health Organisation. Only in a few cases has the Commission proposed stricter parametric values than recommended by the World Health Organisation, based on the precautionary principle and duly justified for reasons of protection of human health.</p> <p>Concerning the derogation mechanism, the Commission proposed the former derogation mechanism to be deleted. The</p>

	<p>complex process to grant three derogations of three years is no longer justified. It was originally introduced in the Directive to allow Member States to comply with parametric values newly set in 1998. However, both co-legislators have put forward opinions similar to the European Economic and Social Committee's. If the co-legislators decide to reintroduce the possibility of granting derogations, this should only happen in duly justified exceptional circumstances, and be strictly time limited.</p> <p>Concerning Article 12, the Commission proposed this modification as it follows from the objective of protection of human health of the Directive, and the fact that Member States have to meet the minimum requirements for parameters in the Annex to the Directive. This means that if a parametric value is exceeded, this should be understood as a potential danger to human health, in line with the objectives of the Directive. The Commission is however open to clarify in the co-decision process that Member States do not need to take extensive remedial actions if exceedance of the parametric value is trivial.</p>
<p>1.7. The European Economic and Social Committee recognises that the Directive introduces significant new elements in terms of monitoring and the transparency of information. However, in order to increase consumer awareness of the importance of drinking tap water, it recommends that the information conveyed be clear and easily understandable. The European Economic and Social Committee underlines the important role of small and medium-sized</p>	<p>The Commission proposal foresees two types of access to information: first, on the consumers' bill, with clear and consumer-friendly information (price, costs, comparison with similar households, etc.). Second, it is also proposed that additional information will be available online (monitoring results, risk assessments, as well as more detailed information about future investments and energy efficiency for the very large water suppliers). The frequency of the updates</p>



<p>enterprises in water distribution. In order to avoid bureaucratic burden for small and medium-sized enterprises, roles must be proportionate.</p> <p>1.10. The European Economic and Social Committee is concerned about the fact that the increased costs involved in stepping up monitoring and in modernising and upgrading the network may be passed on solely to the end consumer and will not also be shared between public administrations and supply companies.</p>	<p>of the information to be made available online is proportionate to the size of the water suppliers, to avoid excessive administrative burden on smaller suppliers. This combined approach will greatly increase transparency, with demonstrated benefits in terms of water quality and consumer empowerment. Higher confidence in tap water can reduce bottled water consumption.</p> <p>In terms of costs, the impact of the proposal is expected to increase the European Union average household spending on water services only slightly, from 0.73% to 0.75 - 0.76% of the average household income. Since Member States have a margin of discretion (e.g. budget transfers), actual costs would most likely be lower. Also, lower consumption of bottled water can help households in Europe to save more than EUR 600 million.</p>
<p>5.7. The European Economic and Social Committee considers it important to monitor water supply sources in line with the Water Framework Directive<sup>72</sup> while establishing - where necessary - water reserves for responding to emergencies, exploring new approaches to alternative sources, such as rainwater, and making more rational use of groundwater in order to limit waste.</p> <p>1.9. The European Economic and Social Committee believes that water for domestic use should fall within the scope of the circular economy and that it is important that the Commission Directive integrates it within that framework, laying</p>	<p>The proposal is consistent with and complements Union legislation in the field of water, especially the Water Framework Directive.</p> <p>The Directive does not address the issue of domestic water reuse or recovery, it only concerns the supply of drinking water; however, the Commission issued on 28 May 2018 a proposal for a Regulation on minimum requirements for water reuse<sup>73</sup>. That proposal addresses in particular reuse of treated waste water for irrigation purposes.</p>

<sup>72</sup> Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy, OJ L 327, 22.12.2000.

<sup>73</sup> COM(2018) 337 final.

<p>down new rules for the production, recovery and reuse of waste water.</p>	
<p>1.11. The European Economic and Social Committee calls on Member States to introduce adapted water charges for less well-off citizens, those living below the poverty line and those living in disadvantaged rural areas. At the same time, the Committee recommends measures to discourage the use of disproportionate amounts of water, thereby promoting appropriate behaviour instead. This should also apply to industrial and agricultural usage of water. The European Economic and Social Committee points out the necessity of efficient maintenance of the water supply network. This measure should reduce the gap between pumped volumes and billed volumes in order to combat waste. It is also fundamental, in order to ensure solidarity with lower income groups, to keep degressive tariffs for big users which could contribute to reducing fixed charges.</p>	<p>Water charges, including the possibility to introduce solidarity or degressive tariffs, are outside the scope of the Drinking Water Directive. However, concerning affordability of water, it is important to recall that Member States may have regard to the variation in the economic and social conditions of the population, when setting water tariffs in accordance with the principle of recovery of costs set out in the Water Framework Directive. They may therefore adopt social tariffs or take measures safeguarding populations at a socio-economic disadvantage.</p> <p>Concerning the efficiency and maintenance of the water network, the Commission proposed to include transparency obligations on these aspects for very large water suppliers. Concretely, this means that they would have to publish online annual information on the overall performance of the system in terms of efficiency, including leakage rates and on the amount of investment considered necessary by the supplier to ensure the financial sustainability of the provision of water services (including maintenance of infrastructure).</p>
<p>1.12. The European Economic and Social Committee considers water to be a primary public good. For this reason groundwater, hydrogeological basins and large natural water reserves should no longer be privatised, or at least should remain publicly available. In order to ensure availability of drinking water for everybody, the Member State can involve</p>	<p>The organisation of water supply at national level is entirely the decision of Member States, and the Drinking Water Directive does not set rules on privatisation of water services. This is in line with Article 345 of the Treaty on the Functioning of the European Union, which clearly establishes a "principle of neutrality" in relation to the rules</p>

<p>private operators for the distribution of water for domestic and industrial uses. The private operators should, however, play a supporting rather than predominant role vis-à-vis public entities.</p>	<p>governing the system of property ownership in the Member States. The European Union cannot, therefore, adopt legal acts affecting the rules governing the system of property ownership, including those affecting the ownership of undertakings providing a public service, such as the provision of water.</p>
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<p><b>N°9 Proposal for a Regulation of the European Parliament and of the Council on the implementation and functioning of the .eu Top Level Domain name and repealing Regulation (EC) No 733/2002 and Commission Regulation (EC) No 874/2004</b>  <b>COM(2018) 231 final</b>  <b>EESC 2018/2477 - TEN/663</b>  <b>536<sup>th</sup> Plenary Session – July 2018</b>  <b>Rapporteur: Mr Philippe DE BUCK (GRI-BE)</b>  <b>DG CNECT – Commissioner GABRIEL</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 European Economic and Social Committee wishes to underline the fact that due to the importance of an internet identifier for Union citizens, companies and organisations, the .eu domain name has to be considered as a Service of General Interest. This is the reason why it should be considered that the registry has to be a non-profit organisation, dealing only with the operational management of the domain name, and that any surplus has to be passed to the European Union budget.</p>	<p>Today, the Registry is a non-profit organisation and any surplus generated annually through its activity goes back to the Union budget. Unlike the current Regulatory framework, the new .eu legal proposal does not strictly mandate the not-for-profit character of the Registry operator.</p> <p>Any legal form specifications and requirements for the Registry operator would be detailed in the procedure for the designation of the Registry, to be established by means of implementing acts.</p>
<p>1.3. and 4.3. The European Economic and Social Committee takes note that the Registry is appointed after an open tender procedure but wants to stress that everything should be undertaken to maintain .eu operations without any disruptions. An open tender procedure could have a negative effect on the stability of the staff involved, on stable relations with the multiple registrars and on the trust and reputation of the domain name. All the selection criteria should</p>	<p>The expiry of the current Service Concession Contract (<i>hereinafter ‘the contract’</i>) between the Commission and the .eu top level domain Registry Operator (EURid) is foreseen for 13 October 2019.</p> <p>The Commission is currently negotiating with the Registry operator to extend the contract, with a view to ensure a proper transition to the new .eu legal framework while limiting any risks of disruption of the .eu top level</p>

<p>therefore be clearly defined well in advance. In particular, if the Registry could or could not be a commercial company. In any event, the Committee requests that the entire process is made wholly transparent.</p>	<p>domain operations.</p> <p>The criteria and the procedure for the appointment of the new .eu top level domain Registry operator would be specified in the implementing acts to be adopted pursuant Article 8(1) of the proposal.</p>
<p>1.4. The Commission should define if the registry has to be a non-profit organisation or not.</p>	<p>The requested legal form of the Registry operator would be detailed in the procedure for the designation of the Registry established by means of implementing acts, as foreseen in Article 8(1) of the proposal.</p>
<p>1.5. The European Economic and Social Committee supports the creation of a Multistakeholder Council and wishes to be represented in it.</p>	<p>The .eu proposal foresees that the .eu Multistakeholder Council membership should reflect Internet Governance multistakeholder model. This includes Member States, the private sector, civil society, international organisations and the technical community (recital 20).</p> <p>Composition and specifications on organisational and functional matters of the .eu Multistakeholder Council would be established in line with the Commission Decision of 30 May 2016 establishing horizontal rules on the creation and operation of Commission expert groups<sup>74</sup>.</p>
<p>1.7. Brexit will have consequences for the eligibility criteria when, and if, the United Kingdom leaves the European Union, or when any potential transition period comes to an end. All the bodies dealing with the governance and the operational responsibilities of the .eu domain name should prepare for the new circumstances, and the .eu domain name owners concerned should be informed in</p>	<p>The United Kingdom withdrawal from the European Union will not have consequences in relation to the .eu top level domain eligibility criteria.</p> <p>However, .eu top level domain name holders residing in the United Kingdom might be impacted following the withdrawal of the United Kingdom from the European Union.</p>

<sup>74</sup> C(2016) 3301 final.

<p>good time about the withdrawal of their rights. Realistic deadlines should be fixed.</p>	<p>The Commission issued a public notice to stakeholders on the matter. There it is outlined that, as of the withdrawal date, undertakings and organisations that are established in the United Kingdom but not in the European Union, and natural persons who reside in the United Kingdom will no longer be eligible to register .eu domain names or, if they are .eu registrants, to renew .eu domain names registered before the withdrawal date. (more information: <a href="https://ec.europa.eu/info/publications/eu-domain-names_en">https://ec.europa.eu/info/publications/eu-domain-names_en</a>).</p> <p>The Commission also asked EURid to inform accredited .eu Registrars of the consequences of the withdrawal of the United Kingdom from the European Union.</p>
<p>1.8. The European Economic and Social Committee asks for a smooth transition period with the current incumbent operator. As the contract of the current Registry, namely EURid, is coming to an end in October 2019, and it is likely that the new Regulation and the implementing acts of the Commission will not be fully enforceable at that time, a transition period will be required, which means that the contract with EURid will either need to be extended or renegotiated. The European Economic and Social Committee considers that, as the contract may need to be amended, those negotiations should start as early as possible in order to avoid any disruption to the operation of the .eu domain name.</p>	<p>See reply to point 1.3. above.</p>
<p>4.6. Although the European Economic and Social Committee favours a more flexible approach in negotiations on the regulation and the contract, it requests</p>	<p>The procedure to designate the new Registry will be launched on the basis of the criteria agreed in comitology in accordance with Article 8(1) of the .eu</p>

<p>that the entire process for publication of the call for tenders and the negotiation of the contract be made wholly transparent from the very beginning and throughout the process. Applicants should have a clear idea of the obligations, conditions and rights when they prepare their answers to the bid as well as when they prepare the contract negotiations.</p>	<p>proposal.</p> <p>Such a procedure will detail the obligations, conditions and rights that the Registry operator will have to comply with vis-a-vis the Commission.</p> <p>This will provide the designated Registry with an adequate overview to conduct contractual negotiations in accordance with Article 8.3 of the .eu legal proposal.</p>
<p>4.6.2. Likewise, according to the new proposal, it will not be mandatory for the appointed Registry to be a not-for-profit organisation. If the Commission confirms this approach it will, in the Committee's view, constitute a major change that will have significant consequences. This is because commercial entities will act differently, as they will need to make a profit on the .eu domain name, and the surpluses generated by the Registry will no longer be transferred to the European Union budget. The European Economic and Social Committee wants the Commission to clarify this as soon as possible, so that the legislative process can be conducted with all relevant information made available.</p>	<p>See reply to point 1.2. above.</p>
<p>4.7.1. The European Economic and Social Committee can fully support this approach as, with regard to the internet, these stakeholders will be able to advise the European Union Institutions about shared principles, norms, rules, decision-making procedures and programmes that shape the use and development of the internet. Nevertheless, the European Economic and Social Committee underlines the importance of specifying that the role of the Multistakeholder Council will not be to</p>	<p>The .eu Multistakeholder Council would be aimed at (a) assisting and advising the Commission in the implementation of the .eu Regulation, (b) issuing opinions on matters of management, organisation and administration of the .eu top level domain, and (c) advising the Commission on matters of monitoring and supervision of the Registry.</p> <p>The .eu Multistakeholder Council will have to be appropriately resourced. The</p>

<p>intervene in the .eu operational management. The European Economic and Social Committee therefore requests the Commission to clarify the role and scope of such a council. Sufficient financial means have to be provided for this council to be able to function properly.</p>	<p>cost of its functioning was estimated at around EUR 50,000 per year and will be financially sustained by the Commission.</p>
<p>5.1. As the contract of the current registry, namely EURid, is coming to an end in October 2019, and it is likely that the new Regulation and the implementing acts of the Commission will not be fully enforceable at that time, a transition period will be required, which means that the contract with EURid will either need to be extended or renegotiated. The European Economic and Social Committee considers that, as the contract may need to be amended, those negotiations should start as early as possible in order to avoid any disruption to the operation of the .eu domain name.</p>	<p>See reply to point 1.3 above</p>
<p>5.3. Recital 16, Article 11(f) allows competent authorities to have access to Registry data for the purposes of prevention, detection and prosecution of crime. The current drafting suggests that law enforcement authorities may have unfettered, indiscriminate access to registration data. Any legal obligation for cooperation with competent authorities should also highlight checks and balances and limitations on such obligations.</p>	<p>Recital 16 and Article 11(f) of the proposal envisage that the contract to be concluded with the Registry would contain measures aimed at enabling competent authorities to have tailored access to the data in the Registry for the purposes of prevention, detection, investigation and prosecution of crime.</p> <p>However, such access will be granted as provided by Union or national laws.</p> <p>The limitations and safeguards provided by Union and national laws would guarantee sufficient checks and balances in relation to the sort of access to be granted to the competent authorities.</p>
<p>5.4. Article 12.1 states that: "The</p>	<p>Article 12(1) foresees that the Registry,</p>



<p>Registry shall set up and manage a WHOIS database facility for the purpose of providing accurate and up to date registration information under the .eu.". Achieving data accuracy in the WHOIS is challenging in the Domain Name System, where data is entered by multiple parties over which the Registry has little effective control. For example, it is typically the registrar who holds the contract with the end-user (registrant). While some registries implement after-the-fact checks for data accuracy, it is not feasible for any domain name registry to guarantee that data in the WHOIS is 100% accurate or up to date. There is a risk that such a provision could set an unrealistic and unachievable level of accuracy.</p>	<p>as regards the WHOIS database, should perform its operations ‘<i>or the purpose of</i>’ providing accurate information.</p> <p>This would not imply an obligation to ensure accuracy of information in cases where this would be beyond the Registry’s control, but rather envisages that measures are to be taken to ensure accurate and up to date registration information to the fullest extent possible.</p>
<p>5.5. The definition of the term "Registry" (Article 2(a)) includes the wording "...and dissemination of the TLD [top level domain] zone files". The language is ambiguous, and could be interpreted as compelling the Registry to publish its zone file. Most country code top level domains do not publish their zone files for privacy and cybersecurity reasons. The drafting of the definition should clarify that publication of the zone file is not required.</p>	<p>By dissemination of top level domain zones, the Commission means “distribution of the top level domain zone files across name servers”.</p>

<p><b>N°10 Taxation of profits of multinationals in the digital economy</b>  <b>COM(2018) 147 final, COM(2018) 148 final</b>  <b>EESC 2018/1556 - ECO/459</b>  <b>536<sup>th</sup> Plenary Session - July 2018</b>  <b>Rapporteur: Mr Krister ANDERSSON (GRI-SE)</b>  <b>Co-rapporteur: Mr Petru SORIN DANDEA (GRII-RO)</b>  <b>DG TAXUD – Commissioner MOSCOVICI</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 European Economic and Social Committee believes that the impact assessment should be complemented by an analysis of what impact the interim measure will have on investments, start-ups, jobs and growth. It also needs to show how the proposal will affect small and medium-sized enterprises.</p>	<p>The impact assessment accompanying the two proposals for Directives<sup>75</sup> already contains analysis in the areas mentioned. The Council and Parliament are invited to complement this analysis for the changes they might introduce.</p>
<p>1.6. The European Economic and Social Committee is concerned that such a shift in taxation will benefit larger economies with many consumers at the expense of smaller exporting economies. The European Economic and Social Committee underlines that any solution, whether short or longer term, to the taxation of digital business models must result in a fair and equal economic outcome for all economies in the European Union.</p>	<p>The Digital Services Tax would be levied according to where the users of the digital services are located, so revenues would be distributed according to that objective criteria. The proposal includes both a global and a Union level revenue threshold which ensure that the Digital Services Tax is only levied on very large companies with a significant digital footprint in the European Union. There are no Member States' level thresholds in the proposal, so smaller Member States would be able to collect the Digital Services Tax from the very first euro due.</p>
<p>1.8. The European Economic and Social Committee notes that there is no sunset clause or other mechanism ensuring that the interim tax measure is withdrawn when a longer-term solution is found. The</p>	<p>The Commission has indeed chosen not to include an expiry clause in the legal text of the Digital Services Tax Directive (sunset clause) because a general reference to the “adoption date or entry into force” of the</p>

<sup>75</sup> COM(2018) 147 final and COM(2018) 148 final.

<p>European Economic and Social Committee strongly encourages the Council to develop such rules if the interim measure should be introduced.</p>	<p>Significant Digital Presence Directive would not provide enough legal certainty and a reference to a specific cut-off date would have been a rather arbitrary approach, given the uncertainty over the international work at the Organisation for Economic Co-operation and Development on a global solution. However, there is a clear political understanding about the fact that the Digital Services Tax should be an interim tax until the comprehensive reform is implemented. This element is reflected in the Communication<sup>76</sup> accompanying the two Commission proposals on a fair taxation of the digital economy and has also been included in recital 6 of the proposal for a Digital Services Tax Directive.</p>
<p>3.13. The European Economic and Social Committee is concerned that by taxing turnover, with the negative cascading effects explicitly recognised by the Commission, the development of digital services, and in particular start-ups, could be harmed. The cascading effect arises when the services are sold several times and taxed each time.</p>	<p>The Digital Services Tax would only apply to companies that exceed both of the following thresholds: (i) total annual worldwide revenues of EUR 750 million; (ii) total annual taxable revenues within the European Union of EUR 50 million. The first threshold would limit the application of the tax to companies of a certain scale and it would prevent excessive tax burdens on smaller businesses and start-ups.</p>
<p>3.14. The European Economic and Social Committee considers that the ceiling of EUR 7 million for creating a permanent establishment from which the new regime would apply, should be increased. It would be preferable if the deliberations in the Council resulted in an outcome that does not risk hampering digitalisation but instead enhanced the functioning of the</p>	<p>The criteria that trigger a digital permanent establishment (PE) have been designed in such a way as to limit the effective application of the tax to large companies that have significant digital activities. The Directive is not expected to hamper digitalisation but, on the contrary, to enhance the functioning of the Single Market by removing distortions and</p>

<sup>76</sup> COM(2018) 146 final.

Single Market. When assessing the effective level of taxation of the digital sector, the European Economic and Social Committee underlines the need to take into account the changes in the tax codes going forward due to the ongoing implementation of Base Erosion and Profit Shifting rules, and, in particular, to consider the substantially increased level of taxation in the United States of United States digital firms operating in the European Union, due to changes in the United States Tax Code.

ensuring a level playing field between businesses.

The Commission fully recognises the importance of implementing the Base Erosion and Profit Shifting (BEPS) actions in order to address aggressive tax planning by multinational companies. This is why the Commission has tabled a number of proposals, including the Anti-Tax Avoidance Directive<sup>77</sup> and the various amendments to the Directive on Administrative Cooperation<sup>78</sup> to ensure consistent and effective implementation of those actions in the Member States. The Commission will evaluate the implementation of the Anti-Tax Avoidance Directive<sup>79</sup> and the Directive on Administrative Cooperation in due course, using all available information, including that communicated by Member States. However, taxation of the digital economy is not simply about addressing Base Erosion and Profit Shifting. It is about reforming the corporate tax framework to ensure that it reflects the ways in which activities are carried out and value is created in the new digital business models.

The Commission is analysing the impact of the United States tax reform, which includes a number of measures designed to protect the United States corporate tax base from aggressive tax planning. However, these measures do not solve the underlying taxation issues related to the digital economy, which necessarily require an international solution.

<sup>77</sup> COM(2016) 687 final.

<sup>78</sup> 2015/2376/EU and 2016/881/EU.

<sup>79</sup> Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market.

<sup>80</sup> COM(2018) 259 final

<p>4.1. The flat rate of 3%, one of the factors set by the Commission, can only be considered on a provisional basis, with a proper evaluation necessary. Furthermore, a degree of flexibility could be contemplated in order to take account of the taxable capacity of individual businesses.</p>	<p>The Digital Services Tax remains a targeted measure until the comprehensive reform is implemented. The aim is to prevent a patchwork of national approaches which are already starting to emerge and can fragment the Single Market.</p> <p>A low rate (e.g. 1% or 2%) would raise doubts about the financial feasibility of the tax (tax revenues net of compliance and administrative costs), while a high rate (e.g. 5% or 6%) would imply a higher burden, especially on companies with low profitability.</p> <p>The tax would need to be levied at a single rate. This would ensure compatibility with the freedom of establishment and free movement of services in order not to contradict the case law of the Court of Justice of the European Union (CJEU) (e.g. <i>Hervis Sport</i><sup>70</sup>) that declared steeply progressive tax rates contrary to the freedom of establishment.</p>
<p>4.2. The lack of cross-border profit and loss relief and the large number of transfer pricing and permanent establishment (PE) disputes within the European Union frequently result in international double taxation, thus constituting significant barriers to the Single Market. Introducing a turnover tax on digital services which would not be credited against income taxes in other countries would further increase double taxation, thus adding yet another barrier to the Single Market. The European Economic and Social Committee considers it important to avoid introducing measures that would lead to any form of double taxation.</p>	<p>As foreseen in recital 27 of the Digital Service Tax proposal, it is expected that Member States would allow businesses to deduct the Digital Service Tax paid as a cost from the corporate income tax base in their territory, in order to alleviate possible cases of double taxation where the same revenues are subject to the corporate income tax and the Digital Services Tax.</p>
<p>4.3 The Organisation for Economic Co-</p>	<p>The Commission believes that the solution</p>

<p>operation and Development method of developing the PE definition is a dynamic procedure where the changes in principle have found global acceptance. By deviating from this procedure by proposing a unilateral definition, the complexity of the international tax system increases as does the uncertainty for investors. Even in the unlikely event that the Organisation for Economic Co-operation and Development would adopt the same definition in its expected final report on the digital economy in 2020, it would not be long until the two systems would deviate.</p>	<p>to the fair and effective taxation of the digital economy must ultimately be a global one. This is necessary to ensure a level playing field and consistent approach.</p> <p>The Commission's proposals for revising the definition of a permanent establishment (PE) to include the concept of a significant digital presence are designed to give further impetus to international discussions by providing a clear example of how the principles under discussion at international level can be transformed into a modern, fair and efficient corporate taxation framework adapted to the digital era.</p> <p>The Commission recommendation relating to the corporate taxation of a significant digital presence suggests that the permanent establishment concept, as currently set out in Article 5 of the Organisation for Economic Co-operation and Development's Model Tax Convention, should be revised to take into account criteria such as revenue and other user-based criteria for determining the "significant digital presence" of a business.</p>
<p>4.4. The European Economic and Social Committee is concerned about having a number of users of digital services as a criterion for a taxable nexus. The number of clicks on a website can easily be manipulated and companies risk losing control over which jurisdiction they are deemed to be operating in.</p>	<p>As confirmed with numerous accounting organisations, digital companies have the relevant information in terms of users and are constantly adapting their tools in order to prevent fraud or misuse of their services or digital platforms.</p> <p>The Intellectual Property address of the device used by the user is a good method of determining the location of the user. If not available, alternative methods of geolocation (Global Positioning System (GPS), cookies etc.) could be envisaged.</p>

<p><b>N°11 Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 952/2013 laying down the Union Customs Code</b>  <b>COM(2018) 259 final</b>  <b>EESC 2018/2825 - INT/862</b>  <b>536<sup>th</sup> Plenary Session - July 2018</b>  <b>Rapporteur: Mr Antonello PEZZINI (GRI-IT)</b>  <b>DG TAXUD – Commissioner MOSCOVICI</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 European Economic and Social Committee supports the proposed regulatory framework, comprising:</p> <ul style="list-style-type: none"> <li>– amendments to the technical standards and rules of the Union Customs Code;</li> <li>– corrections of technical errors and omissions, aligning the code with the Canada-European Union Comprehensive Economic and Trade Agreement;</li> <li>– the inclusion of the municipality of Campione d'Italia and the Italian waters of Lake Lugano in the European Union customs territory, as requested by the Member State concerned.</li> </ul>	<p>The Commission welcomes the Committee's opinion supporting the proposal for including the Italian municipality of Campione d'Italia and the Italian waters of Lake Lugano in the Union custom territory and for making other necessary technical amendments to the Union Customs Code<sup>80</sup>. The Commission would like to thank the rapporteur and the Committee for their support and the swift adoption of the opinion.</p>
<p>1.5. With regard to the inclusion of "territorial enclaves", the Committee recommends paying particular attention to making the necessary amendments at the same time to Directive 2008/118/EC (Excise duties)<sup>81</sup> and Directive</p>	<p>On the same day on which the Commission adopted the proposal to amend the Union Customs Code, it adopted a proposal for a Council Directive amending Directives 2006/112/EC (Value Added Tax</p>

<sup>80</sup> COM(2018) 259 final

<sup>81</sup> Council Directive 2008/118/EC of 16 December 2008 concerning the general arrangements for excise duty and repealing Directive 92/12/EEC

<sup>82</sup> Directive 2006/115/EC of the European Parliament and of the Council of 12 December 2006 on rental right and lending right and on certain rights related to copyright in the field of intellectual property (codified version)

<p>2006/112/EC (the Value Added Tax Directive)<sup>82</sup>.</p>	<p>Directive) and 2008/118/EC (Excise duties) as regards the inclusion of Campione d'Italia and the Italian waters of Lake Lugano in the customs territory of the Union and in the territorial application of Council Directive 2008/118/EC<sup>83</sup>. This proposal would include these territories in the territory of the Union to which the Excise Directive applies and make a merely formal change to the Value Added Tax Directive. Discussions on these Value Added Tax and excise amendments started in the Council on 22 May 2018. This proposal is designed to apply from the same date as the Union Customs Code amendment proposal, i.e. 1 January 2019.</p>
<p>1.6. The European Economic and Social Committee would ask the Commission to send it the interim evaluation report on the Union Customs Code legal framework to be published in 2021 for the purpose of assessing the adequacy of the amendments to the present regulation and the efficiency of the common electronic systems which should be in place by that time.</p>	<p>The Commission, in a report on the implementation of the Union Customs Code adopted on 22 January 2018<sup>84</sup>, has committed to carry out by 2021 an interim evaluation of the Union Customs Code legal framework and of those electronic systems that have been implemented by that date. The Commission will be pleased to send this evaluation to the Committee after its adoption.</p> <p>In the same report, the Commission also committed to carry out a more comprehensive fitness check at a later date, once all the electronic systems have been implemented. This will enable the Commission to decide in the longer term whether any major policy</p>

<sup>82</sup> Directive 2006/115/EC of the European Parliament and of the Council of 12 December 2006 on rental right and lending right and on certain rights related to copyright in the field of intellectual property (codified version)

<sup>83</sup> COM(2018) 261 final.

<sup>83</sup> COM(2018) 261 final.

<sup>84</sup> COM(2018) 39 final.



	<p>changes need to be made so that the Union Customs Code remains fit for purpose in a global trading environment and so that it continues to ensure a proper balance between trade facilitation and controls.</p> <p>In the meantime, the Commission will continue to propose corrections or technical amendments to the Union Customs Code legal package as necessary to ensure the continued smooth functioning of the legislative framework.</p>
<p>2.9. The Comprehensive Economic and Trade Agreement – on which the European Economic and Social Committee was able to express its views on several occasions – contains a number of aspects that are of major interest for customs, given that Article 1.4. of the Agreement establishes between Canada and the European Union a free trade area, in keeping with Article XXIV of the General Agreement on Tariffs and Trade (1994) and Article V of the General Agreement on Trade in Services . In any event, the Comprehensive Economic and Trade Agreement does not affect other rights and obligations between the contracting parties under the World Trade Organization agreement, nor does it affect the other agreements to which they are respectively party.</p> <p>4.3. The European Economic and Social Committee therefore welcomes the aim of aligning European Union regulatory norms with the agreements signed with Canada in the following areas:</p> <ul style="list-style-type: none"> <li>– binding tariff information;</li> <li>– temporary storage;</li> </ul>	<p>The Commission would like to clarify that the only Union rule that is being aligned with the Comprehensive Economic and Trade Agreement signed with Canada in the present proposal is the one providing for a new duty relief for repaired goods. Such a relief is provided under the Comprehensive Economic and Trade Agreement signed with Canada and will in the future be provided in other Free Trade Agreements (such as those already agreed with Vietnam and Japan). A new Article 260a is therefore proposed to provide for this relief.</p> <p>The rest of the amendments to the Union Customs Code included in this proposal and listed by the Committee in paragraph 4.3. are not related to the Comprehensive Economic and Trade Agreement.</p>

<ul style="list-style-type: none"><li>- entry summary declarations and particulars to be included in the event of failure to submit pre-arrival information concerning non-Union goods;</li><li>- invalidation of a temporary storage declaration;</li><li>- total relief from import duties in some cases;</li><li>- exact terms of the invalidation, in cases where there is a temporary storage declaration, of the exit summary declaration or re-export notification.</li></ul>	
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<p><b>N°12 Revision of the Regulation on marketing and use of explosives precursors COM(2018) 209 final EESC 2018/2235 - INT/850 536<sup>th</sup> Plenary Session – July 2018 Rapporteur: Mr David SEARS (GRI/UK) DG HOME – Commissioner AVRAMOPOULOS, Commissioner KING</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 European Economic and Social Committee welcomes the Commission's proposal on revising the Regulation on marketing and use of explosives precursors and strongly supports its objectives.</p>	<p>The Commission welcomes the Committee's overall positive opinion and will take its suggestions into account as and when the specific issues are raised in negotiations with the co-legislators.</p>
<p>1.2. The European Economic and social Committee expresses concerns over the documents accompanying the proposal, in particular the format of the impact assessment, reliance on certain statistics and limited scope of research into online sales.</p>	<p>The format of the impact assessment report is in line with the Commission's internal rules and received a positive opinion from the Regulatory Scrutiny Board<sup>85</sup>. The report relies on statistics retrieved from Eurostat and the European Chemicals Agency, as well as information gathered during several studies commissioned by the Directorate-General for Migration and Home Affairs. The potential sale of precursors on the dark web was not investigated, because the proposed Regulation addresses legal platforms of online sales.</p>
<p>1.3. The European Economic and Social Committee submits that the impact assessment should explain why other substances that may potentially be misused are not restricted.</p>	<p>The criteria for determining which measures should apply to which explosives precursors include the level of threat associated with the explosives precursor concerned, the volume of trade in the explosives precursor concerned, and the possibility of</p>

<sup>85</sup> <http://ec.europa.eu/transparency/regdoc/rep/2/2018/EN/SEC-2018-193-1-EN-MAIN-PART-1.PDF>

	<p>establishing a concentration level below which the explosives precursor could still be used for the legitimate purposes for which it is made available and is significantly less likely to be able to be used for the illicit manufacture of explosives. Applying these criteria, the Commission proposes to include sulphuric acid in the list of restricted substances. Due to security considerations, the Commission did not report on what other chemical substances have been considered in the context of the impact assessment.</p>
<p>1.4. The European Economic and Social Committee suggests that the European Union framework concerning restricted explosives precursors should consist of "a simple Framework Directive", and separate Regulations for each of the (9) restricted substances.</p>	<p>The Commission proposal amends the single legal framework of Regulation (EU) No 98/2013<sup>86</sup>. The Commission considers it is important to have one legal act with the same rules for all restricted substances, because this facilitates awareness and compliance by industry and enforcement by national authorities.</p>

<sup>86</sup> Regulation (EU) No 98/2013 of the European Parliament and of the Council of 15 January 2013 on the marketing and use of explosives precursors Text with EEA relevance, OJ L 39, 9.2.2013.

<p><b>N°13 Rules facilitating the use of financial and other information in criminal cases</b>  <b>COM(2018) 213 final</b>  <b>EESC 2018/2736 - SOC/595</b>  <b>536<sup>th</sup> Plenary Session - July 2018</b>  <b>Rapporteur: Mr Victor ALISTAR (GRIII-RO)</b>  <b>DG HOME – Commissioner KING, Commissioner AVRAMOPOULOS</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., 1.9., 2.5., 4.2. and 4.3. The definition of the Directive of “serious criminal offences” should be more restrictive. Instead of the reference to the definition of the Europol Regulation, a more limited definition is suggested (language proposed in point 4.3.).</p>	<p>Regulation (EU) 2016/794 (the Europol Regulation)<sup>87</sup> is the most recently adopted European Union instrument setting out a list of criminal offences, all of which are deemed serious and transnational.</p> <p>Furthermore, referring to the Europol list of crimes has additional added value by leading to greater coherence with existing instruments in the field of home affairs.</p>
<p>1.5 and 3.9.</p> <p>The proposal should strike a better balance between the fundamental rights of individuals, enshrined in the Treaty on the Functioning of the European Union, and the need for better law enforcement in combating and prosecuting crime.</p> <p>The Directive does not contain specific rules on the protection of privacy and the provision of procedural guarantees relating to the curtailment of these rights.</p>	<p>The framework for exchange of information under the proposed Directive contains a number of safeguards for protection of privacy and personal data. The cases and conditions where exchange of financial data is permitted are limited to an exhaustive list of competent authorities. Those competent authorities will only be enabled to access and exchange financial data in respect to a set list of criminal offences and subject to national procedural safeguards and privacy safeguards.</p> <p>The direct access to bank account information granted to competent authorities under Article 4 has a limited impact on the right to privacy and the right to the protection of personal data, respectively</p>

<sup>87</sup> Regulation (EU) 2016/794 of the European Parliament and of the Council of 11 May 2016 on the European Union Agency for Law Enforcement Cooperation (Europol) and replacing and repealing Council Decisions 2009/371/JHA, 2009/934/JHA, 2009/935/JHA, 2009/936/JHA and 2009/968/JHA.

	<p>under Articles 7 and 8 of the European Union Charter of Fundamental Rights. With respect to the right to privacy under Article 7 of the Charter, the interference will be relatively limited in terms of gravity as the accessible and searchable data does not cover financial transactions or the balance of the accounts. It will only cover a limited set of information which is strictly necessary to identify in which banks the subject of an investigation holds bank accounts.</p> <p>Regarding the right to the protection of personal data under Article 8 of the Charter, all provisions in the Data Protection Police Directive<sup>88</sup> apply. Furthermore, there are additional safeguards related to the processing of personal data in Articles 5 and 6 of Chapter II and in Chapter V.</p> <p>In case of breach of these fundamental rights, the Directive does not contain specific procedural guarantees for the protection of these rights, but the existing systems of protection of fundamental rights in national laws do apply in such cases.</p>
<p>1.10, 3.5, 4.4 and 4.7.</p> <p>For purposes of prevention of crime, the Directive should be restricted. Access by competent law enforcement authorities to centralised bank account registries and to information held by Financial Intelligence Units for purposes of prevention should be allowed only in cases of terrorism offences, human trafficking and drug trafficking. Article 4(1) and 7(1) should be amended accordingly.</p>	<p>With respect to the access of law enforcement authorities, Asset Recovery Offices and Europol National Units to the information, contained in the national centralised bank account registries, it is important to stress that the registries do not contain highly sensitive information (i.e. financial transactions data or account balance) but ‘subscriber data’ (i.e. name, International Bank Account Number (IBAN) number, dates of opening and/or closing the account).</p>

<sup>88</sup> Directive (EU) 2016/680 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data by competent authorities for the purposes of the prevention, investigation, detection or prosecution of criminal offences or the execution of criminal penalties, and on the free movement of such data, and repealing Council Framework Decision 2008/977/JHA, OJ L 119, 4.5.2016.

	<p>The proposal for a Directive refers to the prevention, detection, investigation and prosecution of a strict list of criminal offences considered serious and provided for by another European Union legal instrument. Moreover, the proposal contains strict provisions on the conditions for access to the centralised bank account registries and its monitoring (Articles 5 and 6). Hence, the Commission is of the opinion that further restrictions regarding the scope of the proposal are not needed.</p> <p>Access by law enforcement authorities to information held by Financial Intelligence Units (Article 7) is subject to multiple safeguards which ensure that there will be no abuses on the side of law enforcement authorities in the context of prevention of criminal activity:</p> <ul style="list-style-type: none"> <li>- access is only granted to law enforcement authorities which are designated under Article 3 as “competent authorities”;</li> <li>- requests to Financial Intelligence Units are “subject to national procedural safeguards”, i.e. if national law requires judicial authorization, this shall be still valid;</li> <li>- requests can only be made “on a case-by-case basis”, i.e. not for the purposes of phishing expeditions.</li> </ul>
<p>3.6. and 4.6. Access to financial data should be granted only to authorities responsible for investigating and prosecuting criminal offences (as well as to Asset Recovery Offices).</p>	<p>Putting the distinction on the type of authorities could lead to uncertainty, especially if the authority fulfils both preventive tasks and investigation/prosecution.</p> <p>In addition, prevention of crime may still be a legitimate purpose justifying access to financial information under the mechanism of the Directive (e.g. the Financial Intelligence Units’ main role is crime prevention and they also need additional</p>

	financial information for carrying out proper analyses).
4.1. The preventive objective should be removed from the definition of financial information (set out in Article 2(e) of the Directive).	In the definition of ‘financial information’ in Article 2(e), “prevention” does not relate to the purpose for which law enforcement authorities may have access to such information under the proposed Directive, but to the principal role of the Financial Intelligence Units which hold this information (see Article 32(1) of the 4 <sup>th</sup> Anti-Money Laundering Directive <sup>89</sup> ). By this, the definition wishes to include in the definition information which is held by the Financial Intelligence Units for the prevention, detection and combatting of money laundering; and exclude information which is held by the Financial Intelligence Units for other reasons (administrative information, information held for supervisory purposes). Consequently, this characterisation is an inherent element of the definition.
4.5. Article 5 of the proposal for a Directive should be supplemented by a new point (point 3) establishing guarantees of proportionality and legitimacy regarding access by law enforcement authorities to private data (including financial data). In this respect, the new point 3 should provide for the obligation to examine requests for access on a case-by-case basis, under the well-founded case principle, so that – insofar as they later become judicial evidence – these retrievals of data comply with the conditions of legality governing the	Article 5 of the proposal for a Directive sets out conditions for the access and search of bank account information by competent authorities. As already noted, the centralised bank account registries and data retrieval systems do not contain financial data (transactions), but a well-defined set of information, as per Article 32a(3) of the recently amended Anti-Money Laundering Directive ). Essentially, Article 4(2) of the proposed Directive points out that any additional information contained in the bank account registries should not be made accessible and searchable to the competent

<sup>89</sup> Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (Text with EEA relevance), OJ L 141, 5.6.2015.



<p>recovery and use of evidence, and uphold fundamental rights and freedoms, including the right to a fair trial, as established by the established practice of the European Court of Human Rights in Strasbourg, and can be used successfully by national courts in penalising offences.</p>	<p>authorities. The fact that the access to and search of bank account information takes place on a case-by-case basis is also provided for by Article 5(1).</p> <p>Furthermore, in addition to the limitation regarding the accessible information and the safeguards provided for by the proposed Directive in Articles 5 and 6, all the safeguards, provided by the Data Protection Police Directive apply. Hence, the Commission is of the opinion that the proposed measure is proportionate to its objectives.</p>
<p>1.9. The definition in Article 2(f) "law enforcement information" should be amended, so as to ensure the clarity, predictability and proportionality of the rules.</p>	<p>The Commission has based the definition of 'law enforcement information' in Article 2(f) of the proposed Directive on Article 2(d) of Council Framework Decision 2006/960/JHA (the 'Swedish initiative')<sup>90</sup> precisely in order to ensure the clarity, predictability and proportionality of the rules.</p>
<p>1.7. and 3.7. Centralised bank account registries could also include financial information in relation to the investment accounts of capital market investment managers, given that modern money laundering techniques involve investments in capital markets.</p> <p>Furthermore, the European Economic and Social Committee calls on the Commission to undertake an analysis exploring the possibility of interlinking the data collected under the 5<sup>th</sup> Anti-Money Laundering Directive, under the present Directive and under the Fourth</p>	<p>The obligation for Member States to establish centralised bank account registries in their territories is regulated in Article 32a of the 4<sup>th</sup> Anti-Money Laundering Directive. This latter Directive defines scope, content and structure of the centralized registers. Paragraph (1) of Article 32a of the 4<sup>th</sup> Anti-Money Laundering Directive provides that the centralised bank account registries cover payment and bank accounts identified by the International Bank Account Number (IBAN), as well as deposit boxes held by credit institutions. If the European Union legislator would wish to consider broadening the scope of the types of accounts covered, this should</p>

<sup>90</sup> Council Framework Decision 2006/960/JHA of 18 December 2006 on simplifying the exchange of information and intelligence between law enforcement authorities.

<p>Directive on administrative cooperation in the field of taxation<sup>91</sup>, regarding the latter for documentation of severe crimes only.</p>	<p>be done in the context of the revision of the Anti-Money Laundering Directive, and not under the current legislative proposal. The current Directive merely regulates the conditions of access by certain authorities to the centralised bank account registries.</p> <p>The Commission thanks the Committee for the recommendation to analyse the possibility of interlinking the data set collected in different registers established under various European Union legislative acts.</p>
<p>1.8 and 3.8. Article 17 be supplemented with procedural provisions referring to other European legislation on judicial cooperation and the exchange of financial information with third countries in order to comply with:</p> <ul style="list-style-type: none"> <li>- the definition of comprehensive legal rules relating to judicial procedures for the valid collection of evidence when complementary to other legislative instruments;</li> <li>- the more extensive implementation of the public policy objectives set out in the explanatory memorandum of the proposal for a Directive and in the ex-post analysis carried out by the Commission.</li> </ul>	<p>Recital 11 of the proposed Directive notes that the information, acquired by the competent authorities from the national bank account registries, can be exchanged with competent authorities located in a different Member State pursuant to Directive 2014/41/EU<sup>92</sup>. Similarly, recital 27 stresses that the transfer of financial data to third countries and international partners for the purposes laid down in the Directive can only be allowed under the conditions laid down in Data Protection Police Directive or the ‘General Data Protection Regulation’<sup>93</sup>.</p>
<p>4.8. Harmonized standards should be set for the alternative means of transmitting</p>	<p>The Commission does not consider that there is an urgent necessity to harmonize</p>

<sup>91</sup> Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC, OJ L 64, 11.3.2011.

<sup>92</sup> Directive 2014/41/EU of the European Parliament and of the Council of 3 April 2014 regarding the European Investigation Order in criminal matters, OJ L 130, 1.5.2014.

<sup>93</sup> Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), OJ L 119, 4.5.2016.

<p>the financial information for cases of system disruption of the FIU.net<sup>94</sup>. These means should be capable of producing a written record ensuring the verification of authenticity.</p>	<p>standards of communication for cases of system disruption of the FIU.net, firstly, because this provision regulates only an exceptional situation; and secondly, because there are already various channels in use which does not raise any problem of authenticity in practice.</p>
<p>4.6. and 4.9. Providing access to the financial information of natural persons subject to the national safeguards laid down in Articles 7 and 8 is not sufficient, given that this information can also be accessed by structures that do not have their own investigative powers such as Europol.</p> <p>As to Article 10 on access by Europol to financial information, this should be granted only in relation to Europol's own investigative powers and should be accompanied by the necessary safeguards for metadata analysis.</p>	<p>Europol's mission is to support and strengthen action by the competent authorities of the Member States and their cooperation in preventing and combating serious crime. The Commission therefore considers it essential that Europol is granted indirect access, via the Europol National Units, to the information, contained in the national bank account registries and to financial information and analysis in order to conduct its tasks more effectively.</p> <p>It is important to stress that the Europol Regulation<sup>95</sup> already provides for a very strong data protection regime that governs the Agency's activities. Additionally, Article 11 provides that only specifically designated persons within Europol can be authorised to access bank accounts and financial information as well as financial analysis.</p>

<sup>94</sup> FIU.net = Decentralised and sophisticated computer network supporting the Financial Intelligence Units in the European Union in their fight against money laundering and the financing of terrorism.

<sup>95</sup> Regulation (EU) 2016/794 of the European Parliament and of the Council of 11 May 2016 on the European Union Agency for Law Enforcement Cooperation (Europol) and replacing and repealing Council Decisions 2009/371/JHA, 2009/934/JHA, 2009/935/JHA, 2009/936/JHA and 2009/968/JHA, OJ L 135, 24.5.2016.

<p><b>N°14 SEPA/Extension - Single Euro Payments Area extension</b>  <b>COM(2018) 163 final</b>  <b>EESC 2018/1993 - INT/847</b>  <b>536<sup>th</sup> Plenary Session - July 2018</b>  <b>Rapporteur: Mr Daniel MAREELS (GRI-BE)</b>  <b>DG FISMA – Vice-President DOMBROVSKIS</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 direct impact of the proposal will be felt in the first instance in the non-euro-area Member States. The heavy charges levied there for cross-border payments in euro within the European Union will disappear, as they will have to be aligned with the lower charges for domestic transactions in the national currency. The European Economic and Social Committee welcomes these lower costs, which will particularly benefit consumers and businesses, especially small and medium-sized enterprises.</p>	<p>The Commission welcomes the Committee’s opinion on the proposal for a Regulation amending Regulation (EC) No 924/2009<sup>96</sup> as regards certain charges on cross-border payments in the Union and currency conversion charges. As stated in the Committee’s opinion, this proposal extends the benefits of Regulation (EC) No 924/2009 to people and businesses in Member States outside the euro area, and put an end to the high cost of intra-European Union cross-border transactions in euro, thus further integrating the Single Market and removing a barrier to free movement and trade.</p>
<p>1.5. In connection with its repeated advocacy of biodiversity in the banking landscape as a guarantee of the system’s stability and efficiency, and in order to take account of various future developments and challenges, the European Economic and Social Committee calls for a greater focus on the cost to the banks arising from this proposal.</p>	<p>The Commission takes note of the Committee’s opinion. In fact, as stated in the Impact Assessment accompanying the proposal, this will generate significant savings for consumers, while the revenues of some payment service providers may decrease.</p> <p>Aligning cross-border euro-transaction</p>

<sup>96</sup> Regulation (EC) No 924/2009 of the European Parliament and of the Council of 16 September 2009 on cross-border payments in the Community and repealing Regulation (EC) No 2560/2001 (Text with EEA relevance), OJ L 266, 9.10.2009.

	<p>fees with fees charged for domestic transactions in the national currency of the Member State takes account of the level of development and efficiency of local payment systems and banks (infrastructure and processes). Using domestic transaction fees as a benchmark makes it possible to take into account the specificities of each Member State and their payment service providers.</p> <p>At the same time, the proposal will not generate significant investment costs, since European Union payment service providers have access to efficient euro clearing and settlement infrastructures.</p>
<p>1.6. Market participants will be required to provide full information to users on the cost of foreign currency conversion before they conduct their transactions. The European Economic and Social Committee considers these new, additional transparency requirements to be appropriate, as they will enable consumers to make the appropriate choices regarding these transactions, at a fair price. But here too it is important to take into consideration the technically very complex nature of this matter and the related costs to providers.</p>	<p>This proposal seeks to enhance currency conversion transparency for consumers by disclosing the full cost of a cross-border transaction.</p> <p>Considering the very technical nature of currency conversion, the Commission has proposed tasking the European Banking Authority with establishing regulatory technical standards to better frame currency conversion practices. The proposal also seeks to establish a temporary cap on currency conversion costs until the transparency measures devised by the European Banking Authority take effect.</p>

<p><b>N°15 Non-performing loans package</b>  <b>COM(2018) 134 final, COM(2018) 135 final</b>  <b>EESC 2018/1109 - ECO/451</b>  <b>536<sup>th</sup> Plenary Session - July 2018</b>  <b>Rapporteur: Mr Juan MENDOZA CASTRO (GR11-ES)</b>  <b>DG FISMA –Vice-President DOMBROVSKIS</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>1.8. (i) The "one size fits all" approach, does not take into account the differences that still exist in national civil laws and the length of procedures in civil courts.</p>	<p>The calibration in the proposal addresses the average risk case in the European Union. A timeframe of eight years for secured non-performance loans is proportionate to the average foreclosure period that ranges from three to five years in the majority of Member States. Eight years is also within the range proposed by the Non-Performing Loans Subgroup of the Council's Financial Services Committee.</p>
<p>1.8. (ii) The calendar for the provisioning of new non-performing loans may force the banks to sell them quickly, rather than waiting for the financially distressed company/firm to return to a more viable situation.</p>	<p>The statutory backstop incentivises proactive non-performing loan management and, in particular, timely reaction by banks. This can be linked to enforcement actions, but it can also consist of viable forbearance measures such as restructuring. The aim of the backstop is to encourage banks to address non-performing loans promptly.</p>
<p>1.9. and 4.1.6. The Commission should consider, if possible, the specific situation of smaller and specialised firms with a less complex asset structure.</p>	<p>The proposal would apply to banks irrespective of size, business model, location or accounting standard. Its impact on a given bank would depend on the level of the bank's non-performing loans-related risks. It provides for a relatively simple approach that is applicable to different types of institutions. As noted in the</p>

	<p>Committee’s opinion (4.1.6), the proposal ‘can mitigate the differences in provisioning stemming from the adoption of different accounting frameworks’<sup>97</sup>. The backstop would therefore help ensure a level-paying field across European Union banks.</p>
<p>1.10. The European Economic and Social Committee considers that International Financial Reporting Standards 9 should be mandatory for all European Union banks.</p>	<p>The Capital Requirements Regulation<sup>98</sup> lays down a general principle of neutrality towards the different accounting frameworks (Article 24(1)). The Capital Requirements Regulation includes a possibility for the competent authority to extend the use of International Financial Reporting Standards to one or more institutions (Article 24(2)). As mentioned above, the proposal will mitigate differences in provisioning arising from the different accounting frameworks.</p>
<p>1.11. The European Economic and Social Committee proposes launching a specific impact analysis aimed at estimating the potential impact of the proposed Regulation on banks, on the transmission of credit to households, on small and medium-sized enterprises and on Gross Domestic Product growth.</p>	<p>The impact assessment accompanying the proposal, and the report issued by the European Banking Authority, show that the potential costs from the introduction of a prudential backstop for under-provisioned non-performing loans can be considered manageable<sup>99</sup>. At the same time, the backstop would entail important benefits as it incentivises banks to be prudent when granting loans and proactive when debtors default. Banks would hence have fewer debtors in default and address them more swiftly due to the backstop. This would help ensure banks’ financial soundness, and</p>

<sup>97</sup> Generally Accepted Accounting Principles.

<sup>98</sup> Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 Text with EEA relevance, OJ L 176, 27.6.2013.

<sup>99</sup> The European Banking Authority’s report in response to the Commission’s call for advice on the prudential backstop, available at:

<http://www.eba.europa.eu/documents/10180/2087449/EBA+Report+on+Statutory+Prudential+Backstops.pdf>.

	<p>in turn lower their funding costs and allow them to provide lending to small and medium-sized enterprises and households.</p>
<p>1.13. and 4.2.3. However, the European Economic and Social Committee considers that regulators must not encourage the sale of non-performing loans because managing impaired loans within banks could imply a higher value through their recovery than the prices collected for their sale.</p>	<p>The Commission considers some credit institutions to be overburdened by the management of large stocks of non-performing loans. In some instances, banks have proven unable to effectively manage their non-performing loans stocks. The proposal does not intend to encourage banks to sell non-performing loans, but to create better conditions to do so, when appropriate, by enabling the market entry of credit purchasers and servicers. They have the market specific knowledge and expertise to manage loan portfolios and would help banks improve their non-performing loans management.</p>
<p>1.14. and 4.2.6. The European Economic and Social Committee observes that the transfer of a loan means that the debtor must deal with a non-financial company that has different personnel, different working methods and a different purpose. It is therefore appropriate that national authorities pay attention to measures and recommendations to protect debtors' rights, as is the case with the United States Consumer Financial Protection Bureau</p>	<p>The proposal stipulates that consumers' existing rights remain unaffected, in the case of a transfer of a loan. To ensure this, it requires, inter alia, that credit servicers have appropriate governance arrangements and internal control mechanisms in place which ensure respect for borrower rights and compliance with personal data protection rules in accordance with the laws governing the credit agreement. The proposal also requires credit servicers to apply an appropriate policy ensuring the fair treatment of borrowers. In the case of outsourcing to a credit service provider, said provider must ensure that the contractual relationship and obligations of the credit servicer towards its clients are not altered.</p>
<p>1.15. and 4.3.1. The European Economic</p>	<p>The Commission considers the right to</p>



<p>and Social Committee welcomes the right to challenge the enforcement in court.</p>	<p>challenge the enforcement in court quintessential, without the details necessarily having to be spelt out in the Directive.</p>
<p>1.16. and 4.3.2. The European Economic and Social Committee considers that “the solution to the problem of non-performing loans lies mainly in strengthening judicial procedures across the whole European Union”.</p>	<p>The proposal for extrajudicial enforcement is one means to facilitate recovery of value from collateral, and in-court measures will remain in place. More efficient judicial enforcement proceedings for collateral would also help tackle non-performing loans, but the two reinforce each other and are not mutually exclusive.</p>
<p>4.1.8. Other risks may produce similar problems to those of non-performing loans, in particular the risks connected to heavy complex derivatives and level 2 and level 3 repossessed assets. In view of this, the European Economic and Social Committee is of the opinion that these risks should be included in the priority list for risk reduction.</p>	<p>The Council’s ‘Action Plan to tackle non-performing loans in Europe’ recognised that “<i>further measures to address [...] non-performing loans [...] would be beneficial for the European Union as a whole by contributing to enhanced growth and reducing financial fragmentation</i>” and invited the Commission to consider prudential backstops addressing potential under-provisioning of non-performing loans. Hence, the proposal foresees the introduction of a backstop in order to reduce the risks of non-performing loans. Other risks to which institutions could be exposed are addressed by other elements of the current legal framework, as well as proposed European Union and international initiatives.</p>
<p>4.2.6. In all instances of credit transfers to external companies, the competent authorities must take account of the mobility and protection of the workers of the companies involved in such transfers according to Union and national laws.</p>	<p>The Commission's proposal does not interfere with the mobility and protection of workers of the companies involved in such credit transfers, since a credit purchaser has no further rights against the corporate debtor than the credit-originating bank.</p>



<p><b>N°16 Reducing barriers to cross-border distribution of investment funds</b>  <b>COM(2018) 92 final, COM(2018) 96 final, COM(2018) 110 final</b>  <b>EESC 2018/1533 - ECO/452</b>  <b>536<sup>th</sup> Plenary Session - July 2018</b>  <b>Rapporteur: Mr Petr ZAHRADNÍK (GRI – CZ)</b>  <b>DG FISMA – Vice-President DOMBROVSKIS</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 European Economic and Social Committee takes the view that most of the proposals should be accompanied by detailed and explanatory European Securities and Markets Authority instructions.</p>	<p>The Commission proposes to mandate the European Securities and Markets Authority to develop a number of draft regulatory technical standards and implementing technical standards:</p> <ul style="list-style-type: none"> <li>- draft regulatory technical standards with regard to the specification of information on fees or charges or, where applicable, relevant calculation methodologies for those fees or charges, levied by the competent authorities;</li> <li>- draft regulatory technical standards, with regard to the specification of information to be notified in notifications, notification letters and written notices on cross-border activities;</li> <li>- implementing technical standards with regard to the standard forms, templates and procedures for notifications by competent authorities of the laws, regulations and administrative provisions and their summaries on marketing requirements applicable in their territories, the levels of fees or charges levied by them, and, where applicable, relevant calculation methodologies;</li> <li>- implementing technical standards</li> </ul>

	<p>should cover notifications, notification letters and written notices on cross-border activities.</p>
<p>1.7., 5.2. The European Economic and Social Committee calls for the introduction of uniform rules for the systematic notification of marketing communications.</p>	<p>The Commission proposes to harmonise the process for the ex-ante verification of marketing communications by competent authorities. Such harmonisation will improve the legal certainty for asset managers as to when they can use marketing material on safe grounds.</p> <p>The Commission notes that the choice to require ex-ante verifications is made by Member States and is linked to the verification of compliance with national provisions regarding marketing requirements. In this context, Member States can decide to require prior notification of marketing materials, either on a systematic or random basis, or they can also decide not to require such a prior notification.</p>
<p>1.8., 5.3. The European Economic and Social Committee is of the view that the creation of the European Securities and Markets Authority database on notifications should reply to information provided by competent national authorities.</p>	<p>The Commission proposal aims at enlarging the European Securities and Markets Authority's central database to include all management companies, the Alternative Investment Funds (AIF) and Undertakings for Collective Investment in Transferable Securities (UCITS) they manage, as well as the Member States where those funds are marketed. This will assist the European Securities and Markets Authority in monitoring and assessing market developments in the investment funds sector.</p> <p>The Commission proposal is aligned with the view expressed in the opinion, as it foresees that the relevant information is communicated by the</p>

	competent authorities, based on the notification received by asset managers.
<p>5.5. The European Economic and Social Committee requests that discontinuation of marketing of investment funds should be exclusively a business decision of the company managing the assets.</p>	<p>The Commission proposals provide for a right, but no obligation, to notify the discontinuation of marketing. Such a discontinuation of marketing should, however, only be possible under uniform conditions relating to the number of investors and Assets under Management, as these ensure that activities in the host Member State have become insignificant. This avoids situations in which de-notification could take place, even if a) a large fund has many investors in a given host Member State, or b) a highly concentrated fund markets almost all Assets under Management in a given Member State. Uniform conditions limiting the possibility to discontinue marketing help to preserve investor protection and proper market surveillance by competent authorities.</p>
<p>1.10. The European Economic and Social Committee recommends more detailed rules to be established to ensure the verification of qualifications and competence of persons providing investment services.</p>	<p>The Commission proposals focus on facilitating the cross-border of investment funds by reducing regulatory barriers and improving transparency of national requirements, while safeguarding investor protection. The regulatory barriers have been identified thanks to a large public consultation; they are linked to national marketing requirements, regulatory fees, administrative and notification requirements.</p>
<p>5.6.2. The European Economic and Social Committee calls for a statement that distribution of funds falls solely within the scope of the Undertakings for Collective</p>	<p>The Commission proposals focus on facilitating the cross-border of investment funds by reducing regulatory barriers and improving</p>

<p>Investment in Transferable Securities (UCITS) Directive<sup>100</sup>/AIFMD<sup>101</sup>, where the management company needs neither a Markets in Financial Instruments Directive (MiFID) license nor licences for services under the Markets in Financial Instruments Directive (MiFID).</p>	<p>transparency of national requirements, while safeguarding investor protection. The regulatory barriers have been identified thanks to a large public consultation; they are linked to national marketing requirements, regulatory fees, administrative and notification requirements.</p>
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<sup>100</sup> Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (Text with EEA relevance), OJ L 302, 17.11.2009.

<sup>101</sup> Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 Text with EEA relevance, OJ L 174, 1.7.2011.

<p><b>N°17 European covered bonds framework</b>  <b>COM(2018) 93 final, COM(2018) 94 final,</b>  <b>EESC 2018/1058 - ECO/453</b>  <b>536<sup>th</sup> Plenary Session - July 2018</b>  <b>Rapporteur: Mr Daniel MAREELS (GRI-BE)</b>  <b>DG FISMA – Vice-President DOMBROVSKIS</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. The European Economic and Social Committee very much welcomes these proposals which form part of measures to build a Capital Markets Union, and calls for every effort to be made to move quickly here and achieve a successful outcome.</p>	<p>The Commission welcomes the Committee’s appreciation and thanks it for the good cooperation and the positive opinion.</p> <p>The framework would also increase cross-border flows of capital and investment. It would thus contribute to the Capital Markets Union and in particular to the further leveraging of a credit institution's capacity to support the wider economy. In particular, it would ensure that banks have a broad range of safe and efficient funding tools at their disposal.</p>
<p>1.2. These proposals fit into a broader context and contribute to the achievement of objectives that are close to the Committee's heart, such as the rapid establishment of a Capital Markets Union and the completion of the Economic and Monetary Union. Furthermore, covered bonds promote cross-border financing operations and therefore more private risk-sharing too.</p> <p>1.4. The opportunity presented in these proposals should be seized upon for promoting the widespread take-up of covered bonds and developing markets for them throughout the European Union. Every effort should be made to achieve success</p>	<p>The Commission agrees with the Committee’s assessment and notes that an enabling framework for covered bonds at European Union level would enhance their use as a stable and cost-effective source of funding for credit institutions, especially where markets are less developed, in order to help finance the real economy in line with the objectives of the Capital Markets Union.</p> <p>The enabling framework would also provide investors with a wider and safer range of investment opportunities and would help preserve financial</p>

<p>here, particularly in the Member States where these instruments and markets are as yet unknown.</p>	<p>stability. Member States will have to transpose these rules, ensuring that national covered bond frameworks comply with the principles-based requirements set out in this proposal. All covered bonds across Europe will therefore have to respect the minimum harmonisation requirements as set out in this proposal.</p>
<p>1.5. The Committee also broadly welcomes both the chosen approach of minimum harmonisation based on national regimes and the content of the proposals, for which, moreover, solid foundations were laid by the European Parliament, the supervisors and other stakeholders. All of this has enabled a qualitative result to be achieved without distorting existing markets, and at a reasonable cost.</p>	<p>The Commission welcomes the support for the proposed approach of minimum harmonisation based on national regimes.</p>
<p>1.8. The Committee also strongly recommends that use of the European label for covered bonds be made mandatory, and not optional as currently envisaged. A global, forward-looking vision is needed here. Generalised compulsory use of the European label will inevitably enhance Europe's leading position at global level and create opportunities for the (mainly smaller) Member States that will wish to take full advantage of the opportunities offered by the new system. This would give them a guarantee that their products can be distributed on the market and this mandatory use of the label could also enhance investor confidence.</p>	<p>The Commission agrees with the Committee's assessment that the European label will make it easier for investors to assess the quality of the covered bonds. They will know that covered bonds with a European Union label are subject to the robust standards set out in Union law and subject to specific supervision.</p> <p>The use of the new label is however voluntary in the Commission's proposal. Member States can keep their own established labels. Naturally, bonds issued under national labels still have to comply with the rules set out in today's proposal for a Directive. Issuers can choose to use: a national label in accordance with national rules; the new European Union label; neither; or both. In any case, they will have to comply with the Directive.</p>
<p>1.7. The European Economic and Social</p>	<p>The Commission welcomes the</p>



<p>Committee is particularly pleased that the proposal also envisages bringing covered bonds within the reach of smaller banks. Nevertheless, the Committee calls for further consideration to be given to how this possibility can be fully harnessed. Without deviating from the generally applicable rules, consideration could be given, for example, to what administrative requirements and other obligations could be adapted for smaller banks.</p>	<p>Committee's support for the proposed targeted changes to bring the covered bonds within the reach of smaller banks in the European Union.</p> <p>The proposals are designed to set out a proportionate set of rules which provide adequate procedures without creating undue administrative burdens.</p>
<p>1.10. The European Economic and Social Committee welcomes the fact that an evaluation of the new system is provided for, but the proposal that this takes place after three years seems too short a timeframe. As this is a market matter and sufficient time must be allowed to gain useful experience with the new rules, the Committee calls for this period to be extended, to five years, for example. Member States could of course closely monitor the situation at national level.</p>	<p>The Commission is open to consider an evaluation deadline that would allow it to assess the application of the Directive on the basis of a longer period of implementation in the Member States and other economic factors concerned.</p>
<p>4.1. Overall, therefore, the Commission's approach to covered bonds in providing for clear and comprehensive rules, including a definition, a description of their structural features, public supervision and a European label for covered bonds, as well as the prudential treatment of this instrument, can be supported.</p>	<p>The Commission appreciates the Committee's support for the proposed covered bonds legislation.</p>
<p>4.4. The covered bonds market is currently dominated by professional and institutional investors. The Committee calls for consideration to be given to what further measures need to be taken to more actively attract private savers and consumers to such bonds. There are a number of factors in their favour. Covered bonds have traditionally, and even in times of crisis, been considered to be safe and liquid assets; on top of this,</p>	<p>The Commission understands the Committee's observation on the additional measures to be taken to more actively attract private savers and consumers and would like to reassure the Committee that, as the title of the proposal suggests, the proposed Directive is regulating the issue of covered bonds and not the investment</p>

the contribution that the current proposals would make should be considered. Moreover, they are not bail-in-able, which is not insignificant in the context of protecting private savers. They thus seem more suitable than some other products. As long-term instruments, covered bonds would certainly appear to be useful as regards pension formation, and reference could be made here to the pan-European personal pension product proposals.

in them.

The Commission is not setting any restrictions on the investment in covered bonds. Moreover, the professional investors referred to in the Committee's opinion includes pension funds and asset managers, thus they are currently indirectly investing in the product.

<p><b>N°18 Financial Technology (FinTech)</b>  <b>COM(2018) 109 final</b>  <b>EESC 2018/1056 - ECO/454</b>  <b>536<sup>th</sup> Plenary Session - July 2018</b>  <b>Rapporteur: Mr Petru Sorin DANDEA (GRII-RO)</b>  <b>DG FISMA – Vice-President DOMBROVSKIS</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 European Economic and Social Committee considers that the measures included in the FinTech Action Plan on improving cyber security and the resilience of the financial sector are important, but should be supplemented by rules to ensure uniformity in the development of FinTech in the European Union. Similarly, the European Economic and Social Committee believes that FinTech players should be subject to the same rules as the financial sector, particularly as regards resilience, cyber security and supervision.</p>	<p>European Union legislation is applied to financial service providers based on the activities carried out by these providers. The "<i>same activity, same risk, same rule</i>" principle is key to ensure a proper level playing field between market participants.</p>
<p>1.4. The European Economic and Social Committee believes that in order to achieve a level playing field as regards access to customer data under the Payment Services Directive 2<sup>102</sup> and the General Data Protection Regulation<sup>103</sup>, it is essential that the right to portability of personal data be implemented in a manner that is compatible with Payment Services Directive 2.</p>	<p>The Payment Services Directive, the Regulatory Technical Standards on strong customer authentication and secure communication and the General Data Protection Regulation provide a solid regulatory framework to ensure the protection of personal data. However, there are many different ways of complying with these requirements. The Commission has been working together with the past</p>

<sup>102</sup> Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC (Text with EEA relevance), OJ L 337, 23.12.2015.

<sup>103</sup> Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (Text with EEA relevance), OJ L 119, 4.5.2016, p. 1–88.

	<p>Article 29 Working Party and the present European Data Protection Board, the national competent authorities, consumer organisations and payment services providers to promote solutions that are convenient for payment services users and offer them the assurance that their personal data will be safe. The Payment Services Directive sets clear limits to what third-party payment service providers are allowed to do with the data from payment accounts.</p> <p>With regard to the right to data portability of Article 20 of the General Data Protection Regulation, the Working Party Article 29 considered that “...if the data subject’s request aims specifically at providing access to his banking account history to an account information service provider, for the purposes stated in the Payment Services Directive 2 (PSD2) such access should be granted according to the provisions of this directive”<sup>104</sup>.</p>
<p>1.5. Given the growth of crypto-assets and their high degree of volatility, the European Economic and Social Committee recommends that the Commission keep a close eye on the situation in this regard on an ongoing basis, in cooperation with the European supervisory authorities. Where necessary, all necessary action should be taken at European Union level to ensure that the security and stability of the financial and economic system are not threatened in any way or at any time.</p>	<p>As said in the FinTech Action Plan, the Commission, together with the European Supervisory Authorities are closely monitoring crypto-assets developments. They also assess whether the current framework is applicable to this new market.</p> <p>At international level, the Commission is also involved in Financial Stability Board work on these issues, e.g. the identification of data/metrics to monitor crypto-asset markets.</p> <p>Based on this work, expected to be finalised by the end of 2018, the</p>

<sup>104</sup> See at [http://ec.europa.eu/newsroom/article29/news.cfm?item\\_type=1360](http://ec.europa.eu/newsroom/article29/news.cfm?item_type=1360), page 8, footnote 15.

	Commission will assess whether any European Union regulatory intervention is needed.
1.7. The European Economic and Social Committee calls on the Commission to identify possible rules for companies offering cloud services with regard to their responsibility for securing the data they host. They should be held to the same rules on the protection of personal data as companies which outsource such services.	Cloud Service Providers that offer services to firms operating in the European Union have to comply with all European Union rules, including data protection rules as defined in the General Data Protection Regulation. The General Data Protection Regulation clearly establishes the responsibility of the data controller, of the data processor and their respective relationship.

<p><b>N°19 Proposal for a Regulation of the European Parliament and of the Council on European Crowdfunding Service Providers (ECSP) for Business COM(2018) 99 final, COM(2018) 113 final EESC 2018/1108 - ECO/455 536<sup>th</sup> Plenary Session – July 2018 Rapporteur: Mr Daniel MAREELS (GRI-BE) DG FISMA – Vice-President DOMBROVSKIS</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 European Economic and Social Committee welcomes the consideration given to the risk aspects associated with crowdfunding operations and markets, but at the same time the proposal should be strengthened on the basis of the principles of "credibility", "clarity" and "trust".</p> <p>1.5.1. Transparency and protection of investors. The European Economic and Social Committee is of the view that the risk assessment of specific projects on crowdfunding platforms is left too much to markets and investors. The European Economic and Social Committee believes that appropriate measures are needed to better identify or mitigate all risks, both financial and non-financial. Ultimately, it is about better protection for investors. The Markets in Financial Instruments Directive<sup>105</sup> approach could provide a basis in this connection. Furthermore, there is a danger here of creating an uneven playing field with traditional providers, such as financial institutions which have to apply strict protection rules in relationships with their clients.</p>	<p>The Commission welcomes the Committee's view that the proposal should aim to mitigate risks and protect investors.</p> <p>This is why the Commission's proposal sets out a narrow scope of <i>intermediation services</i> to be carried out by European Crowdfunding Service Providers and prohibits the holding of other licences, which may put investors at greater risk.</p> <p>The regime also places great emphasis on protecting investors via an entry knowledge test and an ability to bear loss simulation (Article 15); transparency requirements information to clients (Article 14), key investment information sheet (Article 16), which includes risk warnings; fiduciary duty requirements (Article 4.2); an inducement ban (Article 4.3); discretionary service with full disclosure and best execution requirements (Article 4.4); effective prudent management requirements (Article 5) and conflicts of interest</p>

<sup>105</sup> Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU Text with EEA relevance, OJ L 173, 12.6.2014.

	policy (Article 7).
<p>1.5.2. Possible areas of tension in the status of providers and the services they offer. The possibility that providers can enter into contracts with investors under which they may "exercise discretion" to obtain the best result for these investors, may lead to sensitive situations for providers who must act first and foremost as "neutral intermediaries".</p>	<p>In order to improve the service to their clients, crowdfunding service providers should be able to exercise discretion on behalf of clients with respect to the parameters of the clients' orders, provided that they take all necessary steps to obtain the best possible result for their clients and that they disclose the exact method and parameters of the discretion. In order to ensure that prospective investors are offered investment opportunities on a neutral basis, crowdfunding service providers should not pay or accept any remuneration, discount or non-monetary benefit for routing investors' orders to a particular offer provided on their platform or to a particular offer provided on a third party platform.</p>
<p>1.5.3. Supervision. The role of the European Securities and Markets Authority seems clear, that of national supervisors less so. The European Economic and Social Committee is of the view that more clarity is needed here. Furthermore, the European Economic and Social Committee wonders whether a substantial role should perhaps be assigned to national supervisors, especially as they are closer to national markets and can better assess local circumstances. In any case, it is important for the Committee that authorities and supervisors at national and European level consult and cooperate on a permanent and consistent basis, both with an eye to further harmonisation and integration in the Union and to the success of the current proposals.</p>	<p>The Commission is of the view that, given the online nature of crowdfunding platforms and the need to provide a homogeneous interpretation of the rules to protect a Union-wide license, the European Securities and Markets Authority would be well-placed to supervise European crowdfunding service providers under the European Crowdfunding Service Providers license.</p>
<p>1.6. Since the 29th regime and national systems will exist in parallel as a result of</p>	<p>From an investor's point of view, the Commission believes that the co-</p>

<p>the choices made, interested parties may be confronted with different laws, different conditions and unequal protection at the same time and in the same market, which may give rise to confusion and uncertainty. Further measures are needed here to ensure greater clarity:</p> <p>1.6.1. In the European Economic and Social Committee's view, there should be additional obligations on authorities and supervisors to provide all users with accurate, easily accessible information that provides certainty and is available in their own language.</p> <p>1.6.2. One option is to oblige crowdfunding platforms to mention their "European Union label" explicitly and clearly whenever they address the public and in all their external communications.</p>	<p>existence of the 29<sup>th</sup> regime alongside national regimes would not result in significant complexity, nor be detrimental to the clarity and transparency of the market, given that the European Crowdfunding Service Provider regime is proportionate to the regulated activity and ensures a high-level of investor protection.</p> <p>The proposal also foresees that an investor may request a translation of the necessary documentation and, where the provider is not able to provide such documentation, he must clearly advise the investor to refrain from making the investment.</p> <p>The Commission also holds power to adopt delegated acts specifying the requirements and content for presenting information in investment documentation. If deemed necessary, further information requirements would be added to ensure clarity.</p>
<p>1.7. The European Economic and Social Committee also considers that the proposed rules on the fight against money laundering and terrorism financing remain relatively limited and largely indirect, and that the provisions on subjecting crowdfunding platforms to these rules should be extended and strengthened.</p>	<p>In the Commission's view, the Regulation provides for appropriate safeguards to minimise the risks that such practices are carried out. In particular, Article 9 requires that payments for crowdfunding transactions must take place via entities that are authorised under the Payment Service Directive<sup>106</sup> and, therefore, subject to the 4<sup>th</sup> Anti-Money Laundering Directive<sup>107</sup>, whether the payment is provided by the</p>

<sup>106</sup> Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC (Text with EEA relevance), OJ L 337, 23.12.2015.

<sup>107</sup> Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (Text with EEA relevance), OJ L 141, 5.6.2015.



platform itself or by a third party. Article 9 also sets out that crowdfunding service providers must ensure that project owners accept funding of crowdfunding offers or any payment only via an entity authorised under the Payment Service Directive. Article 10 introduces requirements for the 'good repute' of managers, which include the absence of any criminal record under anti-money laundering legislation. Article 13 requires National Competent Authorities, including national competent authorities designated under the provisions of the 4<sup>th</sup> Anti-Money Laundering Directive, to notify the European Securities and Markets Authority of any issue that is relevant under the 4<sup>th</sup> Anti-Money Laundering Directive and involving a crowdfunding platform (dealing with a person under an anti-money laundering investigation). The European Securities and Markets Authority may subsequently withdraw the licence based on this information. Article 38 provides that, with a view to further ensuring financial stability by preventing risks of money laundering and terrorism financing, the Commission should assess, at a later stage, the necessity and proportionality of subjecting crowdfunding service providers to obligations for compliance with the national provisions implementing Directive (EU) 2015/849 (4<sup>th</sup> Anti-Money Laundering Directive) in respect of money laundering or terrorism financing and adding such crowdfunding service providers to the list of obliged entities for the purposes of the 4<sup>th</sup> Anti-Money Laundering Directive.

1.8. It is also striking that the tax treatment of income from crowdfunding and tax obligations on debtors are not addressed, in spite of the fact that one might still reasonably assume taxation to be one of the decisive factors in whether or not this initiative is successful. The Committee therefore calls for these aspects to be included in the discussion. If necessary, the rules should be adapted at the appropriate level.

The Commission does not share the Committee's view. The proposal is restricted to the objective of achieving a single opt-in regulatory and supervisory framework for cross-border crowdfunding services provisions within the Capital Markets Union framework. Harmonisation of national tax laws was not considered appropriate in this proposal.

<p><b>N°20    The effects of a new carbon-free, decentralised and digitalised energy supply structure on jobs and regional economies (own-initiative opinion)</b>  <b>EESC 2018/0984 – TEN/660</b>  <b>536<sup>th</sup> Plenary Session - July 2018</b>  <b>Rapporteur: Mr Lutz RIBBE (GRIII-DE)</b>  <b>DG ENER–Commissioner ARIAS CAÑETE</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. In particular, there is potential for mutually reinforcing the positive effects of Europe's energy and cohesion policies. The European Economic and Social Committee finds it regrettable that both the Commission and the Member States have yet to properly recognise this potential, let alone exploit it.</p>	<p>Europe's cohesion and energy policies are closely aligned for the 2014-2020 funding period. This is done, for example, via the inclusion of low-carbon economy thematic priority and the earmarking of funds for it, the introduction of ex-ante conditionalities (which make key provisions of energy legislation - such as from the Renewable Energy Directive<sup>108</sup> – a pre-condition for funding), and the support for administrative and technical capacity building. As a result, Cohesion Policy is the most important European Union funding mechanism to support the implementation of the Energy Union on the ground (e.g. by providing EUR 29 billion of Union support for sustainable energy over the 2014-2020 period). This alignment is continued in the Commission proposals for the Cohesion Policy post-2020.</p>
<p>1.4. In order to realise this potential, steps must be taken to enable and support regions to develop renewable energy and related specific network infrastructure as a way of</p>	<p>The Commission shares the view that empowering consumers should be a key element of the European Union's future energy system. The Commission</p>

<sup>108</sup> Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC (Text with EEA relevance), OJ L 140, 5.6.2009.

<p>stimulating regional economic growth, and to ensure broad public participation in this growth. An enhanced role for consumers is a particularly important form of participation for regional added value. Thanks to digitalisation (among other things), these consumers could, as prosumers, take on entirely new responsibilities in relation to the energy economy; engage in economic participation; and support broader political objectives following a "bottom-up climate action" approach.</p>	<p>proposals in the Clean Energy for All Europeans package<sup>109</sup> reflect this vision through its provisions on active customers, local energy communities, renewable self-consumers and renewable energy communities.</p>
<p>1.6. The relationship between regional energy demand and regionally produced or producible renewable energy should serve as a basis for understanding the extent to which regions succeed in doing this. The European Economic and Social Committee recommends that, in the context of "plans for regional energy circular economies", analysis should be carried out that is capable of providing a differentiated assessment of renewable energy's potential for each regional economy. The plans should also lay out the employment policy-related effects for each region. For even if it is generally true that the energy transition creates more jobs than there were in the previous energy system, there will still be regions that benefit from this effect more than others do.</p>	<p>The Commission agrees that ensuring that energy is consumed close to where it is produced can bring benefits, in terms of reduced grid costs (reduced losses and avoided investments) and in terms of political acceptance and citizen empowerment. The Commission, however, also notes the importance of strong interconnections between sub-national regions and between Member States to ensure that higher shares of variable renewable electricity can be integrated cost-effectively. The Commission also notes that the design of support schemes as well as grid planning is often a national competence in Member States.</p>
<p>1.9. In light of the above, the European Economic and Social Committee calls on the Commission and the Member States to take the necessary steps for an overarching, regional economy approach to renewable energy development: these include a definition of energy regions, support for compiling an empirical record of the</p>	<p>Renewable energy deployment, including the industries for equipment manufacturing and related research and innovation activities, can contribute to the economic development of the regions. That is why these are one of the areas supported by the Union's Cohesion Policy. The proposed revision of the</p>

<sup>109</sup> <https://ec.europa.eu/energy/en/news/commission-proposes-new-rules-consumer-centred-clean-energy-transition>

<p>relationship between regional energy demand and regionally produced or producible renewable energy, targeted education and training, incentives for implementation (e.g. based on support for development of renewable energy infrastructure), the opening up of networks, and appropriate pricing of grid costs.</p>	<p>Renewable Energy Directive contains provisions for the opening up of district heating and cooling infrastructure. Regarding renewable energy communities, the agreement found between the co-legislators includes an enabling framework that has to be put in place ensuring that ‘the relevant distribution system operator cooperates with renewable energy communities to facilitate energy transfers within renewable energy communities’ and that ‘renewable energy communities are subject to fair, proportionate and transparent procedures [...] and cost reflective network charges’.</p>
<p>2.3. However, the European Economic and Social Committee has noticed that the positive changes, which might for example concern regional added value and job creation, have so far been only marginally discussed. At various points in the recitals to the current Renewable Energy Directive, the Commission refers to the importance of renewable energy for regional economic development; however, in the course of its research, the European Economic and Social Committee has found that (a) hardly any studies exist on the possible outcomes for regional economies of developing renewable energy and that (b) within the Commission, but also the Member States, there is no discernible strategy to join up energy policy and regional development in a genuinely more targeted way. No recognisable political strategy therefore exists to exploit this potential fully.</p>	<p>Europe’s Energy Union Strategy recognises the importance of regional and local aspects and, as noted in the reply to paragraph 1, energy and cohesion policies are closely aligned. This is continued for the post-2020 period for which the Commission proposed that the Integrated National Energy and Climate Plans (which contain sub-national elements) are a funding pre-condition for cohesion policy investments in energy.</p>
<p>3.7. Clearly, these positive effects cannot in every case fully offset all the disadvantages of structural change, such as those for coal regions. However, the transition to</p>	<p>The Commission assists Member States and coal regions in transition through its Coal Regions in Transition initiative, which was launched, with the Clean</p>

<p>renewable energy does offer major opportunities for positive development in the many European regions that currently only import energy.</p>	<p>Energy for All Europeans Package. In addition, the Clean Energy for Islands initiative will assist island inhabitants to develop a better indigenous energy supply. The Renewable Energy Directive as well as the Electricity Directive<sup>110</sup> and Electricity Regulation<sup>111</sup> of the Clean Energy for All Europeans package will also further encourage the development of renewable energy by citizens and communities, thus reducing their dependence on imports.</p>
<p>3.10. A third possible form of participation involves consumers being able to obtain directly energy generated by installations in their region, for example through "power purchase agreements". Digitalisation will also make power purchase agreements accessible to smaller energy consumers and price trends strongly suggest that, increasingly, the costs of locally produced wind or solar power will be below the wholesale market price.</p>	<p>According to the agreement on the revision of the Renewable Energy Directive, renewable energy communities will be able to sell their energy including through power-purchasing agreements. Consumers are also able to purchase locally produced renewable energy, for instance through Guarantees of Origin, which contain information on the exact location of the renewable energy installation.</p>
<p>4.7. On the basis of the "net metering" system used in Poland for small photovoltaic installations, citizens produce their own "green" electricity (including all associated costs) for approximately PLN 0.18/kWh (around 4.3 cent/kWh). By way of comparison: for a grid connection (to obtain electricity mainly produced using coal), the current price is PLN 0.65/kWh (= 15.5 cent/kWh). The former leads to a reduction in electricity costs of around 75% and the money saved benefits the regional economy.</p>	<p>The Commission supports the development of self-consumption. The revised Renewable Energy Directive<sup>112</sup> introduces strong principles for the development of self-consumption. Self-consumers will however have to contribute fairly to the overall system costs, including network tariffs for the electricity that is taken from or injected into the grid.</p>

<sup>110</sup> Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC (Text with EEA relevance), OJ L 211, 14.8.2009.

<sup>111</sup> COM(2016) 861 final.

<sup>112</sup> COM(2016) 767 final.

<p>7.1. The European Economic and Social Committee calls on the European Union Institutions to view regional use of regionally produced renewable energy as a goal of European Energy Policy and Cohesion Policy, and to use the balance between regional energy demand and regional renewable energy generation as a gauge. This means taking account of the specific characteristics of community energy, as well as other regional stakeholders not benefiting from economies of scale, in the future design of measures to promote renewable energy. The particular aim must be to dismantle barriers to market access that limit the opportunities of small-scale (regional) stakeholders. A European programme to train regional stakeholders and enhance exchange of best practices would also be helpful.</p>	<p>The Commission agrees that ensuring energy is consumed close to where it is produced can bring significant benefits, in terms of reduced grid costs (reduced losses and avoided investments) and in terms of political acceptance and citizen empowerment. The Commission however also notes the importance of strong interconnections between sub-national regions and between Member States to ensure that higher shares of variable renewable energy can be integrated cost-effectively. From an economic point of view, a certain specialisation of regions on energy production and energy export might also be beneficial. Furthermore, distortions to the internal market should be avoided. Overall, while the Commission fully recognises the essential role that decentralised energy will play in the future energy system, the Commission does not believe that achieving self-sufficient supply in regions is an energy policy goal as such.</p> <p>According to the revision of the Renewable Energy Directive, Member States must take into consideration the specificities of the renewable energy communities when designing support schemes, in order to allow them to compete for support on an equal footing with other market participants. Furthermore, they shall have access to all suitable energy markets, and Member States shall carry out an assessment of the existing barriers and potential for development of renewable energy communities.</p>
<p>7.2. This requires a strategic decision to gear energy policy towards a decentralised approach. In this respect, there are still far</p>	<p>It is unclear to the Commission what ‘directly regulate’ would entail. The Commission believes that both the choice</p>

<p>too many contradictions in the "Clean Energy for All Europeans" package between a more decentralised and an unequivocally centralised energy policy. It would be welcome if Europe's regions and municipalities had the power to directly regulate the participation of regional stakeholders in the use of regional renewable energy. This would also be in line with the established tradition in many Member States of providing municipal services of general interest.</p>	<p>of a supplier and the participation to an energy community should remain voluntary and free.</p>
<p>7.3. The European Economic and Social Committee calls on the Commission to set out which policy measures relating to the energy mix at European, national and subnational level help to promote regional energy. Part of this might be a specific version of public procurement law. Furthermore, a methodology should be developed to help regions calculate their specific energy balance. An online application for regional politicians and stakeholders, which provides at least approximate results, would be a good idea.</p>	<p>According to Article 194.2 of the Treaty on the Functioning of the European Union, the choice between different energy sources and the general structure of its energy supply is the right of each Member State.</p> <p>Within that context, the National Energy and Climate plans do encourage regional consultation and development to achieve the clean energy goals.</p>



<p><b>N°21 Role of transport in realising the sustainable development goals, and consequent implications for EU policy-making (own-initiative opinion)</b>  <b>EESC 2018/0982 - TEN 661</b>  <b>536<sup>th</sup> Plenary Session - July 2018</b>  <b>Rapporteur: Ms Tellervo KYLÄ-HARAKKA-RUONALA (GRI-FI)</b>  <b>DG MOVE – Commissioner BULC</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. Transport is a vital enabler of several Sustainable Development Goals. It contributes strongly to the Sustainable Development Goals regarding economic development, industry and small and medium-sized enterprises, as well as trade and investment. Consequently, it also helps achieve the Sustainable Development Goals that aim to promote employment and well-being, and to reduce inequalities and exclusion. Meanwhile, transport presents many challenges with respect to the Sustainable Development Goals, such as the need to reduce climate and environmental impacts, to improve transport systems and traffic safety, and to manage concerns related to jobs and decent work</p>	<p>The Commission notes that transport policy provides direct contributions to Sustainable Development Goals 3, 9, 11, 12 and 13. Transport also contributes to other Sustainable Development Goals, but to a more indirect extent.</p> <p>In particular, it should be highlighted that one target under Sustainable Development Goals 3 relates to a key priority of European Union Transport Policy (road safety): “by 2020, halve the number of global deaths and injuries from road traffic accidents”.</p>
<p>1.2. The European Economic and Social Committee calls on the Commission to prepare a new, integrated policy framework for the next generation of transport policy, with the aim of laying the foundations for improving transport and mobility while at the same time delivering on the social and environmental objectives.</p>	<p>The Commission recalls that, based on the proposals by the Commission, the Union legislator has already adopted various sustainable transport policy measures. Furthermore, the Commission has continued to update the strategy for Mobility and Transport set out in the 2011 White Paper to ensure that it meets future challenges. The comprehensive approach to ensure that the European Union's mobility policies reflect the Sustainable Development Goals include:</p> <p>1) the 2016 Low-Emission Mobility</p>

	<p>Strategy<sup>113</sup>;</p> <p>2) three 'Mobility packages' respectively adopted in May 2017, November 2017 and May 2018. These include legislative proposals and initiatives delivering on the low-emission mobility strategy and ensuring a smooth transition towards clean, competitive and connected mobility for all. The European Parliament and Council are expected to adopt shortly the acts proposed by the Commission. The third and last "Europe on the Move" package is designed to complete the process of enabling Europe to reap the full benefits of the modernisation of mobility in order to make European mobility safer, cleaner and better adapted to the imperative of tackling climate change;</p> <p>3) it is also important to underline that the Commission followed a comprehensive approach under the umbrella of the Energy Union and other comprehensive policy initiatives contributing to achieve the Sustainable Development Goals, incorporating the role of transport and other relevant policy areas.</p> <p>Generally, the Commission will further consider future strategic policy reflections as appropriate.</p>
<p>1.3. To this end, Union policy-making has to provide favourable conditions for transport to meet the mobility needs of people and businesses. This requires, in accordance with the Sustainable Development Goals, significant investments</p>	<p>The Trans-European Transport Network policy, as established in Regulation (EU) N° 1315/2013<sup>114</sup>, provides a legal framework for investment. Member States and other public and private investors concentrate their efforts – with</p>

<sup>113</sup> COM(2016) 501 final.

<sup>114</sup> Regulation (EU) No 1315/2013 of the European Parliament and of the Council of 11 December 2013 on Union guidelines for the development of the trans-European transport network and repealing Decision No 661/2010/EU Text with EEA relevance, OJ L 348, 20.12.2013.

<p>in proper infrastructure, innovation and well-functioning transport systems, including public transport.</p>	<p>different forms of financial support of the European Union – on projects of common interest along the Trans-European transport network. There is a strong commitment to complete the Trans-European Transport Network core network (representing around EUR 500 billion investment) by 2030. This involves also smart and innovative network components. Trans-European Transport Network policy is thus a vital enabler of a well-functioning transport system.</p>
<p>1.8. The European Economic and Social Committee, moreover, calls on the Commission to assess the Sustainable Development Goals indicators from the transport point of view and to enhance the development of indicators that are relevant, give a realistic and informative picture of developments, and are in line with the integrated approach.</p> <p>8.7. The European Economic and Social Committee also calls on the Commission to assess the Sustainable Development Goals indicators from the point of view of transport and to enhance the development of indicators that are relevant, give a realistic and informative picture of developments, and are in line with the integrated approach, as described above.</p>	<p>The Commission already monitors European Union progress towards the Sustainable Development Goals - Eurostat notably operates a set of 100 indicators, including transport-related ones for the goals 3, 9, 11, 12 and 13. More information is available here: <a href="http://ec.europa.eu/eurostat/web/sdi/overview">http://ec.europa.eu/eurostat/web/sdi/overview</a>.</p>
<p>2.1. The Sustainable Development Goals of the United Nations' 2030 Agenda broadly cover different aspects of the economic, social and environmental challenges we are facing globally. None of the Sustainable Development Goals are specifically focused on transport and mobility, but transport is implicitly related to several Goals. In addition, a number of the 169 targets</p>	<p>The Commission would like to point out that the monitoring work done by the United Nations is different in scope from the work done by the European Union through Eurostat. More specifically, the global United Nations perspective covers various areas of sustainable development that relate both to developing countries as well as to</p>

<p>complementing the Goals are directly related to transport, notably those regarding infrastructure, local transport systems, and road safety. Correspondingly, three of the 232 indicators being used to monitor progress are transport-related, measuring transport volumes, access to public transport, and road traffic deaths.</p>	<p>more advanced ones. In this respect, the European Union is in a more favourable position when it comes to sustainability of transport.</p> <p>The Road Safety target needs to be highlighted more as it is the only target that relates solely to transport (and vehicles) policy.</p>
<p>3.8. Goal 9 calls for the development of sustainable and resilient infrastructure in developing countries. This is related to Goal 10, which is about reducing inequality within and among countries and calls for development aid and foreign direct investment to States where the need is greatest.</p>	<p>Within the European Union, Trans-European Transport Network policy aims at the completion of a transport network which interconnects and integrates all modes, and which combines traditional and innovative infrastructure components. It covers all Member States in a balanced way and connects to other parts of Europe and the world. Trans-European Transport Network development is thus an important basis for sustainable transport. When planning and implementing Trans-European Transport Network projects, due attention is also paid to their climate-resilience.</p>
<p>4.2. Transport is one of the main elements connecting markets, be it in the Single Market or international trade. Connected markets bring about efficiency and scaling benefits and thereby contribute to accessibility and affordability of goods for consumers.</p>	<p>It is a key objective of Trans-European Transport Network policy to promote the interconnection and interoperability of national networks in order to enable citizens of the Union, economic operators and regional and local communities to derive full benefits from the internal market. In this respect, the Commission pays particular attention to cross-border projects as well as to the continuous development of major European transport axes - notably through core network corridors - which also include key ports and airports as international gateways.</p>
<p>4.3. Transport is also crucial for the</p>	<p>The Commission recalls that Goal 3 is</p>

<p>supply and use of healthcare services, both in the European Union and globally. Transport is thus a contributor to reaching Goal 3, which aims to prevent and treat diseases, and ensure healthy lives and well-being for all.</p>	<p>addressed through the reduction of road fatalities (on which a specific target has been agreed upon), rather than the supply of healthcare facilities.</p>
<p>6.1. While transport contributes to healthcare and well-being, it also generates health risks via pollution, such as particulates in the air, and traffic accidents. Goal 3 aims to bring about a substantial reduction of these risks. Effective traffic management systems, regulation and enforcement are all a necessary means of improving traffic safety. By decreasing human error, advanced automation will for its part increase the safety of transport, despite technological concerns.</p>	<p>The Commission recalls that Goal 3 is addressed through the reduction of road fatalities (on which a specific target has been agreed upon), rather than the supply of healthcare facilities. Moreover, it should be recalled that the various strategies launched by the Commission mentioned above also address air quality issues.</p>
<p>6.3. Goal 5 calls for gender equality to be achieved and all women and girls to be empowered. The transport sector can enhance gender equality by attracting more women to join the sector as entrepreneurs or workers, and thus unleash the potential of people of either gender. Transport, especially public transport, must also be made safe for women to travel.</p>	<p>The Commission would like to recall that with only 22% female workers, transport is a male dominated sector. The ‘Women in Transport - European Union Platform for Change’, set up by the Commission, allows stakeholders to come together and exchange concrete solutions to increase female employment in this sector.</p>
<p>6.7. Goal 10 also calls for orderly, safe, regular and responsible migration and mobility of people to be facilitated. This is related to transport in two ways: transport has a role to play in preventing the loss of life and contributing to the safe and legal movement of refugees and migrants. On the other hand, the transport sector provides opportunities for migrants to become integrated into labour markets.</p>	<p>The maritime surveillance system (Directive 2002/59/EC<sup>115</sup>) operated and hosted by the European Maritime Safety Agency provides information – i.e. the maritime picture - both to involved Union Agencies and to any involved Member State. In particular, the so-called 'Enhanced SAR SURPIC' ('Search and Rescue Surface Picture') service can be used by the authority involved (normally a Maritime Search</p>

<sup>115</sup> Directive 2002/59/EC of the European Parliament and of the Council of 27 June 2002 establishing a Community vessel traffic monitoring and information system and repealing Council Directive 93/75/EEC, OJ L 208, 5.8.2002.

	<p>and Rescue Coordination Centre) during rescue operations. The SAR SURPIC provides an enhanced overview and therefore ability to reach and direct support, as necessary, of merchant ships present in any ocean region, worldwide. Nearby ships can then be contacted to go to the rescue of the persons/seafarers in distress. This is used by Frontex as well as by a number of Member States in the Mediterranean.</p> <p>The ‘orderly, safe, regular and responsible migration and mobility of people to be facilitated’ is dependent on an effective overall European Union migration policy and can have a role to play, indirectly, once implemented, e.g. by breaking the business model of smugglers.</p>
<p>8.2. Meanwhile, the European Union's transport policy should consider the Sustainable Development Goals in an integrated way, with the aim of laying the foundations for improving transport and mobility while at the same time delivering on the social and environmental objectives.</p>	<p>The Commission recalls that European Union transport policy addresses these areas in an integrated way, towards a more sustainable transport sector in Europe. An example of an integrated approach is the set of initiatives under the third Mobility Package published in May 2018, which includes transport modernisation measures (with the Connected and Automated Mobility Strategy<sup>116</sup>) but also Transport Safety (with the new Road Safety Policy framework for 2020-2030 and the two legislative initiatives on vehicle and pedestrian safety, and on infrastructure safety management) and Clean Mobility (through legislative initiatives on Carbon Dioxide (CO2) standards for trucks, on their aerodynamics, on tyre labelling and on a common methodology for fuels price comparison,</p>

<sup>116</sup> COM(2016) 766 final.

	<p>accompanied by a Strategic Action Plan for Batteries<sup>117</sup>). As a rule, the assessment of economic, social and environmental impacts accompanies legislative initiatives proposed by the Commission. The comprehensive plan of actions set by the 2011 Transport White Paper<sup>118</sup> is a further example of the Commission's integrated approach to transport policies.</p>
<p>8.3. Approaching transport from the different starting points of several policy areas, "one issue at a time", leads to suboptimal solutions. It is therefore essential that transport policy is developed as a whole. Accordingly, the European Economic and Social Committee calls on the Commission to prepare a new, integrated policy framework for the next generation of transport policy. This framework should then guide more detailed transport-related decisions.</p>	<p>Please see the reply to point 1.2.</p>
<p>8.4. The policy framework should also include a global dimension, which aims to integrate the Sustainable Development Goals into the European Union's transport-related international cooperation and foreign action.</p>	<p>The Commission would like to stress the important role already played by the European Union on the international scene in promoting sustainable solutions at a global level, notably in United Nations agencies, such as the International Civil Aviation Organization and the International Maritime Organization in aviation and maritime transport respectively.</p>
<p>8.6. Goal 17 in turn advocates encouraging and promoting effective public, public-private, and civil society partnerships, building on the experience and resourcing strategies of partnerships. Whilst the role of the public sector is vital, the European</p>	<p>The Commission encourages partnerships and dialogue with civil society in various ways. First, stakeholder consultation and engagement is an essential part of the design, evaluation and revision of</p>

<sup>117</sup> [https://ec.europa.eu/transport/modes/road/news/2018-05-17-europe-on-the-move-3\\_en](https://ec.europa.eu/transport/modes/road/news/2018-05-17-europe-on-the-move-3_en)

<sup>118</sup> COM(2011) 144 final.

<p>Economic and Social Committee calls on European Union policy-makers to fully recognise the vital role of bottom-up action and partnerships, as they contribute to finding the best possible solutions for transport-related challenges and ways of seizing the opportunities, for example through new models of production and consumption developed by businesses and citizens.</p>	<p>transport policy initiatives, as established by the Commission's 'Better Regulation' Guidelines<sup>119</sup>. This ensures civil society participation in Transport policy-making. In addition, the Commission actively encourages civil society to propose new solutions to existing transport-related challenges, for example through the Civitas Awards for the most ambitious, innovative, and successful sustainable urban mobility work. The European Sustainable Urban Mobility Planning (SUMP) Award recognises local authorities that have developed a mobility plan that satisfies the diverse transport needs of people and businesses, whilst improving quality of life. The 'European Mobility Week' Awards recognise local authorities judged to have done the most to raise awareness of sustainable mobility during the European Mobility Week (16-22 September 2018).</p>
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<sup>119</sup> <https://ec.europa.eu/info/sites/info/files/better-regulation-guidelines-better-regulation-commission.pdf>



<p><b>N°22 Multiannual plan for the fisheries exploiting demersal stocks in the western Mediterranean Sea</b>  <b>COM(2018) 115 final</b>  <b>EESC 2018/5933 - NAT/731</b>  <b>536<sup>th</sup> Plenary Session – July 2018</b>  <b>Rapporteur: Mr Gabriel SARRÓ IPARRAGUIRRE (GR11-ES)</b>  <b>DG MARE – Commissioner VELLA</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 European Economic and Social Committee agrees with the Commission that a multiannual plan should be adopted for demersal fisheries in the Western Mediterranean that includes measures capable of reversing the overfishing of most populations of demersal species for which data is available.</p>	<p>The Commission thanks the Committee for its support. The multiannual plan will be an essential tool to regulate the fisheries concerned with the aim of achieving essential objectives of the Common Fisheries Policy, in particular attaining sustainable stocks and fisheries.</p>
<p>3.3. Similarly, the European Economic and Social Committee considers that given the situation of stocks and the planned date of adoption and entry into force of this proposal (not before mid-2019), it will be difficult to achieve the maximum sustainable yield for all populations in 2020. The European Economic and Social Committee calls for special attention to be given to the most over-exploited species at risk of biological collapse (e.g. hake or red mullet) so that these objectives are not missed. Maximum sustainable yield for all populations should therefore be achieved according to a more realistic and reasonable timetable.</p>	<p>The objective of maximum sustainable yield by 2020 is one of the key goals of the Common Fisheries Policy and the MedFish4Ever Declaration<sup>120</sup>. Proposing something less ambitious than maximum sustainable yield by 2020 risks slowing action in the Mediterranean, while it is widely accepted that urgent and decisive action is needed. Setting ambitious goals helps to trigger actions as soon as possible. As the Scientific, Technical and Economic Committee for Fisheries highlighted in the Committee on Fisheries of the European Parliament in June 2018, maximum sustainable yield by 2020 could still be achieved for some stocks such as crustaceans.</p>
<p>3.4. The European Economic and Social Committee also considers that, once again,</p>	<p>The Commission shares the Committee's view that it is important</p>

<sup>120</sup> <https://ec.europa.eu/fisheries/inseparable/en/medfish4ever>

<p>when analysing the state of stocks and putting forward measures to improve them, the Commission seems to overlook the other factors and human activities that have an impact on them: these include climate change, acidification, pollution, oil- and gas-related activities, maritime transport, marine waste, poor management of coastal activities, etc. In consequence, the Committee considers that the fisheries sector cannot be held solely responsible for the state of fish stocks, and a fully-fledged ecosystem approach should be applied, taking account of all the factors and activities mentioned above.</p>	<p>to take into account other factors and human activities that contribute to the increase the mortality of fish stocks. In this respect, the Common Fisheries Policy advocates implementing an ecosystem-based approach and being coherent with other Union environmental legislations. The MedFish4Ever Declaration also includes the need to address the effects of pollution and other external factors on fisheries.</p>
<p>4.1. The European Economic and Social Committee notes the advice of the Scientific, Technical and Economic Committee for Fisheries' opinion (17-02) on the relative inefficiency of fishing effort management in effectively reducing fishing mortality, and that drastic reductions would be needed to reconstitute stocks at sustainable levels. The European Economic and Social Committee also wishes to encourage a shift to a catch limit (total allowable catches) management approach, reflecting scientific advice, which is the only approach allowing real control of fishing mortality.</p>	<p>The Commission proposes to apply an effort regime for the management of Mediterranean demersal fisheries in view of their characteristics. However, the possibility of introducing total allowable catches in future is not ruled out, as the proposal introduces a provision in which total allowable catches could complement the effort regime if the scientific advice indicates that the objectives or targets are not met. Article 17 provides for an evaluation after five years of the entry into force of the multiannual plan. After this evaluation, there would be a consultation process in order to assess whether we should continue with the effort regime or introduce total allowable catches.</p>
<p>4.4. Recital (28) and Article 11(1) propose to prohibit trawls from operating within the 100 m isobath from 1 May to 31 July each year. The European Economic and Social Committee considers this measure to be disproportionate and unjustified. European Union and national</p>	<p>The Commission does not share the Committee's view on this point. During the consultation process, most stakeholders have advocated the use of an effort regime complemented with closure areas. The Commission is of the opinion that the effort regime</p>

<p>legislation already contain sufficient guarantees to prevent trawls being used on vulnerable seabeds. There are also areas of the Mediterranean where the shelf is flatter and shallow, and the proposed closure would make it impossible for many trawlers to operate. The European Economic and Social Committee advocates establishing specific closure areas which are duly justified on scientific grounds, such as those being proposed by the fisheries sector itself in several European Union countries.</p>	<p>should be combined with a technical measure with a meaningful impact. The main goal of the proposed closure area is to protect nursery areas and sensitive habitats, which is essential given the socio-economic importance and the urgent need to reduce the high fishing mortality (in particular among juveniles). It will also regularly reserve the coastal zone for more selective fisheries and so safeguard small-scale fisheries.</p>
<p>4.5. With regard to recital (37), linked to Article 19 which refers to the European Maritime and Fisheries Fund and proposes temporary cessation measures, the European Economic and Social Committee urges the Commission to include permanent cessations that could be financed by the current European Maritime and Fisheries Fund and the one to come into force after 2021, as a reduction in the fishing effort and capacity will be demanded, in turn requiring compensation for vessel owners and workers.</p>	<p>Under the current European Maritime and Fisheries Fund, permanent cessations of fishing activities could only be granted until 31 December 2017. Therefore, the Commission was not in a position to itself propose additional permanent cessations. . The recent Commission proposal for the European Maritime and Fisheries Fund 2021-2027 does however re-introduce this possibility under certain conditions, which will be necessary to ensure efficiency of the measure.</p>
<p>4.7. The European Economic and Social Committee considers the use of a fishing effort regime based on fishing days and by management unit (geographical sub-areas) for trawling to be appropriate. On the other hand, the Committee does not support differentiation according to vessel length categories as set out in Annex I, or by effort groups according to catch species [...] It is also important for each geographical sub-area to be managed independently, with specific measures to restore the stocks of each geographical sub-area regardless of the situation of species in other, different geographical sub-areas.</p>	<p>The Commission shares the Committee's view on the use of a fishing effort regime based on fishing days for the management of Mediterranean demersal fisheries. However, it is clear from the scientific advice that it is necessary to have a segmentation based on a vessel's length, as fishing mortality is not comparable between different vessels' sizes. In addition, the management by single geographical sub-area would be incompatible with the biological distribution of the stocks and the scientific advice (provided for a group of geographical sub-areas). The</p>

	<p>proposed segmentation is also in line with the Data Collection Framework and the rules concerning the assessment of fleet capacity. Such assessment per fleet segment is the basis for some European Maritime and Fisheries Fund measures.</p>
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<p><b>N°23 Proposal for a Regulation of the European Parliament and of the Council on strengthening the security of identity cards of Union citizens and of residence documents issued to Union citizens and their family members exercising their right of free movement</b></p> <p><b>COM(2018) 212 final</b></p> <p><b>EESC 2018/2986 - SOC/594</b></p> <p><b>536<sup>th</sup> Plenary Session - July 2018</b></p> <p><b>Rapporteur: Mr Jorge PEGADO LIZ (GR11-PT)</b></p> <p><b>DG JUST - Commissioner JOUROVÁ</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 European Economic and Social Committee warmly welcomes the initiative, which it deems to be necessary and urgent and agrees with its legal basis. It confirms that the proposal complies with the principles of subsidiarity and proportionality as well as being in line with the fundamental rights, and calls for its urgent adoption.</p> <p>The European Economic and Social Committee also agrees with the mandatory inclusion of a facial image of the holder of the card and two fingerprints.</p>	<p>The Commission thanks the Committee for its favourable opinion on the proposal.</p> <p>For the reasons set out below, the Commission does not consider it necessary to amend the original proposal. However, the Commission will take the Committee's suggestions into account during negotiations with the European Parliament and the Council.</p>
<p>1.3. The European Economic and Social Committee believes that the Commission has not explained the reasons that prevented it from putting forward a proposal based on greater legislative harmonisation, creating a genuine single system of identification documents, which would have undeniable security advantages in terms of the simplicity and speed of checks and the uniformity of the procedures, offering irrefutable benefits to citizens.</p>	<p>One of the policy options analysed in the Impact Assessment was to harmonise all key features of national identity cards. This option would have introduced a common identity card format across Member States.</p> <p>When compared to other possible policy options, this approach was considered most effective at achieving the objectives of the initiative.</p> <p>However, the policy option ultimately chosen, namely the introduction of minimum common requirements for national identity cards issued by the</p>

	Member States, was considered more efficient and proportional.
1.3. The European Economic and Social Committee does not understand why the mandatory elements included in the Appendix to the Impact Assessment have not been included, as happened with the residency permits for European citizens, namely the title of the document, name, sex, nationality, date of birth, place of birth and place of issue, signature and expiry date of the document.	Concerning identity cards, the proposal refers, in its Article 3(1), to the document standards established by the International Civil Aviation Organization. These standards include the information mentioned by the Committee.
1.4. The European Economic and Social Committee considers the proposal to fall short of the Regulatory Fitness and Performance Platform's conclusions and citizens' consultations, which revealed situations that clearly hinder freedom of movement in the European area, insofar as the introduction of identity cards on their national territory remains optional for the Member States, as does the definition of the scope, minimum information and the type of identity cards.	Existing European Union free movement law (Directive 2004/38/EC <sup>121</sup> ) does not require Member States to issue identity cards to their citizens. Some Member States have chosen not to do so.  The Commission considers that it would not have been appropriate to change this obligation by means of this proposal, which contains detailed rules governing the documents covered by Directive 2004/38/EC. Doing so would also raise questions of proportionality and subsidiarity.
3.6. Moreover, in line with the European Parliament's study <i>The Legal and Political Context for setting a European Identity Document</i> , the Committee would also have liked the Commission to consider the possibility of introducing a European identity card that would give European citizens the right to vote exclusively through such a card, even if it were	Another policy option analysed in the Impact Assessment was to introduce a European Union identity card alongside national identity cards, as discussed in Parliament's study. This European Union identity card could serve the purpose of exercising Union citizenship rights, such as the right to vote in European elections.

<sup>121</sup> Directive 2004/38/EC of the European Parliament and of the Council of 29 April 2004 on the right of citizens of the Union and their family members to move and reside freely within the territory of the Member States amending Regulation (EEC) No 1612/68 and repealing Directives 64/221/EEC, 68/360/EEC, 72/194/EEC, 73/148/EEC, 75/34/EEC, 75/35/EEC, 90/364/EEC, 90/365/EEC and 93/96/EEC (Text with EEA relevance), OJ L 158, 30.4.2004.

<p>necessary to use another legal basis.</p>	<p>However, this option was considered less effective, efficient and proportionate than other policy options assessed, mainly because (potentially insecure) national identity cards would remain in circulation.</p>
<p>3.7. The European Economic and Social Committee is concerned that the compliance costs involved in the new cards may fall on citizens by an indeterminate, unsuitable and disproportionate amount, since the decision is left entirely to Member State administrations.</p>	<p>In principle, identity cards in circulation that do not comply with the minimum standards of the proposal will be replaced once they expire.</p> <p>However, to tackle security risks, some cards will have to be replaced before the originally defined expiry date (as also suggested by the Committee). This can indeed create costs for citizens in cases where the Member State concerned decides to charge citizens for the renewal.</p>
<p>3.16. The European Economic and Social Committee believes that any additional elements that the Member States include on these cards could have also been dealt with and where appropriate, standardised, with regard to both their inclusion and their use by the parties concerned or by third-parties.</p>	<p>The proposal does contain rules on the inclusion of additional elements by Member States, be they national security features or data for e-government or e-business services.</p> <p>In particular, such elements should not negatively affect the cross-border interoperability of the identity cards and the personal data stored thereon.</p>
<p>1.8. The Committee considers it essential that the implementation of this proposal be monitored and supervised by the European Commission, thus ensuring full recognition of the documents that are the subject of the proposal under consideration not only as identity documents but as a tool that will enable the holder to carry out a range of activities in any Member State, including movement within the Schengen area, purchasing goods and services and, in particular, financial services and access to</p>	<p>The Commission will adopt a detailed programme for monitoring the outputs, results and impacts of the proposal.</p> <p>The Commission will report to the Committee on the implementation of the proposal and will evaluate the effectiveness, efficiency, relevance, coherence and European Union added value of the resulting legal framework. This evaluation will include stakeholders' consultations to collect feedback on the effects of the</p>

public and private services.	legislative changes.
<p>1.9. Given the need for and urgency of this Regulation, the European Economic and Social Committee recommends shortening all the deadlines for its entry into force and future monitoring.</p>	<p>In order to avoid long-term security gaps and diminished effectiveness and coherence with other recently adopted security measures, the Commission has shortened the phasing-out of identity cards and residence cards for family members of Union citizens as compared to the considerations in the Impact Assessment.</p>



<p><b>N°24 Evidence in criminal proceedings</b>  <b>COM(2018) 226 final, COM(2018) 225 final</b>  <b>EESC 2018/2737 – SOC/596</b>  <b>536<sup>th</sup> Plenary Session - July 2018</b>  <b>Rapporteur: Mr Christian BÄUMLER (GRII-DE)</b>  <b>DG JUST - Commissioner JOUROVA</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., 3.4. On the scope of crimes, instead of three years of maximum penalty, the European Economic and Social Committee advocates for three months minimum penalty.</p>	<p>The proposed three-year threshold for obtaining transactional and content data has been chosen to ensure a balance for all Member States between efficiency of criminal investigations and protection of rights and proportionality.</p> <p>A three-year threshold of maximum penalty already limits the scope of the instrument to more serious crimes, without excessively limiting the possibilities of its use by practitioners.</p> <p>This threshold excludes from the scope a wide range of crimes depending on the criminal code of the Member State (for example offences such as petty theft, fraud and assault for which the use of a cross-border production order for more sensitive data may be considered disproportionate).</p> <p>On the other hand, a three-year threshold includes crimes that require a more effective approach, such as membership in a criminal organisation, financing of terrorist groups, supporting or advertising a criminal organisation, training for the commission of terrorist offences, certain offences made with terrorist intent and preparation of an offence to be committed with terrorist intent, or preparation of hostage taking, which</p>

	<p>would otherwise be excluded if a higher threshold were applied or, as suggested a three months minimum penalty, depending on the Member State.</p> <p>A threshold of three months minimum penalty would likely imply leaving out of scope most crimes in most Member States, since a majority of Member States do not have minimum penalties.</p>
<p>1.7., 3.10. On the procedure of issuing the orders, the European Economic and Social Committee considers it problematic that a prosecutor can issue orders for subscriber and access data. They advocate for extending the review by a judge, since all that is personal data.</p>	<p>The proposals set out that a judicial authority always needs to be involved as either an issuing or a validating authority. For orders to produce transactional and content data, a judge or court is required. For subscriber or access data, that are needed to identify a person as a first step of an investigation, this can also be done by a prosecutor. Administrative bodies or police cannot issue such measures without the involvement of a judicial authority, even if their national law would allow them to do so. Under the national law of most Member States, the police is entitled to request subscriber data, on a voluntary basis even in cross-border situations. Therefore, the proposals set out – also due to the requirements of the legal basis - a higher threshold as currently provided for in many national laws.</p>
<p>1.11., 3.13. On the reimbursement of costs, the European Economic and Social Committee advocates for eliminating “for domestic orders in similar situations” from the wording of Article 12, so that service providers have the right to reimbursement of costs in all cases where this is provided by national law.</p>	<p>The proposals avoid harmonisation of reimbursement of costs.</p> <p>The proposal would allow service providers to claim reimbursement of costs by the issuing state in those cases where this is already provided by the national law of the issuing state for domestic orders. This ensures equal treatment of service providers</p>

	addressed by a Member State but it does not harmonise reimbursement of costs, as Member States have made diverging choices in that respect.
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