

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

EUROPEAN ECONOMIC AND SOCIAL COMMITTEE

PLENARY SESSION OF JULY 2017

N°	Title	References
SG		
1.	<p>Next steps for a sustainable European future</p> <p>Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – Next steps for a sustainable European future – European action for sustainability</p> <p>Rapporteur: Etele BARÁTH (GRIII-HU)</p>	<p>COM(2016) 739 final</p> <p>EESC-2017-00277-00-00-AS-TRA</p> <p>NAT/700</p>
DG MOVE		
2.	<p>Proposal for a Decision of the European Parliament and of the Council amending Directive 2010/40/EU as regards the period for adopting delegated acts</p> <p>Rapporteur: Jorge PEGADO LIZ (GRIII-PT)</p>	<p>COM(2017) 136 final – 2017/0060 COD</p> <p>EESC-2017-01885-00-01-AS-TRA</p> <p>INT/820</p>
3.	<p>Implications of the digitalisation and robotisation of transport on EU policy-making</p> <p>Rapporteur: Tellervo KYLÄ-HARAKKA-RUONALA (GRI-FI)</p>	<p>EESC-2017-00663-00-00-AS-TRA</p> <p>TEN/632</p> <p>Own-initiative opinion</p>
4.	<p>Proposal for amending the regulation on the operation of air services</p> <p>Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 1008/2008 on common rules for the operation of air services in the Community</p> <p>Rapporteur: Jacek KRAWCZYK (GRI-PL)</p>	<p>COM(2016) 818 final - 2016/0411 COD</p> <p>EESC-2017-02104-00-00-AS-TRA</p> <p>TEN/628</p>

DG ENER		
5.	<p>Energy prices and costs</p> <p>Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on Energy prices and costs in Europe</p> <p>Rapporteur: Laure BATUT (GRII-FR)</p>	<p>COM(2016) 769 final</p> <p>EESC-2016-06928-00-01-AS-TRA</p> <p>TEN/623</p>
DG CNECT		
6.	<p>Building a European Data Economy (Communication)</p> <p>Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - Building a European Data Economy</p> <p>Rapporteur: Joost VAN IERSEL (GRI-NL)</p>	<p>COM(2017) 9 final</p> <p>EESC-2017-00654-00-00-AS-TRA</p> <p>TEN/630</p>
7.	<p>Protection of personal data</p> <p>Proposal for a Regulation of the European Parliament and of the Council concerning the respect for private life and the protection of personal data in electronic communications and repealing Directive 2002/58/EC (Regulation on Privacy and Electronic Communications)</p> <p>Rapporteur: Laure BATUT (GRII-FR)</p>	<p>COM(2017) 10 final – 2017/0003 COD</p> <p>EESC-2017-00655-00-01-AS-TRA</p> <p>TEN/631</p>
8.	<p>Copyright/Accessibility</p> <p>Proposal for a Regulation of the European Parliament and of the Council on the cross-border exchange between the Union and third countries of accessible format copies of certain works and other subject-matter protected by copyright and related rights for the benefit of persons who are blind, visually impaired or otherwise print disabled</p> <p>Rapporteur: Pedro ALMEIDA FREIRE (GRI-PT)</p>	<p>COM(2016) 595 final – 2016/0279 COD</p> <p>EESC-2017-02670-00-00-PAC-TRA</p> <p>INT/824</p>

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9.	<p>Digital Single Market VAT (e)-package</p> <p>Proposal for a Council Regulation amending Regulation (EU) No 904/2010 on administrative cooperation and combating fraud in the field of value added tax</p> <p>Proposal for a Council Directive amending Directive 2006/112/EC and Directive 2009/132/EC as regards certain value added tax obligations for supplies of services and distance sales of goods</p> <p>Proposal for a Council Directive amending Directive 2006/112/EC, as regards rates of value added tax applied to books, newspapers and periodicals</p> <p>Rapporteur: Amarjite SINGH (GRII-UK)</p>	<p>COM(2016) 755 final – 2016/0371 CNS</p> <p>COM(2016) 757 final – 2016/0370 CNS</p> <p>COM(2016) 758 final – 2016/0374 CNS</p> <p>EESC-2016-06737-00-01-AS-TRA</p> <p>ECO/421</p>
DG EMPL		
10.	<p>EU rules on social security coordination</p> <p>Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 883/2004 on the coordination of social security systems and regulation (EC) No 987/2009 laying down the procedure for implementing Regulation (EC) No 883/2004 (Text with relevance for the EEA and Switzerland)</p> <p>Rapporteur: Philip VON BROCKDORFF (GRII-MT) Co-rapporteur: Christa SCHWENG (GRI-AT)</p>	<p>COM(2016) 815 final – 2016/0397 COD</p> <p>EESC-2017-01461-00-01-AS-TRA</p> <p>SOC/557</p>
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11.	<p>The counterfeit and pirated products industry</p> <p>Rapporteur: Antonello PEZZINI (GRI-IT) Corapporteur: Hannes LEO (GRIII-AT)</p>	<p>EESC-2017-00703-00-00-AS-TRA</p> <p>CCMI/150</p> <p>Own-initiative opinion</p>

12.	Ecodesign Working Plan 2016-2019 Communication from the Commission – Ecodesign Working Plan 2016-2019 Rapporteur: Cillian LOHAN (GRIII-IE)	COM(2016) 773 final EESC-2017-00281-00-00-AS-TRA NAT/702
13.	Improving the effectiveness of EU policies for SMEs Rapporteur: Milena ANGELOVA (GRI-BG)	EESC-2016-03121-00-00-AS-TRA INT/787 Own-initiative opinion
14.	The external dimension of the social economy Rapporteur: Miguel Ángel Cabra de Luna (GRIII-ES)	EESC-2017-00181-00-00-AS-TRA REX/472 Own-initiative opinion
DG AGRI		
15.	From Cork 2.0 Declaration to concrete actions (own-initiative opinion) Rapporteur: Sofia Björnsson (GRIII-SE)	EESC-2017-00694-00-01-AS-TRA NAT/709
16.	Industrial change in the EU beet sugar industry Rapporteur: José Manuel ROCHE RAMO (GRIII-ES) Corapporteur: Estelle Brentnall (GRII-BE)	EESC-2017-00807-00-00-AS-TRA CCMI/151 Own-initiative opinion
DG ENV		
17.	Waste to energy under the Circular Economy Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the European Committee of the Regions – The role of waste-to-energy in the circular economy Rapporteur: Cillian LOHAN (GRIII-IE) Co-rapporteur: Antonello PEZZINI (GRI-IT)	COM(2017) 34 final EESC-2017-00719-00-00-AS-TRA NAT/706

18.	<p>Restrictions on hazardous substances</p> <p>Proposal for a Directive of the European Parliament and of the Council amending Directive 2011/65/EU on the restriction of the use of certain hazardous substances in electrical and electronic equipment</p> <p>Rapporteur: Brian CURTIS (GRUK)</p>	<p>COM(2017) 38 final – 2017/0013 COD</p> <p>EESC-2017-01986-00-00-AS-TRA</p> <p>NAT/707</p>
19.	<p>The EU Environmental Implementation Review (communication)</p> <p>Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - The EU Environmental Implementation Review: Common challenges and how to combine efforts to deliver better results</p> <p>Rapporteur: Mihai MANOLIU (GRI-RO)</p>	<p>COM(2017) 63 final</p> <p>EESC-2017-00868-00-00-AS-TRA</p> <p>NAT/708</p>
DG COMP		
20.	<p>Enforcement of competition rules</p> <p>Proposal for a Directive of the European Parliament and of the Council to empower the competition authorities of the Member States to be more effective enforcers and to ensure the proper functioning of the internal market</p> <p>Rapporteur-general: Juan MENDOZA CASTRO (GRUK)</p>	<p>COM(2017) 142 final - 2017/0063 COD</p> <p>EESC-2017-01811-00-00-AC-TRA</p> <p>INT/821</p>
21.	<p>Application of the Decision on public compensation for the provision of services of general economic interest (2012/21/EU)</p> <p>Rapporteur: Milena ANGELOVA (GRI-BG)</p>	<p>EESC-2016-05302-00-00-AS-TRA</p> <p>TEN/605</p> <p>Own-initiative opinion</p>

<p>N°1 Next steps for a sustainable European future COM(2016) 739 final – EESC 2017/0277 - NAT/700 527th Plenary Session - July 2017 Rapporteur: Mr Etele BARÁTH (GRIII-HU) SG – First Vice-President TIMMERMANS</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.1. The European Economic and Social Committee is disappointed by the Communication 'Next steps for a sustainable European future' as it gives the impression that all the main objectives and requirements of the United Nations 2030 Agenda for Sustainable Development have already been covered and addressed by the existing European Union policies. The Communication does not introduce into European Union policies the paradigm shift brought about by the 2030 Agenda towards a new model of development that is economically more sustainable, socially more inclusive and environmentally more viable in the long term. [...]</p> <p>(see also paragraph 1.2, 1.5, 3.7)</p>	<p>The Commission acknowledges the concerns expressed by the European Economic and Social Committee as regards the implementation of the 2030 Agenda. The Commission would like to stress that the 2030 Agenda reflects the existing and long-term European Union vision on sustainable development and that the European Union has been instrumental in shaping the 2030 Agenda. The Commission confirms that it is fully committed to being a frontrunner in implementing the 2030 Agenda and the Sustainable Development Goals, together with Member States, in line with the principle of subsidiarity.</p>
<p>1.4. The European Economic and Social Committee regrets the fact that the Commission has not launched a participatory process leading to an overarching and integrated strategy for a sustainable Europe in 2030 and beyond. Such a strategy is needed in order to provide the necessary long-term time horizon, policy coordination and coherence for implementing the United</p>	<p>The Commission would like to recall its approach towards the 2030 Agenda, as outlined in its Communication¹ of November 2016 (see reply to paragraph 1.6.). The Commission furthermore agrees that stakeholder involvement is crucial in the implementation of the 2030 Agenda. The Commission has therefore launched a multi-stakeholder platform chaired by the First Vice-</p>

¹ COM (2016) 739 final

<p>Nations 2030 Agenda. It should be part of a new, single long-term strategic policy framework for the period after 2020.</p> <p>(see also paragraph 3.8.)</p>	<p>President Timmermans with a role in the follow-up and exchange of best practices on Sustainable Development Goals implementation across sectors, at Member States and European Union level. The platform will also contribute to the Reflection Paper 'Towards a Sustainable Europe by 2030', following up on the United Nations sustainable development goals and the Paris Agreement on climate change, as announced in the Commission Work Programme for 2018.</p>
<p>1.6. The European Economic and Social Committee appreciates the work that the Commission has carried out in identifying the potential contribution that the Commission's ten priorities can make to the implementation of the 2030 Agenda. However, the European Economic and Social Committee stresses that the Sustainable Development Goals mapping of European Union policies needs to be complemented by a profound analysis of the real gaps that are currently in evidence in the European Union as regards Sustainable Development Goals implementation. [...].</p> <p>(see also paragraph 3.5., 4.1., 4.2.)</p>	<p>The Commission takes note of this request by the European Economic and Social Committee. The Commission recalls that its approach towards the implementation of the 2030 Agenda includes two work streams. The first work stream is to fully integrate the Sustainable Development Goals into the European policy framework and current Commission priorities, assessing where we stand and identifying the most relevant sustainability concerns. A second work stream is related to reflection work on further developing the longer term vision and the focus of sectoral policies after 2020, preparing for the long term implementation of the Sustainable Development Goals. In this context, the Commission announced the preparation of a Reflection Paper 'Towards a Sustainable Europe by 2030', following up on the United Nations sustainable development goals and the Paris Agreement on climate change. The Reflection Paper will have several annexes, which will inter alia describe the achievements and progress made by the European Union in the implementation of the Sustainable</p>

	Development Goals.
<p>1.7. The European Economic and Social Committee welcomes the Commission's decision to establish a multi-stakeholder platform on the implementation of the Sustainable Development Goals in the European Union. The European Economic and Social Committee points out the need to ensure that non-governmental stakeholders are able to cooperate with institutional representatives in this platform on an equal footing in order to transmit the multi-stakeholder approach of the United Nations 2030 Agenda into European Union policy on sustainable development. [...]</p> <p>(see also paragraph 4.6.)</p>	<p>The Commission appreciates the European Economic and Social Committee's support and advice in the implementation of the Sustainable Development Goals as a member of the multi-stakeholder platform. The Commission aimed at ensuring inclusive and balanced stakeholder representation and participation in the platform, including civil society, non-governmental organisations and the private and corporate sector, and covering the social, economic and environmental as well as the internal and external policy dimensions of sustainable development.</p>
<p>4.1.4. The European Economic and Social Committee hopes that the introduction of a full monitoring framework for the implementation of the Sustainable Development Goals in the European Union will allow for a more fact-based approach to identifying the main gaps and challenges for the European Union as regards the 2030 Agenda.</p> <p>(see also paragraph 4.5.)</p>	<p>The Commission agrees that the successful implementation of the Sustainable Development Goals requires consistent monitoring. The Commission is providing, from 2017, regular reporting of the European Union's progress on the implementation of the 2030 Agenda based on a reference indicator framework. Stakeholders have been consulted on the choice of these indicators. The first report was published on 20 November 2017. Moreover, in relation to Development Policy, the Commission will produce a joint synthesis report with Member States on implementation of the European Consensus on Development, including the impact of actions in support of the 2030 Agenda in developing countries, as a contribution to the European Union reporting to the</p>

	High-Level Political Forum.
<p>4.3.2. The European Union Semester should be developed into an instrument of vertical, multi-level coordination with regard to implementing the Sustainable Development Goals within Member States. However, in its Communication the Commission does not make use of the opportunity to further develop the European Union Semester in that direction.</p>	<p>The Commission would like to recall the streamlining of the European Semester in 2015, which notably included a stronger focus on employment and social performance, enhanced democratic dialogue, promoting convergence by benchmarking and pursuing best practices, and the support to reforms from European Structural and Investment Funds and technical assistance. In this framework, each year, the Commission undertakes a detailed analysis of European Union Member States' plans of budgetary, macroeconomic and structural reforms and provides them with country-specific recommendations for the next 12-18 months. These recommendations also contribute to the objectives of the European Union's long-term strategy for jobs and growth, the Europe 2020 strategy, which is implemented and monitored in the context of the European Semester. Through this cross-cutting approach, the European Semester is therefore already contributing to the Sustainable Development Goals.</p>
<p>4.4.1. The establishment of the post-2020 multi-annual financial framework must be used as an opportunity to align the spending of European Union funds with the implementation of the sustainable development priorities in the European Union.</p>	<p>As pointed out in the Commission Communication, the new Multiannual Financial Framework beyond 2020 will reorient the European Union budget's contributions towards the achievement of the European Union's long-term objectives.</p>

<p>N°2 Proposal for a decision of the European Parliament and of the Council amending Directive 2010/40/EU as regards the period for adopting delegated acts COM(2017) 136 final – EESC 2017/1885 - INT/820 527th Plenary Session - July 2017 Rapporteur: Mr Jorge PEGADO LIZ (GR11-PT) DG MOVE – Commissioner BULC</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.2. The European Economic and Social Committee agrees in principle with this proposal and is pleased that, as it had always called for, the Commission has considered it appropriate to extend the delegation for a fixed period, with the possibility of renewal, as long as there are no objections raised by the Council and the European Parliament.</p>	<p>The Commission welcomes the European Economic and Social Committee's agreement with the proposal.</p>

<p>N°3 Implications of the digitalisation and robotisation of transport on EU policy-making (own-initiative opinion) EESC 2017/0663 – TEN/632 527th Plenary Session – July 2017 Rapporteur: Ms Tellervo KYLÄ-HARAKKA-RUONALA (GRI-FI) DG MOVE– Commissioner BULC</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.3. Realising digital transport requires solutions for existing bottlenecks, as well as integrated investments along the Trans-European Transport Networks in transport, energy and telecommunication systems, including the deployment of Fifth Generation Mobile Networks (5G). European Union funding instruments such as the Connecting Europe Facility, the European Fund for Strategic Investments and Horizon 2020 should support these undertakings.</p>	<p>The Commission recognises the need for investment in the digitalisation in transport. The Connecting Europe Facility, the European Fund for Strategic Investments and Horizon 2020 support the development of innovative and sustainable technologies in the fields of transport, energy and telecommunications. This includes, in particular, actions supporting the digitalisation of infrastructure. Horizon 2020 supports the early stages of the innovation chain while the Connecting Europe Facility and the European Fund for Strategic Investments can enable the technological deployment throughout the infrastructure.</p> <p>For example, from 2014 to date, the Connecting Europe Facility has provided over EUR 3 billion in funding for projects ensuring sustainable and efficient transport as well as projects enhancing interoperability or optimising the integration and interconnection of transport modes.</p>
<p>1.4. The digitalisation and robotisation of transport provides new business opportunities for both manufacturing and service industries, including small and medium-sized enterprises, and could be an area of competitive advantage</p>	<p>The Commission's Digital Single Market strategy aims to open up digital opportunities for people and business and enhance Europe's position as a world leader in the digital economy. Digitizing European</p>

<p>for the European Union. To this end, the European Economic and Social Committee calls for an encouraging and enabling business environment, including openness towards new business models and boosting the development of European digital platforms.</p>	<p>Industry aims at ensuring that businesses, small and medium-sized enterprises and non-tech industries can benefit from digital innovations to create a higher value chain. This Strategy links national and regional initiatives and boosts investment. The development of the European data economy will bring direct benefits to both the economy and society. It will address barriers that impede the free flow of data to achieve a European single market. The Digital Single Market will help create the digital infrastructure for transport, notably the data layer that can enable the emergence of innovative mobility services.</p>
<p>1.7. The European Economic and Social Committee stresses the intermodal character of digital transport, which touches the very heart of the European Union's transport strategy. It also implies close connections with other policy areas such as those relating to the Digital Single Market, energy, industrial development, innovation and skills. As the goals and requirements of climate change mitigation act as one of the drivers of digital transport, there is also a close link with environmental sustainability.</p>	<p>The Commission agrees that digitalisation in transport can facilitate the growth of intermodal transport services (i.e. integrated ticketing, mobility as a service). The promotion and growth of intermodal/multimodal transport infrastructure and services throughout the European Union is a key policy area in transport as a means to improve quality of life, and reduce congestion and emissions from transport. The Urban Nodes along the Trans-European Transport Network play an important role in this context. The 2018 year of multimodality will be a key milestone in intermodal policy developments in the European Union. Throughout the thematic year, a number of important initiatives may be launched with a view to further enhancing intermodal transport solutions within the European Union including transport digitalisation.</p>
<p>3.5. The European Economic and Social Committee calls for investment in technology and infrastructure on which digital transport can be built, in particular traffic management and control systems: Single European Sky Air</p>	<p>The Commission acknowledges the importance of investment in traffic management and control systems that deliver important benefits to society, with a substantial economic return, and significant</p>

Traffic Management (ATM) Research (SESAR) and European Railway Traffic Management System (ERTMS) are projects that are already at a mature stage but which lack substantial financial resources. The Vessel Traffic Management and Information System (VTMIS) and Cooperative, Connected and Automated Mobility (C-ITS) still need to be developed. Furthermore, Fifth Generation Mobile Network (5G) connections have to be made available along the Trans-European Transport Networks core network. European Union funding instruments such as the Connecting Europe Facility, the European Fund for Strategic Investments and Horizon 2020 should prioritise these undertakings.

impact on jobs and growth.

Previously, there was EUR 4.5 billion funding through the Connecting Europe Facility which supported the Single European Sky Air Traffic Management (ATM) Research (SESAR), European Railway Traffic Management System (ERTMS), Cooperative, Connected and Automated Mobility (C-ITS) and Vessel Traffic Management and Information System (VTMIS) programmes. Such initiatives are essential to enable the interoperability and interconnection of different transport modes.

Within the context of the Vessel Traffic Management and Information System (VTMIS), there are aspects which need to be further developed, especially concerning the handling of Automated Identifications System (AIS) signals that are common for both deep sea and Inland Waterway transportation.

It is important that the European Railway Traffic Management System (ERTMS) deployment action plan be fully implemented along the Trans-European Transport Network to improve network efficiency. For the period 2015-2020, more than EUR 2 billion was allocated to the European Railway Traffic Management System (ERTMS).

The Commission agrees that European Union funding instruments should facilitate the deployment of digital infrastructure along the Trans-European Transport Network. However, such investments should prioritise the deployment of mature and readily available technologies in the short term such as the C-ROADS Platform²

² <https://www.c-roads.eu/platform.html>

	<p>and support investments such as Fifth Generation Mobile Networks (5G) when readily available and appropriate. In particular, one of the core objectives of the Fifth Generation Mobile Network (5G) Action Plan is to facilitate the deployment of 5G along the Trans-European Transport Network corridors by 2025.</p>
<p>3.6. The interoperability of digital systems is also necessary in order to enable cross-border connectivity both domestically and internationally. The European Union should strive to be the forerunner and standard-setter in this field.</p>	<p>The Commission strongly supports this statement that interoperability is a key criterion to enable cross-border connectivity. Through legislative and non-legislative measures, the European Union is supporting interoperability across all transport modes. Notably, the Intelligent Transport Systems Directive³ is a good example of how to enable interoperable cross-border data exchange for a range of Intelligent Transport Systems services through the use of standardised data exchange and national access points.</p>
<p>3.8. The European Economic and Social Committee encourages the development of traffic management systems and common rules for drones at the European Union level and internationally at the International Civil Aviation Organization. Furthermore, the development of rules is needed at the International Maritime Organization in order to enable the development and introduction of remote-controlled and autonomous shipping, including in ports.</p>	<p>The Commission supports such development and already initiated Research and Development efforts on the integration of drones into airspace through the Single European Sky Air Traffic Management (ATM) Research (SESAR) project. Firstly, the Strategic Transport Research Innovation Agenda (STRIA) roadmap supports such Research and Development priorities, supported by the European roadmap for research and development to modernize Air Traffic Management (the ATM Master Plan) that will be updated in 2018 to also reflect those new identified priorities. In this scope, the recent U-Space initiative supports the development of a set of new services and specific procedures designed to support safe,</p>

³ Directive 2010/40/EU of the European Parliament and of the Council of 7 July 2010 on the framework for the deployment of Intelligent Transport Systems in the field of road transport and for interfaces with other modes of transport Text with EEA relevance, OJ L 207, 6.8.2010.

	<p>efficient and secure access to airspace for large numbers of drones. In addition, the issue of drone safety may be included within a new regulation intended to replace the Safety Regulation 216/2008⁴.</p> <p>The Commission agrees that the International Maritime Organization should look into the legal framework and develop it as necessary, based on a scoping of already ongoing activities related to remote-controlled and autonomous ships. In this context, the International Maritime Organization's developments on cybersecurity are crucially important.</p>
<p>4.4. The digitalisation and robotisation of transport is primarily based on data management as in any other sector. From a business point of view, data can be considered as a production factor or raw-material to be processed and refined to create added value. To this end, the free flow of data is essential. The European Economic and Social Committee therefore calls for effective solutions that eliminate the problems associated with the accessibility, interoperability and transfer of data, while securing adequate data protection and privacy.</p>	<p>In the framework of the Digital Single Market strategy, the Commission has recently put forward a proposal for ensuring free flow of non-personal data.</p> <p>Moreover, the Commission is actively supporting the free flow of data throughout the European Union, notably through the National Access Point data-sharing mechanism of the Intelligent Transport Systems Directive. In the sphere of connected and automated driving, the Commission is defining common and harmonised rules and requirements concerning security and data protection provisions through the Cooperative, Connected and Automated Mobility (C-ITS) Platform and forthcoming Cooperative, Connected and Automated Mobility (C-ITS) Delegated Act under the Intelligent Transport Systems Directive.</p> <p>In the sphere of transport and logistics, the Commission works with stakeholders in the Digital Transport and Logistics Forum on</p>

⁴ Regulation (EC) No 216/2008 of the European Parliament and of the Council of 20 February 2008 on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) No 1592/2002 and Directive 2004/36/EC (Text with EEA relevance), OJ L 79, 19.3.2008.

	issues such as interoperability.
5.5. The European Economic and Social Committee highlights the importance of dealing with these structural changes in a proper way, by preparing strategies on how to ensure a fair and smooth transition, decrease negative social impacts and respond to the skills gap, combined with the appropriate monitoring of progress. Social dialogue and informing and consulting workers at all levels play a key role in the transition process.	The Commission strongly agrees that a proper consideration must be given to the social impacts of automation, and that all relevant stakeholders must be involved. Within this context, the Commission plans to launch a study in the course of 2018 to explore the social dimension of the transition to automation and its implications.
6.4. The introduction and deployment of unmanned and autonomous transport also raises the issue of traffic rules, especially those relating to ethical aspects. As transport is a cross-border function, traffic rules should be harmonised in the internal market, with the aim of further harmonisation at the international level.	In order to ensure the safety of autonomous vehicles on public and private roads, their compliance with local traffic regulations defined and managed by Member States is essential. A key enabler to facilitate this is the standardisation of National Electronic Traffic Regulations that specifies security, interfaces, controls and data required to inform vehicles about applicable road traffic regulations via electronic communication channels. The Commission and the European Standardisation Organisations are currently addressing how to potentially fund such a project to carry out this work. Concerning harmonised rules for ethical aspects, the Commission agrees that close stakeholder involvement before addressing this topic is needed. However, such harmonization is needed at an international level and internationally agreed solutions, notably through the United Nations Economic Commission for Europe, are essential.
6.5. With fully autonomous transport, new questions regarding liabilities also arise. This is also reflected in the development of insurance systems. The main challenge may be the factual establishment of liability in the event of	The Commission agrees that data collection frameworks concerning liability of automated driving are crucially important. The Commission is closely working together with stakeholders in

an accident, given the role of digital systems and the involvement of several actors such as the manufacturers and owners of vehicles, and the managers of the infrastructure. This may require increased data storage in order to establish the circumstances of the accident. The European Economic and Social Committee therefore calls on the Commission to investigate possible data collection frameworks and requirements for liability purposes, while bearing in mind the need for privacy.

order to find out how to best address this issue, in the context of the Commission's GEAR 2030 initiative. The Final Report was published on 18 October 2017⁵.

⁵ https://ec.europa.eu/growth/content/high-level-group-gear-2030-report-on-automotive-competitiveness-and-sustainability_en

<p>N°4 Proposal for amending the Regulation on operation of air services COM(2016) 818 final – EESC 2017/2104 - TEN 628 527th Plenary Session – July 2017 Rapporteur: Mr Jacek KRAWCZYK (GRI-PL) DG MOVE – Commissioner BULC</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.1. The proposed amendment to Regulation (EC) No 1008/2008⁶ (the proposal) is limited in scope to Article 13(3)(b). The amendment, if approved, would preface this paragraph with the words "unless otherwise provided for in an international agreement concluded by the Union ..."</p>	<p>The Commission agrees that the proposal is a technical adaptation of European Union legislation to an international agreement. The modification is strictly limited to the time limitation restrictions related to wet-leasing provisions in the envisaged European Union-United States wet-lease agreement.</p>
<p>1.2. The European Economic and Social Committee endorses the Commission's intention to seek to resolve a conflict in the legislation between Article 13(3)(b) of Regulation (EC) No 1008/2008 and the European Union-United States of America Air Transport Agreement (ATA) on wet-lease agreements. Eliminating inconsistencies and limitations on wet-lease agreements which are not reciprocal, or in those which are not provided for in the European Union-United States of America Air Transport Agreement (ATA) and remain unclear, would limit opportunities for European Union airlines and possibly give rise to excessive and divergent interpretations. The Commission should take seriously the concerns that undue wording could actually deviate from</p>	<p>The Commission agrees that the wet-lease agreement aims to clarify the implementation of the wet-lease arrangements as foreseen in the European Union-United States of America Air Transport Agreement (ATA), and the consequential amendment to Regulation (EC) No 1008/2008 is proposed solely to ensure coherence between European Union legislation and the European Union's international obligations. It does not represent a general policy change about wet-lease arrangements with third countries.</p>

⁶ Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008 on common rules for the operation of air services in the Community (Recast) (Text with EEA relevance), OJ L 293, 31.10.2008.

<p>the intentions of the European Union Aviation Strategy and pave the way for new unintended hybrid business models.</p>	
<p>1.4 The European Economic and Social Committee expresses concern that, without further clarifications of the proposed introductory sentence to Article 13(3)(b), negotiators and possibly stakeholders could construe the amendment as opening the door for abandoning restrictions on "extraordinary circumstances" as a matter of policy, thereby impacting not only the intended negotiation of a new wet-lease agreement with the United States of America, but with any given third country as well. The European Economic and Social Committee is confident that if the highly restrictive nature of the suggested amendment both in terms of scope and substance is clarified in an appropriate manner, inclusive consultations with the broadest possible range of stakeholders, both from industry and civil society, will ensure that unintended consequences of the amendment to Article 13(3)(b) of Regulation 1008/2008 can be avoided and the discussions limited to the European Union-United States of America wet-lease agreement. It is important that the Commission, when consulting stakeholders, ensures that all relevant parties including the recognised social partners and other civil society organisations are included.</p>	<p>The Commission highly values the dialogue with stakeholders and is in regular contact with them when developing and implementing its aviation policy. International aviation negotiations are carried out on the basis of specific negotiation directives adopted by the Council following a Commission proposal. These negotiation directives take into account the European Union interests and priorities with respect to the third country in question. Concerning the United States of America, over the course of the past two years, industry stakeholders, including social partners have participated at the Joint Committee meetings as well as all the preparatory meetings of the European Union delegation that have been organised to coordinate the European Union position. They have also had the possibility to submit written and oral comments. The published roadmaps on the proposals received only positive reactions.</p>

<p>N°5 Energy prices and costs in Europe COM(2016) 769 final – EESC 2016/6928 - TEN/623 527th Plenary Session - July 2017 Rapporteur: Ms Laure BATUT (GRII-FR) DG ENER – Commissioner ARIAS CAÑETE</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.1. The European Economic and Social Committee points out that the European "Energy" package proposes to place "consumers centre stage" and calls for this concept to be defined and put into practice. Consumers can only play their new role if they can rely on clear texts which provide them with the resources they need to be able to act.</p>	<p>The Commission shares the view of the European Economic and Social Committee on this matter. For this reason, the Report⁷ consists of several documents to address different audiences. The Communication highlights main trends and developments, whereas the Staff Working Document provides an extensive analysis, the annexes explain the methodological background, and the study provides more detailed background information. In addition, the 'Clean Energy for all Europeans' package provides a new regulatory framework to put consumers centre stage.</p>
<p>1.3. and 1.8. The European Economic and Social Committee would advocate broadening the scope of data.</p>	<p>The Commission has taken several measures to improve data quality and scope, including Regulation (EU) 2016/1952⁸. The Report greatly improved the presentation, transparency and harmonization of price statistics. Data availability/confidentiality and restricted capacity of national statistical offices continue to constrain</p>

⁷ COM(2016) 769 final.

⁸ Regulation (EU) 2016/1952 of the European Parliament and of the Council of 26 October 2016 on European statistics on natural gas and electricity prices and repealing Directive 2008/92/EC (Text with EEA relevance), OJ L 311, 17.11.2016.

	<p>improvements, however the Commission continues to improve data quality and broaden scope of coverage where possible. Further improvements are planned for the 2018 Report.</p>
<p>11.1.1. Cost or price? In common language, the two terms are often used interchangeably. The Commission Report would have been clearer if it had started with this point.</p>	<p>The Commission believes definitions are clear. The Commission attributed particular importance to using the two terms in a clearly distinguished way that excludes their interchangeable use. Energy prices and costs are analysed in distinctive chapters, which use these respective terms with precision. The introductory part explains the difference between prices and costs and defines cost as price multiplied by consumption. To provide a full picture, costs are also analysed in relative terms: as a share of household expenditure and as a share of industrial production costs.</p>
<p>11.2.2. For small and medium-sized enterprises, which make up 90% of the European Union's economic landscape, even if they are not listed as large consumers of energy, the cost of the energy they acquire and that of the energy incorporated in the primary products they process may have a significant impact on the cost price of goods produced and on their sale.</p>	<p>The Report covered the situation of small and medium-sized enterprises. The evidence provided by the Report points to rather low impact of energy costs in the cost structure of small and medium-sized enterprises across the whole economy: about 2 per cent. The Report, however, attributes particular importance to the fact that energy intensity does not depend on the volume of energy consumption. Therefore, small and medium-sized enterprises can be energy intensive. The Report underlines the need for industrial policies that mitigate the impact of price volatility and enhance the competitiveness of such small and medium-sized enterprises.</p>
<p>12.1. The Report is part of a package</p>	<p>The Report provided underlying</p>

<p>entitled "Clean Energy for All Europeans", in which the Commission takes stock of energy prices and costs in Europe. The European Economic and Social Committee regrets that the prospect of energy transition is not asserted more firmly in the package. It would be easier to understand the differentiated costs flowing from the different sources of electricity production. The energy content of a good depends on the whole chain of production and energy costs. Industrial competitiveness is at stake here, and more: industries' capacity to create sustainable jobs and conserve the environment.</p>	<p>analysis for the whole of the 'Clean Energy for All Europeans' package⁹. The package contains the measures necessary to facilitate the transition to a clean energy system while maximising growth and job creation. By focusing on innovation, the completion of the internal market and the central role of consumers, the package makes an important contribution to enhanced investment, growth, competitiveness and jobs in all Member States. Energy transition is at the core of the analysis of the Energy Prices and Costs Report. As part of the package, the Report provides quantitative evidence supporting the objectives of the Energy Union and the Clean Energy package.</p>
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⁹ COM(2016) 860 final.

<p>N°6 Building a European Data Economy COM(2017) 9 final – EESC 2017/0655 - TEN/630 527th Plenary Session - July 2017 Rapporteur: Mr Joost VAN IERSEL (GRI-NL) DG CNECT – Commissioner GABRIEL</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.8., 3.7. The Commission should carry out a precise analysis of the state of play and of defensive attitudes to the free flow of data in the Member States in order to remove unjustified barriers by putting the right legal and technical provisions in place. Removing unjustified barriers to free flow of data should be an integral part of a Europe-wide industrial policy. Opening up of national markets should also be covered by the European Semester.</p>	<p>This work has already been undertaken by the Commission. A new legislative proposal to remove unjustified data localisation requirements and ensure the free flow of non-personal data within the European Union has been prepared, including extensive analyses of the state of play in the different Member States and the possible policy options to address the issue.</p>
<p>1.9., 3.11. and 3.12. Small and medium-sized enterprises and innovation in particular suffer from data localisation. The European Economic and Social Committee strongly supports the Commission's proposal that any data storage in the Member States should be guided by the principle of free movement. The European Economic and Social Committee asks for a roadmap and deadlines for opening up national markets. The European Semester should also cover this issue.</p>	<p>The Commission put forward a legislative proposal on the free flow of non-personal data on 13 September 2017. The Commission will assess whether this issue could also receive specific attention in the context of the European Semester exercise.</p>
<p>1.10. Public research is a very important source of data. The Commission should encourage wider dissemination across Europe.</p>	<p>The Commission has developed policies on access to and re-use of research data resulting from public funding over the last decade. These include policies on research data in Horizon 2020, a Recommendation on scientific</p>

	information, as well as the European Open Science Cloud, to be implemented by the Commission and Member States.
1.11. As a matter of principle, contractual freedom in the private sector should be respected. A general European Union framework for standards is desirable but standards should in no way hamper innovation. Portability should be promoted.	<p>The Commission agrees that standards need to be balanced with the freedom to do business and to innovate. The Commission is carrying out an integrated plan to identify key priorities for standardisation, focussing on domains critical to the Digital Single Market.</p> <p>Self-regulatory measures for data portability for the purpose of switching data between (cloud) service providers and/or back in-house, are included in the free flow of non-personal data proposal.</p>
1.12., 4.9. Liability is a thorny issue: revision of the Product Liability Directive ¹⁰ may be required and special legal provisions for machine-to-machine (M2M) may have to be considered.	As announced in the Mid-Term Review on the implementation of the Digital Single Market Strategy ¹¹ , the Commission is evaluating the relevant safety legislation and the Product Liability Directive to determine if any changes need to be made. Building on the existing concepts of the current framework is the most effective way to address any issues arising from emerging technologies.
1.13., 3.17 The Commission should be invited to give due consideration to aspects of data in various languages in the free flow of data and access to data.	<p>The Directorate-General for the Digital Economy and Society, the Directorate-General for Translation and the Directorate-General for Informatics are jointly deploying the Automated Translation building block under the Connecting Europe Facility. It provides multilingual functionalities to digital public services.</p> <p>Over recent years, the Commission has</p>

¹⁰ Council Directive 85/374/EEC of 25 July 1985 on the approximation of the laws, regulations and administrative provisions of the Member States concerning liability for defective products, OJ L 210, 7.8.1985.

¹¹ COM(2017) 228 final.

	funded research and innovation (approximately EUR 200 million) in machine and computer-assisted translation, semantic technologies, multilingual publishing, speech recognition and multilingual analytics.
1.14. The human factor is crucial. European Union programmes must be put in place to prepare employees and young people for future developments. Education and on-the-job-training are paramount in order, for example, to meet the overwhelming need for more data analysts.	The Commission launched in December 2016 the multi-stakeholder Digital Skills and Jobs Coalition, to support the upskilling and retraining of the workforce and to modernise education and training. In addition, the Commission funds big data research and innovation with EUR 80 million EUR per year. For example, the "European Data Science Academy" which develops data skills curricula is a concrete project closing the skills gap.
1.15. These processes must be properly monitored in business, as well as by the Commission and at national level, so that a real European level playing field takes shape.	To follow the developments in the data economy, the Commission runs the European Data Market Monitoring Tool and is in close touch with the community around the Big Data Value Public-Private Partnership.
3.5. A European Union industrial policy must be put in place. Unjustified barriers to the free flow of data must be abolished. An internal market is incompatible with 28 different industrial policies, each with its own tools and objectives. This is no different in the digital age. The Commission and governments should therefore act as moderators, with a long-term vision defining the playing field and framework conditions on the basis of public-private partnership.	The Commission runs since 2016 the Digitising European Industry initiative, the objective of which is to ensure that any industry in Europe, big or small, wherever situated and in any sector can fully benefit from digital innovations to upgrade its products, improve its processes and adapt its business models to the digital change. The related European Platform of National Initiatives enables Member States to work together through their national platforms on topics they consider crucial.
5.4. Data is a sensitive issue in companies	The Commission (with the help of a

<p>and will be increasingly so in the future. Only a limited number of companies are favourable to open data. A list of examples to be set up by the Commission will be useful. Moreover, many companies still wrongly believe that their current sophisticated manufacturing level will guarantee market positions in the future.</p>	<p>targeted study to be finalised in early 2018) is going to collect evidence and examples of best practice on European companies' data sharing and barriers to data sharing, in order to get solid quantified information on the extent of data sharing, on missed business opportunities and success factors for data sharing.</p>
<p>5.10. Exchanges should be organised to discuss the tension between preserving the company identity of data and the indispensable need for innovation in an international context as well as to look for the most effective approaches in business to open up. The Commission can be most helpful towards europeanising these exchanges.</p>	<p>The Commission is considering providing funding under the Horizon 2020 research and innovation programme for industrial data platforms, facilitating trusted and secure sharing of business data across the sectors and national borders.</p>

<p>N°7 Proposal for a Regulation of the European Parliament and of the Council concerning the respect for private life and the protection of personal data in electronic communications and repealing Directive 2002/58/EC (Regulation on Privacy and Electronic Communications) COM(2017) 10 final – EESC 2017/0655 - TEN/631 527th Plenary Session - July 2017 Rapporteur: Ms Laure BATUT (GRII-FR) DG CNECT – Commissioner GABRIEL</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.1. & 5.1.4. The European Economic and Social Committee regrets very much that these texts are entangled and voluminous, such that it is unlikely anyone other than a select few will ever read them. In effect, it is necessary to constantly go back and forth between them. Moreover, their added value is not evident to the public.</p>	<p>The proposal for a Regulation on Privacy and Electronic Communications refers to definitions in the proposal for a Directive establishing the European Electronic Communications Code¹² and of the General Data Protection Regulation¹³. It has made use of the ordinary legislative technique of referring to existing legislation regarding the proposal's definitions instead of copying them. The Commission believes that this legislative technique contributes to creating a clear legal framework and avoids the occurrence of contradictory or diverging definitions. It ensures that in case of future reviews, all legal instruments are automatically adapted accordingly.</p> <p>Without prejudice to the above, the Commission appreciates the European Economic and Social Committee's concerns. To this end, it would like to point out that the European Data</p>

¹² Proposal for a Directive of the European Parliament and of the Council establishing the European Electronic Communications Code (Recast) COM(2016) 590 final - 2016/0288 (COD).

¹³ 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>Protection Board may issue guidelines, recommendations and best practices aiming at consistent application of the proposed Regulation, which may help <i>inter alia</i> practitioners, supervising and judicial authorities and the general public with their understanding of the legal text.</p> <p>The Commission believes that the added value of the proposed Regulation is explained in Article 1, which concerns the subject matter. Article 1(1) states that the proposal "<i>lays down rules regarding the protection of fundamental rights and freedoms of natural and legal persons in the provision and use of electronic communications services, and in particular, the rights to respect for private life and communications and the protection of natural persons with regard to the processing of personal data</i>". In addition, the recitals, notably recitals 1-6, and the explanatory memorandum explain the added value.</p>
<p>1.3.2. The European Economic and Social Committee recommends that the Commission clarify the proposal's application of the Charter of Fundamental Rights and human rights (in Articles 5, 8 and 11), as well as the possibilities for restriction introduced by national legislation (Recital 26);</p>	<p>Articles 5 and 8 of the proposed Regulation implement Articles 7 and 8 of the Charter of Fundamental Rights of the European Union. Article 11 of the proposed Regulation provides that '<i>Union or Member State law may restrict by way of a legislative measure the scope of the obligations and rights provided for in Articles 5 to 8.</i>' Such restriction must comply with the provisions of the Charter and the interpretation thereof by the Court of Justice of the European Union.</p>
<p>1.3.3. The European Economic and Social Committee recommends that the Commission review Articles 5 and 6 of the</p>	<p>The Commission would like to refer to the General Data Protection Regulation on this point. Whether an end-user will</p>

<p>proposal. In allowing electronic communications, the internet and mobile telephony are services of general interest to which access must be universal, available and affordable, without consumers being forced to consent to their data being processed as a requirement imposed by providers in order to benefit from these services. It is therefore necessary to stipulate an obligation to systematically propose to users the option of refusing cookies, tracking systems, etc., based on clear information;</p>	<p>have access to the use of an electronic communications service if he or she withholds consent to the processing of communications data, or access to an information society services if he or she withholds consent to the storage of cookies or to tracking, depends on the interpretation of the definition of consent of the General Data Protection Regulation. Article 4(11) of the General Data Protection Regulation states that '<i>consent of the data subject means any freely given, specific, informed and unambiguous indication of the data subject's wishes by which he or she, by a statement or by a clear affirmative action, signifies agreement to the processing of personal data relating to him or her.</i>' In addition, recital 42 provides that '<i>consent should not be regarded as freely given if the data subject has no genuine or free choice or is unable to refuse or withdraw consent without detriment.</i>' This will need to be analysed on a case by case basis and will depend on the facts of the case. In this respect, recital 18 states that '<i>basic broadband internet access and voice communications services are to be considered as essential services for individuals to be able to communicate and participate to the benefits of the digital economy.</i>' The Article 29 Working Party, and the future European Data Protection Board, will provide further guidance.</p>
<p>1.3.4. The European Economic and Social Committee recommends that the Commission clearly establish that the <i>lex specialis</i> proposed for completing the general data protection regulation (GDPR) respect the general principles of the afore-</p>	<p>The Commission agrees with the EESC that the proposed Regulation shall not diminish the protection provided by the General Data Protection Regulation. To this end, recital 5 of the proposed Regulation states that: '<i>This Regulation</i></p>

<p>mentioned text and not diminish established protection, and that any processing, including web audience measuring, be subject to the principles of the GDPR (Article 8);</p>	<p><i>therefore does not lower the level of protection enjoyed by natural persons under Regulation (EU) 2016/679.'</i> The principles of the General Data Protection Regulation, such as the rules on transfers of personal data to a third country, information requirements, access to personal data etc., apply unless the proposed Regulation provides for more specific rules.</p>
<p>1.3.5. The Economic and Social Committee recommends that the Commission guarantee regulatory stability for the public and for businesses and, to that end, clarify the regulation's text and the content of its implementing measures in order to avoid having too many delegated acts.</p>	<p>The proposed Regulation foresees one implementing act and one delegated act.</p> <p>Article 8(4) foresees a delegated act determining the information to be presented by the standardized icon and the procedures for providing standardized icons. This is in line with Article 12(8) of the General Data Protection Regulation that provides for a delegated act for the same purpose.</p> <p>Article 16(7) of the proposed Regulation provides for implementing measures specifying the code/or prefix to identify marketing calls, pursuant to point (b) of Article 16(3). Without implementing measures, it would prove difficult to establish a common prefix to be used throughout the EU.</p>
<p>1.3.12. The European Economic and Social Committee recommends that the Commission set up a European portal (DG Justice) that is universally accessible and comprehensible to help the public find their way through the maze of texts and exercise their rights, giving access to European and national texts, appeals procedures and case law (for example, clarifying Recital 25 and</p>	<p>The Commission understands that the European Economic and Social Committee would be favourable to a European portal which gathers the legal texts, procedures to exercise rights and case law on data protection and privacy.</p> <p>Several databases containing information on legislation and case law</p>

<p>Articles 12 and 13).</p> <p>6.6. The European Economic and Social Committee advocates the creation of a European portal where all the European and national texts, rights, appeals procedures, case law and practical aspects are brought together in one place and kept up to date so as to help the public at large and consumers find their way through the maze of texts and practices to enable them to exercise their rights. This portal should, at least, be based on the requirements of Directive (EU) 2016/2102 of 26 October 2016 on the accessibility of the websites and mobile applications of public sector bodies¹⁴, and the principles set out in recitals 12, 15 and 21 of the proposed directive known as the European Accessibility Act (2015/0278 (COD)), and provide content that is accessible and understandable to all end users. The European Economic and Social Committee would be willing to be involved in the process of designing this portal.</p>	<p>concerning data protection and privacy already exist, such as EUR-Lex¹⁵, Curia¹⁶ and the webpages of the Article 29 Working Party¹⁷. In addition, national supervising authorities often provide information allowing consumers to understand and exercise their rights. National authorities are better placed to cater for information needs related to national procedures (such as the relevant national administrative laws applicable to complaints to the supervising authority, and the appeals procedure applying to the subsequent decision of the authority). Targeted information is indeed often necessary to help consumers exercise their rights.</p>
<p>1.3.13. The European Economic and Social Committee recommends that the Commission provide the supervisory authorities with the resources needed to carry out their tasks (European Data Protection Supervisor (EDPS), national authorities);</p>	<p>Regarding the recourses that national authorities need to carry out their tasks, provided by Member States, Recital 38 of the proposed Regulation states that <i>'Each supervisory authority should be provided with the additional financial and human resources, premises and infrastructure necessary for the effective performance of the tasks under this Regulation.'</i></p> <p>The budget of the European Data Protection Supervisor to carry out the tasks under the Proposal is part of the general budget of the European Union.</p>

¹⁴ OJ L 327, 2.12.2016.

¹⁵ <http://eur-lex.europa.eu/>

¹⁶ <https://curia.europa.eu/>

¹⁷ http://ec.europa.eu/justice/data-protection/article-29/documentation/opinion-recommendation/index_en.htm

<p>6.7. In Article 22, there is no reference to "class actions", as the European Economic and Social Committee already pointed out in its opinion on the European electronic communications code.</p>	<p>The Commission understands point 6.7 of the European Economic and Social Committee's Opinion in light of Article 80 of the General Data Protection Regulation¹⁸. Article 21 of the proposal grants the remedies provided for in Article 77-79 of the General Data Protection Regulation to end-users. No reference is made to Article 80 of the General Data Protection Regulation; however, as the proposed ePrivacy Regulation particularises and complements the General Data Protection Regulation, the right granted under Article 80 of the General Data Protection Regulation shall be applicable to end-users who are natural persons. In line with recital 5, the proposed Regulation does not lower the level of protection enjoyed by natural persons under the General Data Protection Regulation.</p>
<p>1.3.11. The European Economic and Social Committee recommends the Commission clarify the protection of machine-to-machine data transfer and devote a whole article to it, not just one recital (12);</p> <p>6.12. Legislation must preserve users' rights (Article 3 TEU) while guaranteeing the legal stability needed for commercial activity. The European Economic and Social Committee regrets that the movement of data from machine-to-machine is not mentioned in the proposal; reference has to be made to the European</p>	<p>The proposal covers the transmission of machine-to-machine communications data when carried out by an electronic communications service, just like the Directive 2002/58/EC²⁰ currently does.</p> <p>The Commission considers the coverage of machine-to-machine data reflected in Articles 5-7 of the proposed Regulation. Article 5 provides that electronic communications data shall be confidential. When machine-to-machine data transmitted by an electronic communications service qualifies as electronic communications content or</p>

¹⁸ 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>Electronic Communications Code (proposal for a directive, Articles 2 and 4)¹⁹;</p>	<p>metadata, it falls under the confidentiality requirement of the proposed Regulation. Article 6 provides for the permitted processing of electronic communications data – including data that constitutes machine-to-machine data. Article 7 provides for the storage and erasure of electronic communications data, including data that constitutes machine-to-machine data.</p> <p>The Commission takes note of the European Economic and Social Committee's recommendation to further clarify the coverage of machine-to-machine data transmitted by an electronic communications service and will pay due attention to this during the legislative procedure.</p>
<p>1.3.9. The European Economic and Social Committee recommends taking into account the Internet of Things, which is most intrusive and may be a vehicle for privacy breaches when data are sent via electronic communications;</p> <p>6.12.2. In daily life, the Internet of Things can easily be subject to malicious intrusion; the quantity of personal information which can be collected remotely is on the increase (geolocation, health data, video and audio streaming). Breaches in data protection interest for instance insurance companies, who are beginning to encourage their clients to equip themselves with connected devices and to take responsibility for their behaviour.</p>	<p>The European Economic and Social Committee states that the Internet of Things may be a vehicle for privacy breaches when data are sent via electronic communications. Indeed, security is key. Where personal data is concerned, Article 32 of the General Data Protection Regulation requires data controllers and processors to implement appropriate technical and organisational measures to ensure security. Additionally, electronic communications service providers should comply with security requirements of Article 40 of the proposal for a Directive establishing the European Electronic Communications Code.</p>

²⁰ Directive 2002/58/EC of the European Parliament and of the Council of 12 July 2002 concerning the processing of personal data and the protection of privacy in the electronic communications sector (Directive on privacy and electronic communications), OJ L 201, 31.7.2002.

¹⁹ COM(2016) 590 final.

	<p>If, despite of the security measure, a personal data breach would occur, the breach should be notified to the supervisory authority in accordance with Article 33 of the General Data Protection Regulation, and, in certain cases, communicated to the data subject concerned as provided by Article 34 of the General Data Protection Regulation. The proposed Regulation thus relies on the rules on personal data breaches of the General Data Protection Regulation.</p>
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<p>N°8 Proposal for a Regulation of the European Parliament and of the Council on the cross-border exchange between the Union and third countries of accessible format copies of certain works and other subject-matter protected by copyright and related rights for the benefit of persons who are blind, visually impaired or otherwise print disabled COM(2016) 595 final – EESC 2016/0279 – INT/824 527th Plenary Session - July 2017 Rapporteur: Mr Pedro ALMEIDA FREIRE (GRI-PT) DG CNECT – Commissioner GABRIEL</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.5. An evaluation of the implementation of the Marrakesh Treaty in the European Union should be carried out within a reasonable time frame.</p>	<p>The Regulation implements the Marrakesh Treaty into European Union law, together with the Directive of the European Parliament and of the Council on certain permitted uses of certain works and other subject matter protected by copyright and related rights for the benefit of persons who are blind, visually impaired or otherwise print-disabled and amending Directive 2001/29/EC on the harmonisation of certain aspects of copyright and related rights in the information society²¹. The Regulation and the Directive as formally adopted by the European Parliament and the Council on 13 September 2017 require the Commission to carry out evaluations of these two pieces of legislation by six years after the date of entry into force of the Directive, and to present the main findings to the European Parliament, the Council and the European Economic and Social Committee.</p>

²¹ Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonisation of certain aspects of copyright and related rights in the information society, OJ L 167, 22.6.2001.

<p>3.2.1. In its Opinion on the Copyright package, the European Economic and Social Committee already referred to the current proposal. The European Economic and Social Committee reiterates that swift ratification by the European Union of the Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired or Otherwise Print Disabled, which entered into force on 30 September 2016, is important and necessary. The Treaty will enable many European citizens who are blind, visually impaired or otherwise print-disabled to access more accessible works and thus open the door for them to culture, education and employment, hence ensuring effective social inclusion.</p>	<p>The Commission agrees with the European Economic and Social Committee that the swift ratification of the Marrakesh Treaty by the European Union is important and necessary. The Commission presented a proposal for a Council Decision to that effect on 21 October 2014. The Commission also welcomes the clarification provided by the Court of Justice of the European Union in its Opinion of 14 February 2017 that the ratification of the Marrakesh Treaty falls within the exclusive competence of the European Union. The Commission trusts that the Court's Opinion will now pave the way for the quick ratification of the Marrakesh Treaty by the European Union.</p>
<p>4.3. The European Economic and Social Committee makes itself available to actively participate in the evaluation process provided both by the Regulation and the Directive.</p>	<p>The Commission welcomes the availability of the European Economic and Social Committee to participate in the evaluation of the Regulation and of the Directive.</p>
<p>4.4. In particular, the evaluation should take into account the option in the Directive for Member States to apply compensation schemes for rights holders. As also provided for in the text of the Directive, it should be closely monitored that such compensation schemes imply no negative effect for the availability and provision of accessible works to the beneficiary group.</p>	<p>The Directive as formally adopted by the European Parliament and the Council on 13 September 2017 provides explicitly that the evaluation of the Directive, which the Commission is required to carry out, includes an assessment of the impact of the compensation schemes that Member States may introduce as per Article 3(6) of the Directive, including as regards the availability of accessible format copies for beneficiary persons and their cross-border exchange.</p> <p>As with all new legislation, the Commission will also monitor the correct transposition and application of</p>

	<p>the Directive. This also applies to the provision that allows Member States to have compensation schemes and to the limits to those schemes as set out in the Directive itself.</p>
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<p>N°9 Proposal for a Council Regulation amending Regulation (EU) No 904/2010 on administrative cooperation and combating fraud in the field of value added tax COM(2016) 755 final – 2016/0371 (CNS) Proposal for a Council Directive amending Directive 2006/112/EC and Directive 2009/132/EC as regards certain value added tax obligations for supplies of services and distance sales of goods COM(2016) 757 final – 2016/0370 (CNS) Proposal for a Council Directive amending Directive 2006/112/EC, as regards rates of value added tax applied to books, newspapers and periodicals COM(2016) 758 final - EESC 2016/6737 - ECO/421 527th Plenary Session - July 2017 Rapporteur: Mr Amarjite SINGH (GRII-UK) DG TAXUD – Commissioner MOSCOVICI</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.1. The European Economic and Social Committee welcomes the package on the modernisation of Value-Added Tax on cross-border e-commerce, and endorses both its objectives and its focus on addressing the concerns of small and medium-sized enterprises. These proposed rules will have a major impact on companies selling goods and services online, allowing them to benefit from fairer rules, lower compliance costs, and a level playing field with non-European Union companies. In the long run, the proposals will also help make the European Union Value-Added Tax system future-proof.</p>	<p>The Commission welcomes the European Economic and Social Committee's broad support for the objectives of the proposals which in the meantime were adopted by Council on 5 December 2017.</p>
<p>1.4. The amendments to the Value-Added Tax rates applicable to e-publications rules would eliminate the distinction between physical and non-</p>	<p>The Commission welcomes the European Economic and Social Committee's support for eliminating competitive distortions.</p>

<p>physical publications, and ensure neutrality in this market. However, whilst welcoming the elimination of this competitive distortion, the European Economic and Social Committee is mindful of the risk that such elimination carries for the Value-Added Tax base. The European Economic and Social Committee also notes that the proposed measures are perceived by the Commission as a prelude to wider reform of the European Union Value-Added Tax rate structure.</p>	<p>The Commission agrees with the statement, but would like to remind the European Economic and Social Committee that the proposal is targeted and limited to publications and that it does not oblige Member States to lower Value-Added Tax rates on e-publications. Therefore, the risk for the Value-Added Tax base is limited.</p>
<p>3.15. The inclusion of e-publications in the list of items that can be subject to a reduced rate will result not only in an immediate loss of revenue, but may create the opportunity for the argument to be made that other items should equally be included in the list, thus further eroding the base. In addition, extension of the application of reduced rates below the 5% minimum on e-publications, where those rates apply to physical books, may give rise to further requests for application of rates below that minimum. Such a development would undermine the existence of a minimum rate, resulting also in further erosion of the base.</p>	<p>The Commission does not share the view that a change of the Value-Added Tax Directive would result in an immediate loss of revenue.</p> <p>The Commission agrees that the extension of the application of reduced rates below the 5% minimum on e-publications, which is necessary to ensure the possibility of equal treatment in all Member States, may raise further requests for application of rates below that minimum.</p>
<p>3.17. The European Economic and Social Committee is concerned about the impact that such de-harmonisation would have upon businesses engaging in cross-border trade, particularly small and medium-sized enterprises, which would find it difficult to determine Value-Added Tax rates applying to their products across the European Union.</p>	<p>The Commission does not share this view. For supplying e-services, cross-border businesses can use the one stop shop and do only need to register in the Member States where they are established. In addition, businesses dispose of the Tax Information Communication database, which includes information about the Value-Added Tax rates applied for e-publications in each Member State.</p>

<p>3.18. The European Economic and Social Committee is also mindful of the fact that TFEU Article 113, which constitutes the legal basis for approving European Union Value-Added Tax legislation, only confers competence upon the European Union Institutions to approve Value-Added Tax-harmonising legislation, with the aim of establishing and improving the Internal Market.</p>	<p>The Value-Added Tax system has since 2008 changed progressively to a destination-based system, which needs the harmonisation referred to in Article 113 of the Treaty on the Functioning of the European Union (TFEU) to function. This is independent of the question in how far a destination-based system would require a lesser degree of harmonisation with regard to Value-Added Tax rates, provided that there are adequate safeguards. E-publications have been taxed at destination (where the customer resides) since 2015.</p>
<p>4.2. Setting a threshold of EUR 10 000 allowing small and medium-sized enterprises to opt to use the Value-Added Tax rules of their own country until they reach the threshold is welcome and will, undoubtedly, simplify operations for small and part-time businesses. However, whilst welcoming this accommodation for micro-businesses, the European Economic and Social Committee is mindful that fledgling and growing businesses could quickly surpass this threshold.</p>	<p>The EUR 10 000 threshold has been adopted by Council and will enter into force as of 1 January 2019. It will further be extended to cover distance sales of goods as of 1 January 2021.</p>
<p>4.3. Significant abuse of the Low Value Consignment Relief (LVCR) has been reported in the United Kingdom (through the Channel Islands) and Finland (from the Aland Islands), with companies relocating their operations outside the European Union in order to avail themselves of the scheme. This abuse creates a further competitive disadvantage for companies within the European Union, and particularly for small and medium-sized enterprises, which tend to be more significantly affected. In 2010, a group was set up by United Kingdom-based</p>	<p>The Value-Added Tax package as adopted by Council will abolish the Value-Added Tax exemption threshold for the importation of Low Value Consignments as of 1 January 2021</p>

<p>small and medium-sized enterprises to campaign against the alleged abuse of the Low Value Consignment Relief (LVCR) in the Channel Islands.</p>	
<p>4.4. More recently, another group set up by United Kingdom-based small and medium-sized enterprises, entitled Value-Added Tax Fraud, has drawn attention to problems of alleged fraud perpetrated online by non-European Union traders, and linked to the Low Value Consignment Relief (LVCR) scheme. Whilst the fraud pertains to goods of a value which falls outside the scheme, it is alleged that the existence of the scheme creates obstacles to Value-Added Tax enforcement, as customs officials have difficulty determining which supplies fall within the scheme.</p>	<p>In order to tackle these problem, the newly adopted Value-Added Tax e-commerce package will introduce as of 1 January 2021 a liability for marketplaces for importations of small parcels sold to final consumers in the European Union with a value below EUR 150 and for marketplaces that facilitate the supply of goods sold from warehouses in the European Union by non-European Union established suppliers.</p>
<p>4.5. The Low Value Consignment Relief (LVCR) scheme has also reportedly affected trade patterns and importation behaviour amongst consumers in several Member States, namely Slovenia, Germany, Sweden, Denmark and the United Kingdom.</p>	<p>These issues were tackled in the Value-Added Tax e-commerce package as adopted on 5 December 2017.</p>

N°10 European Union rules on social security coordination
COM(2016) 815 final – EESC 2017/1461 - SOC/557
527th Plenary Session – July 2017
Rapporteur: Mr Philip VON BROCKDORFF (GRII-MT)
Corapporteur: Ms Christa SCHWENG (GRI-AT)
DG EMPL – Commissioner THYSSEN

<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.3. As for the conditions applicable to citizens who are entitled to "export" long-term care benefits when they move abroad, the European Economic and Social Committee finds that the new rules give citizens better protection in cross-border situations. However, the European Economic and Social Committee points out that the new rules do not establish a new entitlement to long-term care in every Member State, as this depends on the existence of such services in the host country.</p> <p>5.2. As for the conditions applicable to citizens who are entitled to "export" long-term care benefits when they move abroad, the European Economic and Social Committee finds that the new rules give citizens better protection in cross-border situations. The new rules are particularly relevant in view of demographic ageing and the promotion of greater independence and mobility for disabled persons, with an increasing number of citizens moving from one Member State to another needing long-term care benefits. However, the European Economic and Social Committee points out that the new rules do not establish a new entitlement to long-term care in every Member State, as this depends on the existence of such services in the host</p>	<p>The Commission proposal does not intend to change the material scope of the Regulation, or to grant any new rights to long-term care benefits in cross-border situations. The European Union rules coordinate national social security systems, but do not harmonise them. This means that each Member State is free to determine the features of its own social security system, including which benefits are provided and on what conditions.</p> <p>The same coordination rules will continue to apply (along the lines of the system for sickness benefits): the Member State of insurance provides long-term care benefits in cash and reimburses the cost of benefits in kind provided by the Member State of residence. Only benefits in cash are exported.</p> <p>The proposal aims to provide greater transparency and clarity to mobile persons in need of long-term care by introducing a clear regime which defines long-term care as a distinct branch of social security covered by European Union coordination rules, and specifies the benefits that exist in the different</p>

country.	Member States.
<p>1.4. The European Economic and Social Committee notes that the proposal for the revision of the Regulation on Social Security Coordination and the Posting of Workers Directive are both relevant for labour mobility. However, since the two instruments deal with distinct issues, the European Economic and Social Committee fears that referring to definitions of the proposed revised Posting of Workers Directive in the Regulation on Coordination of Social Security will in fact create less legal clarity in practice.</p> <p>5.4. The European Economic and Social Committee notes that the proposal for revision of the European Union Regulation on Social Security Coordination and the Posting of Workers Directive are both relevant for labour mobility. However, the two instruments deal with distinct issues. Whereas the Posting of Workers Directive deals with the terms and conditions (including remuneration) of employment of posted workers, the Regulation on Social Security Coordination aims to determine which social security system applies. The new proposal does not change the scope of the European Union rules on social security coordination, nor of the Posting of Workers Directive. The European Economic and Social Committee thus fears that referring to definitions of the proposed revised Posting of Workers Directive in the Regulation on Coordination of Social Security, which aims to facilitate their application, will in fact create less legal clarity in practice. Referring in a regulation (which is binding and directly applicable in all Member States) to a</p>	<p>The Commission has proposed to align the terminology of the social security coordination rules with the Posting of Workers Directive²² to facilitate their application in practice. The proposal provides that the term “posting” will only be used for posting of workers within the meaning of the Posting of Workers Directive. Other workers (i.e. self-employed) - currently also referred to as "posted" under the social security Regulations - will be called "sent workers" to make the distinction clearer. This amendment does not change the personal scope of the social security coordination rules that apply to posted workers. It clarifies, for the persons concerned, their employers and the national authorities, whether such persons are covered by the Posting of Workers Directive or not, in a manner that can promote better legal compliance and social rights.</p> <p>Aligning the terminology of the two instruments would also allow the gathering of better statistics on the number of workers who are posted in accordance with the Directive.</p>

²² Directive 96/71/EC of the European Parliament and of the Council of 16 December 1996 concerning the posting of workers in the framework of the provision of services, OJ L 18, 21.1.1997, OJ L 18, 21.1.1997.

<p>directive (only binding for Member States regarding the result to be achieved) raises legal doubts.</p>	
<p>1.5. The European Economic and Social Committee notes that the proposed requirement to work at least three months in the host Member State before a worker can qualify for unemployment benefits will delay the "aggregation of periods" giving the right to benefits. While this may make the rules for destination countries fairer, it may also influence negatively the motivation for mobility.</p> <p>5.6. According to the new rules, a European Union mobile worker must work at least three months in the host Member State before he/she can qualify for unemployment benefits there. The European Economic and Social Committee finds that this proposal sets restrictions for access to unemployment benefits for mobile workers in the host country, compared to current conditions (according to which it is sufficient to work only one day to have that right). By taking this stance, the proposal is actually delaying the "aggregation of periods" (regardless of where one's last place of residence is) giving the right to benefits. On the one hand, this might negatively influence the motivation for mobility, but, on the other hand, it may make the rules fairer for destination countries.</p>	<p>An underlying principle of the Commission's proposal is to ensure that there is a sufficient link between a mobile citizen and the Member State responsible for his or her social security. The introduction of a minimum threshold of three months of insured work before a mobile worker is entitled to aggregate periods of insurance from other Member States ensures that workers cannot claim unemployment benefits from a Member State in which they have only worked for a very short period. At the same time, mobile workers are protected: those who do not meet the qualifying period of three months will be able to seek unemployment benefits from the Member State of previous employment.</p> <p>The reason for this proposal is that, in the Commission's view, the current rules on aggregation for unemployment benefits are not sufficiently clear. This leaves it open to Member States to take divergent approaches in a manner which is incompatible with the principles of coordination, which require all Member States to treat cross-border claims for social security benefits in a uniform manner.</p>
<p>1.6. The European Economic and Social Committee is unclear how the proposal to extend the period for "exporting" unemployment benefits from the current three to at least six months can effectively provide employment opportunities for jobseekers, as this will depend on the labour</p>	<p>Under European Union social security coordination rules, export of unemployment benefit allows a citizen to search for work in another Member State without becoming a burden to the social security system of that State. Instead, a mobile jobseeker continues to</p>

market situation, which differs from one country to another.

5.7. According to the proposed new rules, the minimum period during which jobseekers can export unemployment benefits earned in one Member State to another will be extended from the current three to at least six months, whereas the current regulation leaves the decision – three or six months – to the benefit-exporting Member State. The European Economic and Social Committee considers this change as an acknowledgment on the part of the Commission of the difficulties in finding a job quickly in another Member State. However, the European Economic and Social Committee is unclear how the proposal to extend the time for "exporting" unemployment benefits can effectively provide employment opportunities for jobseekers, as this will depend on the labour market situation, which differs from one country to another. The European Economic and Social Committee also doubts the usefulness of this proposal at a time when unemployment, and in particular youth unemployment, remains high in several European Union Member States.

receive benefits to which they contributed in their 'home' Member State. The proposal aligns the period of export of unemployment benefits with the period of six months recognised by the Court of Justice of the European Union as the period during which a European Union mobile citizen can seek a job in another Member State.

There are currently 1 million European Union jobseekers looking for employment in Member States other than their own. But only a small proportion of them are taking advantage of the current rules that allow for export of unemployment benefits. This shows that these rules are not achieving their full potential.

The change proposed by the Commission allows the export of unemployment benefits for a minimum period of six months, with the possibility of further extension for the remaining period of entitlement. As outlined in the impact assessment, a prolongation of the export period is expected to give a better chance to jobseekers abroad, thereby supporting the internal market as a whole, helping to tackle European Union-wide unemployment and labour market mismatches.

In this context, however, it is important to clarify that the system of European Union social security coordination is not meant to provide or create employment opportunities for jobseekers. It is about providing the right conditions to facilitate mobility for those who choose to look for a job in another Member State.

<p>5.1. With regard to the coordination system for frontier workers, the European Economic and Social Committee takes note of the proposal to shift the responsibility for the payment of unemployment benefits to the Member State of the last working activity, but believes that the requirement of having worked in that Member State for a minimum period of 12 months might limit the positive effects resulting from this change.</p>	<p>The Commission's proposal is designed to link a jobseeker to the labour market in which he or she has the closest link and therefore the best chances of finding new work.</p> <p>In the case of a frontier worker there may be good prospects of integration both in the Member State of residence and the Member State of work; a pattern of work in a Member State other than the place of residence does not necessarily imply an intention of long-term integration in the labour market of that State. For this reason, the Commission has proposed a minimum period of 12 months before the Member State of former employment has to pay unemployment benefits. In all other cases this will remain the Member State of residence.</p> <p>A particular rationale for the 12 month period is to exclude seasonal workers from the impact of the proposed change, taking into account that such workers may not have good prospects of integration in the labour market of the host Member State out-of-season.</p>
<p>(Continuation of 5.1.) However, the European Economic and Social Committee acknowledges that the proposal also presents a challenge for Member States becoming responsible for paying the benefits.</p>	<p>An underlying principle of the Commission's proposal is to ensure that there is a sufficient link between a mobile citizen and the Member State responsible for his or her social security.</p> <p>A frontier worker pays taxes and social security contributions in the country where they work. This is why the proposal seeks to amend the rules to provide that it is the Member State of most recent employment, rather than the Member State of residence, which is responsible for paying unemployment</p>

	<p>benefits to an unemployed frontier worker, provided that person has been employed in that Member State for at least 12 months. In other cases the Member State of residence will remain responsible for paying unemployment benefits to the worker.</p> <p>In this context, it should be noted that the Member State of employment is already providing reimbursement for up to five months of unemployment benefits to the Member State of residence.</p>
<p>5.5. The European Economic and Social Committee notes that there is a need to ensure uniform conditions for application of the specific rules on coordination of social security regarding posted workers. This includes the determination of situations in which A1 forms shall be issued, elements to be verified before issuing and the withdrawal when contested. Given the fact that these aspects can be crucial for the practical application of Articles 12 and 13 of Regulation (EC) No 883/2004²³, the European Economic and Social Committee is concerned about conferring such unclearly defined powers on the Commission. Feedback to the European Economic and Social Committee on the implementation of this delegation and afterwards an evaluation of the impact of the new procedures would be welcome, as the posting of workers is a really sensitive issue.</p>	<p>The Commission's proposal seeks to confer new powers for the Commission to adopt implementing acts in order to ensure uniform conditions for the application of the special rules for posted or sent workers and self-employed persons, and for persons who work in two or more Member States.</p> <p>These powers are limited to establishing standard procedures for the issuance, contestation and withdrawal of an A1 form and will go no further than what is necessary to ensure that the coordination rules operate effectively.</p> <p>The powers will be exercised in full compliance with the requirements of Regulation (EU) No 182/2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers, and will be subject to the examination procedure involving the European Parliament, Council and national experts</p>

²³ Regulation (EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems (Text with relevance for the EEA and for Switzerland), OJ L 166, 30.4.2004.

	from the Member States.
<p>(Continuation of 5.5.) The European Economic and Social Committee is also concerned about the cumulative effect of the new rules on posting, the previously mentioned technical amendments in the social security regulation and the growing number of national initiatives to control workers from other European Union countries. The growing complexity through the combination of these different regulations is likely to restrain the transnational mobility and should be closely monitored at European level. Moreover, there is also a need to respect social security rules related to posted workers.</p>	<p>The proposal reflects the commitment of this Commission to fair labour mobility. Our proposal is a balanced one that facilitates free movement of workers and protects their rights, while reinforcing the tools for national authorities to fight risks of abuse or fraud. In particular it strengthens the administrative tools to ensure that existing rules are rigorously applied and that national authorities have adequate means to verify the social security status of posted workers and to address potentially unfair practices or abuses. For example, the proposal reinforces the obligations of institutions issuing a Portable Document A1 to assess the relevant facts and guarantee that the information provided in this document is correct. It also introduces clear deadlines for exchanges of information between national authorities. The proposal produces stronger deterrents against abuse by expressly providing that the withdrawal of a Portable Document A1 will have retroactive effect in case of fraud (wrongly paid contributions or benefits will have to be reimbursed).</p> <p>The proposal for a targeted revision of the Posting of Workers Directive aims at promoting the free provision of services within the European Union within a fair competition framework. Free provision of services is a key component of the internal market and the Commission is strongly committed to supporting it. It brings benefits for all the Member States; and allows sharing of knowledge, competencies, experience, and knowhow from all the Member States.</p>

	<p>This freedom implies abolition of all discrimination against a person providing a service on the grounds of his nationality. But from the start, it is not an unconditional freedom. In particular, it does not preclude Member States from applying adequate protection for workers. Legislation or collective labour agreements related to minimum wages apply to any person who is employed, even temporarily, within the territory where the activity is performed. Directive 96/71/EC²⁴ had translated this balance into European Union law.</p> <p>The 2014/67/EU²⁵ enforcement Directive identifies the tools, administrative requirements and control measures that the Member States can put in place in order to ensure respect of rights, while providing the freedom to provide services at cross-border level.</p>
<p>5.8. The European Economic and Social Committee believes that the proposed new rules do not address the existing shortcomings of a coordinated social security system that was originally designed for Member States with relatively similar levels of purchasing power parities and social security systems. More effective measures are therefore required to bring about convergence in regard to the duration of unemployment benefits, the amount of benefits received, and the period of aggregation for the activation of unemployment benefits. This convergence</p>	<p>The Commission welcomes the European Economic and Social Committee's view on the issue of convergence as regards unemployment benefits. In this context, it is important to recall that the Commission's Recommendation on the European Pillar of Social Rights, adopted on 26 April 2017²⁶, includes one principle on unemployment benefits. This provides that the unemployed have the right to adequate activation support from public employment services to (re)integrate in the labour market and adequate</p>

²⁴ Directive 96/71/EC of the European Parliament and of the Council of 16 December 1996 concerning the posting of workers in the framework of the provision of services, OJ L 18, 21.1.1997.

²⁵ Directive 2014/67/EU of the European Parliament and of the Council of 15 May 2014 on the enforcement of Directive 96/71/EC concerning the posting of workers in the framework of the provision of services and amending Regulation (EU) No 1024/2012 on administrative cooperation through the Internal Market Information System ('the IMI Regulation') Text with EEA relevance, OJ L 159, 28.5.2014.

²⁶ COM(2017) 250 final.

<p>would help improve and facilitate the coordination of social security systems. The question of how to reach this convergence needs to be considered separately from this opinion.</p>	<p>unemployment benefits of reasonable duration, in line with their contributions and national eligibility rules. Such benefits shall not constitute a disincentive for a quick return to employment. The Pillar has been conceived as a reference framework to screen the employment and social performance of participating Member States, to drive reforms at national level and, more specifically, to serve as a compass for the renewed process of convergence towards better working and living conditions in Europe. This will be monitored and assessed in the context of the European Semester, including through Country Reports and the multilateral surveillance in the Employment Committee and the Social Protection Committee.</p> <p>The social security Regulations, on the other hand, provide only a basis for coordination of national systems and not for their harmonisation. They cannot therefore be used as a legal basis for more convergence between national unemployment systems.</p>
<p>(Continuation of 5.8.) In principle, at least, the proposed new rules related to the "export" of unemployment benefits provide for stronger cooperation between public employment services at all levels. The revision will clarify the obligations of the employment service in the host Member State to support jobseekers with job search activities and to monitor and report on their activities to the Member State responsible for paying the unemployment benefits. However, the European Economic and Social Committee believes that public employment services ought to do more to</p>	<p>The European Network of Public Employment Services, consisting of the public employment services of all 28 European Union Member States as well as Norway and Iceland and the Commission, is characterised by enhanced cooperation with the aim of contributing to European employment strategies, improving labour market function and integration and creating more balanced labour markets. Public employment services are striving to support jobseekers to find (non-precarious) jobs and to ensure sustained</p>

<p>support mobile jobseekers to find non-precarious jobs, especially considering the limited time allowed to find a job, thereby contributing to reaching greater convergence as referred to in the previous point.</p>	<p>employability by providing and further developing their services. Public employment services thereby address the needs of jobseekers, among them those moving within the European Union, and encourage voluntary mobility on a fair basis to meet specific labour market needs.</p> <p>Moreover, public employment services work together with the European job mobility portal, EURES, to facilitate the exercise of free movement of workers, thereby aiming to secure the same objective for jobseekers who are looking for jobs in other Member States.</p>
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<p>N°11 The counterfeit and pirated products industry (own-initiative opinion) EESC 2017/0703 - CCMI/150 527th Plenary Session – July 2017 Rapporteur: Mr Antonello PEZZINI (GRI-AT) Corapporteur: Mr Hannes LEO (GRIII-AT) DG GROW - Commissioner BIENKOWSKA</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.8. The European Economic and Social Committee considers however that the initiative is primarily a matter for the European Union private sector comprising the industries and service providers who are most concerned – as well as the whole value chain, with the involvement of right holders and small and medium-sized enterprises – while the Commission has to update the regulatory framework for Intellectual Property Rights in order to modernise the existing rules and adapt the criminal law options currently available in the European Union and its Member States</p>	<p>In November 2017, the Commission presented the Evaluation Report on the Intellectual Property Rights Enforcement²⁷. The results show that the measures, procedures and remedies set out in the Directive have effectively helped to better protect intellectual property rights throughout the European Union and are still fit for purpose. The Intellectual Property Rights Enforcement Directive has led to the creation of a common legal framework where the same set of tools is applied across the European Union. However, the provisions of the Intellectual Property Rights Enforcement Directive are not implemented and applied in a uniform manner in all European Union countries. Thus, the European Union legal framework for civil enforcement of Intellectual Property Rights could benefit from the clarification of certain aspects of the Directive, allowing a more consistent and effective interpretation and application. This clarification was provided through the Guidance Communication²⁸ clarifying the</p>

²⁷ Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights, OJ L 157, 30.4.2004.

²⁸ COM(2017) 708 final.

	<p>provisions of the Intellectual Property Rights Enforcement Directive where there have been differing interpretations in European Union countries.</p>
<p>1.10. The European Economic and Social Committee recommends measures such as the development of new para-judicial techniques allowing for private/public collaboration to optimise customs intervention by means of marking and traceability.</p>	<p>Customs intervention in the European Union is already based on private/public cooperation via the submission of an application for action by the Intellectual Property right holders.</p> <p>According to Article 6.3 of Regulation (EU) No 608/2013²⁹, the application requesting the action of the European Union customs authorities shall comprise, among other information, the following:</p> <ul style="list-style-type: none"> - specific and technical data on the authentic goods, including markings such as bar-coding and images where appropriate; - the information needed to enable the customs authorities to readily identify the goods in question. <p>The Commission is of the opinion that thorough and accurate information with regard to the identification of genuine and infringing goods, as well as on the security features used by right holders and the distribution/supply chain, is chiefly of value to the customs authorities to take the most efficient action possible in the enforcement of Intellectual Property Rights.</p> <p>The existing framework does nowadays allow for an enhanced collaboration among customs authorities and right holders, aimed at optimising customs</p>

²⁹ Regulation (EU) No 608/2013 of the European Parliament and of the Council of 12 June 2013 concerning customs enforcement of intellectual property rights and repealing Council Regulation (EC) No 1383/2003, OJ L 181, 29.6.2013.

	<p>Intellectual Property Rights enforcement tasks.</p> <p>In addition, engaging right-holders and stakeholders is one of the objectives of the European Union Customs Action Plan to combat Intellectual Property Rights infringements for the years 2013 to 2017. For that purpose, the Customs Action Plan set up a group gathering the Commission, European Union customs authorities, right-holders and other stakeholders which meet once a year.</p>
<p>1.10. The European Economic and Social Committee recommends measures such as interoperative detection systems that communicate with automatic risk management systems based on suitable technologies, enabling e-commerce owners and right holders to identify and prevent infringement.</p>	<p>Following a proposal by the Commission³⁰, the European Union Intellectual Property Office has been legally mandated to carry out activities aiming at identifying and promoting technical tools for professionals and benchmark techniques, including tracking and tracing systems which help to distinguish genuine products from counterfeit ones (Article 2(2)(j)). The Commission supports and participates regularly in the activities carried out by the European Union Intellectual Property Office under Regulation (EU) No 386/2012³¹.</p> <p>Exchanges on such detection systems are also taking place during the meeting of the signatories of Memorandum of Understanding on the sale of counterfeit products via the internet, organised and moderated by the Commission.</p>
<p>1.10. The European Economic and Social Committee recommends measures</p>	<p>The Commission is working on a series of measures aiming at fighting</p>

³⁰ COM(2011) 288 final.

³¹ Regulation (EU) No 386/2012 of the European Parliament and of the Council of 19 April 2012 on entrusting the Office for Harmonization in the Internal Market (Trade Marks and Designs) with tasks related to the enforcement of intellectual property rights, including the assembling of public and private-sector representatives as a European Observatory on Infringements of Intellectual Property Rights, OJ L 129, 16.5.2012.

<p>such as the introduction of a new 2018-2021 strategic plan with a renewed and better-coordinated framework for action, relying on appropriate financial resources.</p>	<p>counterfeiting at the origin, at the European Union borders, and inside the Internal Market. These include:</p> <ul style="list-style-type: none"> - promoting cooperation between Intellectual Property right holders and intermediaries whose services are used by counterfeiters, such as in the online environment; - promoting the adoption by businesses of due diligence best practices in barring the infiltration of counterfeits in legitimate supply chains.
<p>1.12. The European Economic and Social Committee suggests setting up a central counterfeiting task force.</p>	<p>The creation of a taskforce is not deemed necessary. The Commission will however reinforce its efforts in ensuring a close cooperation between all the relevant services of the Commission and European Union bodies, including in their interaction with the European Observatory on Infringements of Intellectual Property Rights which is managed by the European Union Intellectual Property Office under Regulation (EU) No 386/2012 and which gathers the expertise of public and private stakeholders and feeds the activities of the European Union Intellectual Property Office aimed at, among other things:</p> <ul style="list-style-type: none"> - facilitating the exchange of information on infringements of intellectual property rights between public administrations, bodies and organisations in the Member States dealing with the protection and enforcement of those rights; - cooperate with the authorities working in the field of intellectual property rights, with a view to developing and promoting techniques, skills and tools relating to the enforcement of intellectual property rights, including training programmes and

	awareness campaigns.
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N°12 Ecodesign Working Plan 2016-2019
COM(2016) 773 final – EESC 2017/0281 – NAT/702
527th Plenary Session – July 2017
Rapporteur: Mr Cillian LOHAN (GR11-IE)
DG GROW - Commissioner BIENKOWSKA

Points of the European Economic and Social Committee opinion considered essential	European Commission position
<p>1.1. The scope of the Ecodesign Working Plan 2016-2019 is too limited to be a strong driver for wholesale change in behaviour through the supply chains of goods and services at a pace that would reflect the ambition of the Circular Economy Action Plan.</p>	<p>The role of the Working Plan is clearly specified in its legal basis, Article 16 of Directive 2009/125/EC³², and consists in setting out periodically (three years) an indicative list of product groups considered priorities for the adoption of implementing measures. Annex 1 of the Directive sets out which parameters of products can be regulated. The role of the Ecodesign Working Plan in driving the Circular Economy is complemented by many other related actions in the Action Plan.</p>
<p>1.2. The ecodesign of goods and services needs to go beyond just energy considerations. Although these are important, there is a need to have a focus on the full lifecycle of products, including their durability, ease of maintenance and repair, potential for sharing and digitisation, reuse, upgradeability, recyclability and actual uptake after use in the form of secondary materials in products entering the market.</p>	<p>The Ecodesign Directive is primarily known for having set minimum energy efficiency requirements for 26 product groups (plus the two standby regulations). However, 21 of these regulations already include requirements addressing other environmental impacts. With the adoption of the Circular Economy package, the Commission has committed to reinforce the investigation of product requirements related to material efficiency aspects, as long as these deliver clear value to consumers and society.</p>

³² Directive 2009/125/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for the setting of ecodesign requirements for energy-related products (Text with EEA relevance), OJ L 285, 31.10.2009.

<p>1.3. Ecodesign needs to incorporate the principles of the circular economy, in the context of digitisation, sharing and the functional economy, in order to have consistency across the various strategies that are intended to deliver a new economic model.</p>	<p>The Ecodesign Directive was first adopted in 2005 and is, in fact, a predecessor to Circular Economy thinking (see its Annexes I and II). Ecodesign requirements may indirectly drive the sharing and functional economy, but they need to be verifiable in the products themselves and must be fulfilled at the time of placing on the market.</p>
<p>1.4. The component parts of a product should be easily recoverable for reuse and/or remanufacture and drive the creation of a strong secondary raw materials market.</p>	<p>The Commission agrees with the need to foster reuse and recovery of parts and components and for this reason has asked the European Standardisation Bodies to deliver generic standards on a range of material efficiency aspects, from durability to recyclability, reusability or recoverability. These are expected for the first quarter of 2019.</p>
<p>1.5. Labelling requirements can drive improved ecodesign strategies and help consumers in decision making, thus becoming a driver for behavioural change. Labelling should include a life expectancy of a product, and/or its important components.</p>	<p>A new Energy Labelling Regulation, (EU) 2017/1369³³ replaced the Energy Labelling Directive on 4 July 2017. Apart from the necessary rescaling exercise affecting existing labels (from A+++ to G, to A-G), the Commission has started a study exploring how to develop a reparability score to be included in relevant existing labels in the near future. This is expected to already have an impact on the useful service lifetime of products. Other product aspects related to product life expectancy could be incorporated in the future.</p>
<p>1.6. The European Economic and Social Committee reiterates its support for the use of Extended Producer Responsibility as a tool</p>	<p>The Commission is strongly committed to promoting responsible products on the market through provisions on</p>

³³ Regulation (EU) 2017/1369 of the European Parliament and of the Council of 4 July 2017 setting a framework for energy labelling and repealing Directive 2010/30/EU (Text with EEA relevance), OJ L 198, 28.7.2017.

<p>to promote the transition to circular economy business models, and emphasises that this too can play a role in the promotion of ecodesign.</p>	<p>extended producer responsibility. The proposal amending the Waste Framework Directive, currently under discussion with the European Parliament and the Council, will improve the effectiveness of this instrument by providing clear minimum requirements on the operation of extended producer responsibility, including the use of modulation of fees based on recyclability criteria. These measures therefore establish a bottom-up approach with regard to design for recycling.</p>
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<p>N°13 Improving the effectiveness of European Union policies for small and medium-sized enterprises (own initiative opinion) EESC 2016/3121 - INT/787 527th Plenary Session – July 2017 Rapporteur: Ms Milena ANGELOVA (GRI-BG) DG GROW – Commissioner BIENKOWSKA</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.2. The European Economic and Social Committee suggests changing the “one size fits all” approach and better marketing of small and medium-sized enterprise policies.</p>	<p>Commission programmes supporting small and medium-sized enterprises take into account their different needs. As an example, the European Union's Programme for Small and Medium-sized Enterprises (COSME) financial instruments, specifically the Loan Guarantee Facility, provides an overall framework for action. National and regional financial intermediaries are free to set up the products for small and medium-sized enterprises taking into account the local specificities within the overall framework. The European Fund for Strategic Investments' dedicated SME ("small and medium-sized enterprise") window is equally flexible to support all ranges of small and medium-sized enterprises through intermediary banks and funds.</p> <p>The Commission with all concerned stakeholders have a key role promoting small and medium-sized enterprise policies. For example, the Network of SME ("small and medium-sized enterprise") Envoys promotes the implementation of small and medium-sized enterprise policy across the European Union.</p>

<p>1.3., 1.4., 1.7.3., 1.7.4. The European Economic and Social Committee recommends simplifying support programme rules and disseminating information on them.</p>	<p>The Commission is strongly committed to the simplification of the support programmes starting from the financial rules³⁴. Specific measures have been or are being taken for simplifying the participation rules of the main funding programmes³⁵.</p> <p>The Commission disseminates information on the available programmes for small and medium-sized enterprises, in particular via the Enterprise Europe Network. The Network organisations also help small and medium-sized enterprises to participate in Horizon2020 projects by organising information events and small and medium-sized enterprise partner searches for collaborative projects.</p> <p>Regarding the Investment Plan for Europe and the opportunities it provides for small and medium-sized enterprises, the Commission is leading an unprecedented communication effort in cooperation with the European Investment Bank Group.</p>
<p>1.5. and 1.6. The European Economic and Social Committee suggests monitoring the implementation of European Union support measures and of the Small Business Act.</p>	<p>The Commission runs the SME ("small and medium-sized enterprise") Performance Review to monitor and assess the implementation of the Small Business Act principles in Member States. This review is done on an annual basis. The main country-specific findings are summed up in the Small Business Act country fact sheets. They also feed into the European Semester process including the country reports and the country specific</p>

³⁴ http://ec.europa.eu/budget/mff/simplification/index_en.cfm

³⁵ See as an example Horizon 2020: <http://ec.europa.eu/research/index.cfm?&na=na-280217&pg=newsalert&year=2017>

	<p>recommendations.</p> <p>The European Union support programmes are submitted to mid-term or interim/final and/or ex-post evaluations. As an example, the interim evaluation of the COSME Programme is currently ongoing.</p>
<p>1.7.1., 1.7.2., 3.2., 3.3. The European Economic and Social Committee proposes that the definition of a small and medium-sized enterprise should be revised to take into account the different types 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/EC³⁶ 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.).</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>A review of the definition (including a public consultation launched on 6 February 2018) is ongoing (http://ec.europa.eu/info/law/better-regulation/initiatives/ares-2017-2868537_en).</p>
<p>2.1. and following, 3.4.9.1., 3.6.1. Burden simplification (including implementation of the Think Small First principle and small and medium-sized enterprise test.</p>	<p>Several measures have been taken to alleviate the administrative and legislative burden for small and medium-sized enterprises:</p> <ul style="list-style-type: none"> - the implementation of the 'Think Small First' principle is supported at European and national level in the policy making process and in designing small and medium-sized enterprise support initiatives; - the small and medium-sized enterprise

³⁶ 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.

	<p>Test is included in the Commission impact assessment³⁷, and the Commission strongly encourages European Union countries to systematically apply it also at national level;</p> <p>- the fitness check and the REFIT Programme are ongoing³⁸. The REFIT Platform involves all the relevant stakeholders in the exercise.</p>
<p>3.4.4. and 3.6.4. The European Economic and Social Committee recommends facilitating small and medium-sized enterprise access to finance.</p>	<p>For the period 2014-2020, a range of financial instruments have been set up in different programmes. Financial instruments are available under the COSME and Horizon 2020 programmes and provide mostly loan (counter-) guarantees (and venture capital).</p> <p>The European Fund for Strategic Investments, an essential part of the Investment Plan for Europe launched by President Juncker, finances strategic projects across the European Union in infrastructure, and a substantial part of it targets small and medium-sized enterprises to give a boost to the real economy. As of February 2018, some 589 000 small and medium-sized enterprises are expected to benefit across the European Union. Considering its success, the European Fund for Strategic Investments was extended until 2020, with an investment target increased from EUR 315 billion to EUR 500 billion and a larger share of the guarantee geared towards small and</p>

³⁷ https://ec.europa.eu/growth/smes/business-friendly-environment/small-business-act/sme-test_en

³⁸ https://ec.europa.eu/info/law/law-making-process/overview-law-making-process/evaluating-and-improving-existing-laws/reducing-burdens-and-simplifying-law/refit-making-eu-law-simpler-and-less-costly_en

	<p>medium-sized enterprises.</p> <p>The European Portal on Access to European Union Finance³⁹ aims to increase awareness of European Union financing support to small and medium-sized enterprises. It helps European small and medium-sized enterprises in accessing information on European Union sources of finance available in their country. Moreover, tailored advice on access to finance is provided by the Enterprise Europe Network regional offices across the European Union.</p> <p>Finally, the Capital Markets Union initiative aims at improving the financing of the European Union economy by developing and integrating capital markets. The main objective is to reduce small and medium-sized enterprises' high dependence on bank financing by fostering the development of alternative sources of finance.</p>
<p>3.4.9.2. and 3.6.2. The European Economic and Social Committee considers that entrepreneurship should be more effectively promoted.</p>	<p>Several initiatives have been taken to promote entrepreneurship, for example:</p> <ul style="list-style-type: none"> - the Commission is encouraging European Union countries to include entrepreneurship in the education curriculum of students, also by offering supporting tools such as the Entrepreneurship Competence Framework (EntreComp)⁴⁰, HEInnovate⁴¹ and the European Entrepreneurship Education Network (EE-HUB)⁴²; - the programme Erasmus for Young Entrepreneurs, aiming at promoting

³⁹ www.access2finance.eu

⁴⁰ <https://ec.europa.eu/jrc/en/entrecomp>

⁴¹ <https://heinnovate.eu/en>

⁴² <http://www.ee-hub.eu/>

	<p>entrepreneurship and creating of new businesses via the exchange of experiences and matching of new and experienced entrepreneurs, has already reached about 5 800 exchanges;</p> <ul style="list-style-type: none"> - a proposal to harmonise restructuring and second chance frameworks in European Union countries was adopted by the Commission in November 2016; - specific initiatives are addressing the needs of specific target groups, for example women entrepreneurs, social enterprises, or opportunities for entrepreneurs in the sharing economy.
<p>3.4.9.3., 3.6.3. and 3.6.6. The European Economic and Social Committee recommends improving access to markets and internationalisation and support networks.</p>	<p>The support to small and medium-sized enterprises at European Union level are complementary to those provided by the Member States, regions (via Trade promotion agencies) and other local players like Chambers of Commerce.</p> <p>As an example, the Enterprise Europe Network has 600+ partner organisations in 63 countries helping small and medium-sized enterprises to develop their activities outside their home country with international brokerage and matchmaking event and company missions. On a yearly basis, the network provides services to about 250 000 small and medium-sized enterprises, including specialised advisory services to some 70 000 small and medium-sized enterprises. About 25 000 small and medium-sized enterprises participate in matchmaking events resulting in more than 2 500 signed international partnership agreements.</p> <p>Other activities include the small and medium-sized enterprise IPR ("Intellectual Property Rights")</p>

	helpdesks in third countries, Your Europe Business Portal, cluster internationalisation programmes and a Market Access Database.
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<p>N°14 The External Dimension of the Social Economy (own-initiative opinion) EESC 2017/0181 - REX/472 527th Plenary Session – July 2017 Rapporteur: Mr Miguel Ángel CABRA DE LUNA (GRIII-ES) DG GROW – Commissioner BIENKOWSKA</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.2. The Partnership Instrument for Cooperation with Third Countries⁴³, which is aimed at developed and developing countries, could provide an opportunity for the social economy of the European Union in its process of developing its international dimension, fostering competitiveness, innovation and research.</p>	<p>The Commission notes that a Feasibility Study has been carried out via the Partnership Instrument in 2017 in order to identify possibilities to build a Partnership Instrument action on Social and Solidarity Economy. The action would include: (i) creation of an international guide for Social and Solidarity Economy legislation; (ii) developing a global set of methodologies and metrics for measurement of Social and Solidarity Economy impact in developing, emerging and developed countries; and (iii) multi-actors partnership and exchange of experiences on Social and Solidarity Economy in third countries to be identified. If approved, the Partnership Instrument action could be launched in 2018.</p> <p>(Please see a reference to the Partnership Instrument in the comments under point 1.25.)</p>
<p>1.4. The European Economic and Social Committee welcomes the fact that in the Post-2015 Agenda, the Council underlines the importance of "the social economy to</p>	<p>Social dimension of sustainable development is one of the pillars of the new European Consensus on Development⁴⁴. The social economy is</p>

⁴³ Regulation (EU) No 234/2014 of the European Parliament and of the Council of 11 March 2014 establishing a Partnership Instrument for cooperation with third countries, OJ L 77, 15.3.2014.

⁴⁴ <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ%3AC%3A2017%3A210%3ATOC>

<p>job creation and sustainable development", which opens up new opportunities for boosting the external dimension of the social economy (point 43 of the Post-2015 Agenda), but regrets that the Commission has not included the social economy in its proposal for a new European Consensus on Development.</p>	<p>mentioned in paragraph 49 of the new Consensus which says:</p> <p>"[...] They will also promote private sector initiatives and social enterprises, cooperatives, and women and youth entrepreneurs, to boost the provision of local services as well as inclusive and green business models."</p> <p>Other paragraphs address important aspects and actors of the social economy, for example paragraphs 55 and 72 make reference to cooperatives. Furthermore, the Consensus strongly supports the principles behind the social economy (e.g. social and financial inclusion, women and workers' rights, reaching the most vulnerable). In implementing the Consensus, the Commission services and the European External Action Service will strongly pursue these principles.</p>
<p>1.9. Without prejudice to the work of ethical banking, traditional financing instruments do not work for social economy enterprises, which require instruments specifically adapted to them. The European Economic and Social Committee therefore finds it regrettable that, despite their undeniable role in meeting the Sustainable Development Goals and their socio-economic importance, social economy enterprises are not systematically considered to be an actor as such in European Union programmes designed to boost the international dimension and external promotion of business, and</p>	<p>The Commission notes that there are dedicated actions in the 2014 Commission Communication on "A stronger role of the Private Sector in achieving inclusive and sustainable growth in developing countries"⁴⁵ on inclusive businesses, cooperatives and social enterprises. For example, the Commission is currently funding a project managed by the British Council which focuses on social economy in Kenya and Ethiopia.</p> <p>With respect to financing, the Regulation for the European Fund for Sustainable Development⁴⁶ refers to</p>

⁴⁵ COM(2014) 263 final.

⁴⁶ <http://www.consilium.europa.eu/en/press/press-releases/2017/06/28-european-fund-sustainable-development/>

development cooperation programmes. Furthermore, the European External Investment Plan and the European Fund for Sustainable Development do not provide for any line of financing specifically for social economy enterprises.

providing finance and other support for the development of the cooperative sector.

Although the Commission welcomes the European Economic and Social Committee's suggestion to target more specifically social economy enterprises with the European Union aid instruments, the European External Investment Plan and its European Fund for Sustainable Development does not foresee specific "lines of funding". It will function by defining investment windows, whereby eligible financing institutions will propose a portfolio of investments in conformity with the window's eligibility criteria. The Strategic and Operational Boards supported the first five investment windows for the European Fund for Sustainable Development Guarantee facility that were presented to the European Union-Africa and Eastern Partnership Summits: "Sustainable Energy and Connectivity"; "Micro, Small and Medium Enterprises (MSMEs) Financing"; "Sustainable Agriculture, Rural Entrepreneurs and Agroindustry"; "Sustainable Cities"; and "Digital for Development". For the first two windows the deadline was 31st January 2018, while for the others it is 31st March 2018. Within this framework, the window on Micro, Small and Medium Enterprises does not exclude the possibility of having social economy enterprises as one of the recipients of the European External Investment Plan investments (please

	<p>note this last paragraph applies also to points 1.12. and 1.19., where the European External Investment Plan and European Fund for Sustainable Development funding or the lack of lines of financing specifically for social economy enterprises has been mentioned.) As regards financing social economy in the Internal Market, the Commission would like to take the opportunity to recall that, on 27 June 2017, the Council published the final text of the review of the European Venture Capital Funds (EuVECA) and of the European Social Entrepreneurship Funds (EuSEF) regulations after a proposal by the COM in July 2016. The revision of the European Social Entrepreneurship Funds (EuSEF) Regulation was approved in Autumn 2017 and the text has been published in the Official Journal in November 2017⁴⁷.</p>
<p>1.10. For example, the renewal of the Cotonou Partnership Agreement will affect more than 100 countries in Africa, the Caribbean and the Pacific, with a total population of 1.5 billion people. The Cotonou Partnership Agreement is due to be renewed in 2020 and negotiations should begin by August 2018 at the latest. It is surprising that the above-mentioned Communication, based on the United Nation's 2030 Agenda and the European Union Global Strategy on Foreign and Security Policy, does not mention the social economy among the non-state actors involved in the partnership. This comes</p>	<p>The Cotonou Partnership Agreement uses the term “Non-State Actors” to cover the private sector, economic and social partners, including trade union organisations, and civil society in all its diversity, according to national characteristics (Article 6). This comprehensive definition applies to all kinds of actors, both formal and informal, as well as for co-operatives, trade unions, and grassroots organisations. Non-State Actors are partners in dialogue and/or implementing agents. Their participation is foreseen in all three pillars of the</p>

⁴⁷ Regulation (EU) 2017/1991 of the European Parliament and of the Council of 25 October 2017 amending Regulation (EU) No 345/2013 on European venture capital funds and Regulation (EU) No 346/2013 on European social entrepreneurship funds (Text with EEA relevance), OJ L 293, 10.11.2017.

under the general heading of "civil society, economic and social partners and the private sector" (point 4.3.3 of the Communication).

Cotonou Partnership Agreement: development co-operation and trade (article 4, 19, 33) as well as political dialogue (article 8, 10).

The Joint Communication⁴⁸ on a renewed partnership with the African, Caribbean and Pacific countries post-2020 presents the main ideas and building blocks and indicates as a preferred option a legally binding agreement, composed of an "umbrella" shared with all African, Caribbean and Pacific partners, in combination with three strengthened regional partnerships. The "umbrella agreement" allows preserving the long-standing cooperation with partners, including the common values, principles, essential elements and interests that underpin the African, Caribbean and Pacific-European Union cooperation: this includes the notion of a systematic engagement with Non-State Actors. In fact, the Communication makes several references to such engagement and it does recognise that the multi-stakeholder dimension of the partnership [...] deserves to be strengthened (p. 27 at 4.3.3).

In the Cotonou Partnership Agreement the paragraph on Actors makes reference to "Non-State Actors, including civil society, economic and social partners and the private sector".

The Development Cooperation Instrument gives a broad definition of Civil Society Organisations under the "Civil Society Organisation and Local Authorities Thematic Programme",

⁴⁸ Communication on a renewed partnership with Africa, the Caribbean and the Pacific JOIN(2016)52

	<p>encompassing actors of the social economy with specific reference, amongst others, to local traders' groups, cooperatives and organisations of social and economic interest⁴⁹. Cooperatives are also mentioned in the definition of Civil Society Organisations in the 2012 Communication on Civil Society Organisations in development⁵⁰.</p>
<p>1.11. Trade policy is one of the pillars of the European Union's external action. Organised civil society is involved in the European Union's various agreements with other countries and regions around the world (trade, association and economic partnership agreements) through the joint consultative committees and domestic advisory groups set up under those agreements. Although the social economy is included in several of these agreements, the European Economic and Social Committee recommends that it takes on a broader role and becomes a fixed component in all of them.</p>	<p>The Commission would like to point out that trade-related aspects of the social economy, mainly labour and the environment, are already covered in the trade and sustainable development chapters in all new generation European Union trade agreements.</p>
<p>1.12. Both the European Fund for Sustainable Development and the European Investment Bank should work together to establish a financial ecosystem specifically for social economy enterprises, as called for in the European Economic and Social Committee opinion⁵¹. In addition, the European External Investment Plan's technical assistance and development cooperation programmes should provide for the promotion of cooperative digital platforms. The digital economy is opening up new areas of action and development for social economy enterprises. For example,</p>	<p>The Commission is working closely together with the European Investment Bank Group to provide a coordinated approach between the European Union Institutions in the future design and development of European Union financial instruments and programmes to develop the impact investing and social economy finance ecosystems in the European Union. Further coordination with the European Bank for Reconstruction and Development and other International Financial Institutions in the area of impact</p>

⁴⁹ <https://ec.europa.eu/europeaid/sites/devco/files/regulation-dci-2014-2020-en.pdf>

⁵⁰ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM%3A2012%3A0492%3AFIN%3AEN%3APDF>

⁵¹ EESC exploratory opinion on *Building a financial eco-system for social enterprises* (OJ C 13, 15.1.2016).

the collaborative economy enables the creation of not-for-profit platforms (platform cooperativism) and the development of activities of great interest for the social economy's external dimension, such as collaborative production, collaborative finances (crowdfunding or peer-to-peer lending), collaborative governance and collaborative learning. In the latter case, learning via cooperative platforms can be important for the on-site training of social economy entrepreneurs in neighbouring countries and the south, strengthening crucial human capital in those countries.

investing would ensure alignment in promoting inclusive finance and the development of social economy internationally through policy coordination and joint initiatives.

Concerning the collaborative economy, the Commission is monitoring the evolving regulatory environment, and economic and business developments with the aim of identifying obstacles and problems encountered. Furthermore, to engage stakeholders and to follow market developments and identify impediments collaborative platforms face, the Commission continues to organise workshops in the context of the Single Market Forum. In addition, the Commission has organised workshops with the European Economic and Social Committee that have gathered together technology-oriented social enterprises and social enterprises active in the collaborative economy.

The Commission agrees on the importance of digitalisation and digital platforms and ecosystems. It launched in autumn 2017 a call for tenders for the preparation of a study on the "Use and impact of new technologies by social economy and social enterprises". Under the European Fund for Sustainable Development, investment windows on Micro-, Small and Medium-sized Enterprises' financing and on digitalisation are being envisaged. The guarantees under these windows and also some of the Technical Assistance under the second pillar of the European External Investment Plan could be allocated to promote and develop digital

ecosystems or platforms for Micro-, Small and Medium-sized Enterprises, cooperatives and social enterprises.

(See also the last paragraph under point 1.9. on the European External Investment Plan and European Fund for Sustainable Development funding.)

The Commission welcomes the European Economic and Social Committee's suggestion to target more specifically social economy enterprises with the European Union aid instruments. Both Neighbourhood and Enlargement regions are benefiting or will benefit from specific programmes targeting social economy.

For instance, in the Southern neighbourhood region, the Commission launched, during 2017, a regional Programme on Enhancing Social Entrepreneurship and Inclusive Growth through a call for proposals. The global objective of this Programme is to promote job creation and economic inclusiveness, by supporting and strengthening social economy and social entrepreneurship ecosystems and relevant stakeholders in the Mediterranean countries. The main stakeholders at policy level (macro) will be national authorities and administrations in charge of social entrepreneurship and social economy policy – in particular the various Ministries of Industry/ small and medium-sized enterprise development/ Labour, employment and social affairs as well as relevant agencies involved in the promotion of social economy and social entrepreneurship. Key stakeholders to involve at institutional

level (meso) will be intermediary organisations supporting social economy and social entrepreneurship initiatives, as well as business support organisations, such as business incubators or accelerators and local financial institutions. At enterprise level (micro), the main beneficiaries targeted will be existing social enterprises in their various organisational forms (non-governmental organisations, private companies, cooperatives, etc.) which are economically viable and can be scaled up. The design of the proposed actions should aim at generating jobs and developing competitive and social enterprises in the economies of the Southern Neighbourhood region.

The Commission is also preparing a study to promote and support the social economy and social entrepreneurship in the Western Balkans and Neighbourhood East countries. It will analyse the regulatory frameworks related to social economy in place in each country; provide an overview of the state of play of social economy; provide an overview of ongoing or planned initiatives addressing social economy issues in the regions implemented by national authorities, the European Union and other donors; conduct a “needs assessment/gap analysis” of social economy to identify needs and constraints (access to finance, skills, etc.) and identify best practices and replicable models in the regions.

(The last three paragraphs also apply to points 1.13., 1.17., 1.24. and 1.25. relating to programmes for the

	Neighbourhood and Enlargement regions).
<p>1.13. The European Economic and Social Committee endorses the recommendation of the Expert Group on Social Entrepreneurship that the role of social economy enterprises in European Union external policy be strengthened. In this connection, the Commission and the European External Action Service must coordinate their policies and initiatives with a view to:</p> <ul style="list-style-type: none"> - allocating direct and indirect funding to social economy enterprises in third countries, together with participating governments and organisations supporting the social economy; - establishing specific cooperation initiatives with other global partners and innovation and investment funds in order to enhance the impact of the respective programmes. 	<p>With respect to financing, the Regulation for the European Fund for Sustainable Development refers to providing finance and other support for the development of the cooperative sector.</p> <p>The Commission wishes to reassure that it will continue to promote the role of social economy enterprises in developing countries.</p> <p>As regards allocation of funding to social economy enterprises in the Neighbourhood and Enlargement regions, please see the comments under point 1.12.</p>
<p>1.14. The Commission and the social economy should facilitate the involvement of the Group of Twenty (G20) and the Group of Seven (G7) in promoting specific policies to support the social economy (as discussed in the G20 Inclusive Business Framework), to better reflect the differences in the set of values, principles and <i>raison d'être</i> between these organisations (Expert Group on Social Entrepreneurship Recommendation 12).</p>	<p>The Commission points out that it will continue to promote Inclusive business initiatives.</p> <p>More specifically, Action 11 of the Communication "A Stronger Role of the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries"⁵² stipulates among other things to "<i>support the replication and scaling-up of successful inclusive business models and innovative, market-based solutions to development problems</i>". In this context, the Commission is co-financing with the German Federal Ministry for Economic Cooperation and Development the Inclusive Business</p>

⁵² COM (2014) 263 final.

	<p>Action Network (IBAN). IBAN's key mission is to facilitate the scaling-up and replication of all types of inclusive business models, through knowledge brokering, networking and partnerships.</p>
<p>1.15. The role of the social economy in international forums (the United Nations Inter-Agency Task Force on Social and Solidarity Economy (UNTFSSSE), the International Leading Group on Social and Solidarity Economy (ILGSSE), Group of Twenty (G20), Group of Seven (G7), International Labour Organization (ILO) etc.) and cooperation with international financial organisations should be promoted via economic diplomacy.</p>	<p>The European External Action Service shares the opinion that the role of the social economy in international forums and cooperation with international financial organisations should be promoted via economic diplomacy, but highlights that the European Union has a different status in these international organisations/forums: e.g. the European Union is not a member of the International Monetary Fund nor of the World Bank, whereas it is a member of the Group of Seven (G7)/ Group of Twenty (G20) and holds an enhanced observer status at the United Nations.</p> <p>The Commission notes that social economy is a key aspect and objective of its dialogue and cooperation with International Financial Institutions. For instance, as part of the existing Commission/World Bank Group strategic partnership, the Commission plans to have a <i>Deep Dive exercise</i> on Growth and Jobs in 2018 aiming at promoting a deeper cooperation on the matter and deliver innovative joint solutions in and outside the European Union.</p>
<p>1.16. The European Union must ensure that, when trade agreements are negotiated, social economy enterprises are not discriminated against compared to other businesses, by eliminating non-tariff barriers, which are in effect the cause of the discrimination.</p>	<p>The Commission agrees that non-tariff barriers particularly disadvantage smaller actors such as social economy enterprises and small and medium-sized enterprises, rather than larger companies. The elimination of non-tariff barriers has been at the core of</p>

	<p>European Union trade policy at multilateral and bilateral level, including Free Trade Agreements negotiated by the European Union. The Commission welcomes the renewed support for this objective.</p>
<p>1.17. Both the European Neighbourhood Instrument and other financial instruments must contribute in a systematic way to the promotion of the social economy, both in the accession negotiations with candidate countries for European Union membership, and with other neighbouring countries that are beneficiaries of preferential agreements.</p>	<p>As regards the European Neighbourhood Instrument, please see the comments under point 1.12.</p>
<p>1.18. The Commission must strengthen its leadership role in international cooperation and in boosting and recognising social economy enterprises as key private sector players in achieving the Sustainable Development Goals and part of the European Union's external agenda. To this end, the activities of the various departments of the Commission and of the European External Action Service will need to be coordinated and joint development cooperation programmes set up with other international financial organisations such as the World Bank, the Organisation for Economic Cooperation and Development, the African Development Bank, the Asian Development Bank and other public and private entities seeking multilateral and even local investment, creating incentives to make these funding channels work. Social economy enterprises should form an immediate, effective and generalised part of the European Union's "economic diplomacy". The Commission should strengthen cooperation ties in the field of</p>	<p>As part of strengthening its leadership role in international forums for social finance and social economy development, the Commission has renewed its membership in the Global Social Impact Investment Steering Group⁵³, where the European Union will be represented through the European Union Impact Investing Advisory Board. The Global Social Impact Investment Steering Group is promoting the scaling up of social and environmental impact in support of implementing the 2030 Sustainability Agenda.</p> <p>The Commission recognises social economy enterprises as important private sector players in achieving the Sustainable Development Goals and part of the European Union's external agenda.</p> <p>As regards the coordination of the activities of the various departments of the Commission services and of the</p>

⁵³ <http://gsgii.org/>

<p>the social economy with international organisations (United Nations, International Labour Organization, Organisation for Economic Co-operation and Development, etc.).</p>	<p>European External Action Service, please see the comments under point 1.26.</p> <p>As regards social economy enterprises being part of the European Union's "economic diplomacy" and the European Union's cooperation in the field of social economy with international organisations, please see our comments under point 1.15.</p>
<p>1.19. The Commission should specifically include the social economy sector as a European Union business stakeholder in initiatives for access to third markets, in all development cooperation programmes and in the implementation of the post-2015 Agenda, establishing specific indicators and objectives for cooperatives and other similar social economy enterprises. In particular, it is important for the Commission and the High Representative/ Vice-President to specifically include the social economy as one of the non-state actors in the next Cotonou Partnership Agreement and to include lines of funding specifically for social economy enterprises in the European External Investment Plan and the European Fund for Sustainable Development.</p>	<p>The Commission will strive to include the social economy sector in all development cooperation programmes as much as it is feasible and realistically possible.</p> <p>With respect to funding, the Regulation for the European Fund for Sustainable Development⁵⁴ refers to providing finance and other support for the development of the cooperative sector.</p> <p>As regards the lines of funding specifically for social economy enterprises in the European External Investment Plan and the European Fund for Sustainable Development, please see the comments in the last paragraph under point 1.9.</p>
<p>1.20. In order to contribute to the monitoring and revision of the Sustainable Development Goals, the exercise should include a periodic report on the partnership policies between States and other public authorities and the social economy, including cooperatives, which are crucial for the implementation of the Sustainable Development Goals. States should also be</p>	<p>The new <i>European Consensus on Development</i> has a dedicated chapter 5 on "Following up on our Commitments" which states that "the European Union and its Member States are fully committed to a comprehensive, transparent and accountable system of monitoring and review for the purpose of the</p>

⁵⁴ COM(2016) 586 final.

<p>encouraged to produce data and statistics.</p>	<p>implementation of the 2030 Agenda. This includes accountability to European Union citizens, including through the European and national parliaments" (paragraph 117). Paragraph 120 stipulates that "the European Union and its Member States will produce a joint synthesis report on the Consensus on Development including the impact of their actions in support of the 2030 Agenda in developing countries, as a contribution to European Union reporting to the United Nations High Level Political Forum, when meeting at Head-of-State level every four years. This report will make use of, and build on, other relevant European Union reports, including reporting on results, Official Development Assistance, accountability on financing for development, Policy Coherence for Development, and monitoring of the Sustainable Development Goals in a European Union context."</p> <p>As set out in paragraph 1.11, a number of European Union agreements with third countries create forums for regular dialogue with and between the civil society representatives. As far as trade agreements are concerned, the Commission has been producing annual reports on the implementation of the latest ones and reported on the implementation of free trade agreements overall in November 2017 and will continue it on a yearly basis. These reports cover the activities of the above-mentioned implementation structures engaging the civil society.</p>
<p>1.21. The Commission should facilitate</p>	<p>The Commission confirms that the</p>

<p>the inclusion of the social economy in the <i>structured dialogue</i> it intends to promote with the European and African private sector within the framework of a Sustainable Business for Africa platform.</p>	<p>involvement of social economy enterprises in structured dialogue and Sustainable Business for Africa platform will be facilitated.</p>
<p>1.22. The Commission should encourage preferential support for circular economy social economy enterprises, which have achieved notable successes in Europe and which can be significant players in sustainable growth in countries outside Europe, creating many jobs for young people and women in local areas.</p>	<p>The Commission is envisaging encouraging circular economy social economy enterprises which can become significant players in sustainable growth in countries outside Europe, creating many local jobs and promoting economic activity.</p>
<p>1.23. The Commission and the Member States must promote the participation, consultation and coordination of their external entrepreneurial and development cooperation activities with the bodies representing the social economy at European and national level, as well as with those of partner countries, and with international social economy organisations with a North-South and South-South dimension. The European Economic and Social Committee reiterates its call⁵⁵ for the creation of a European <i>Sustainable Development Civil Society Forum</i> to promote and monitor the implementation of the 2030 Agenda, with the key players being the Council, Commission, European Parliament, the representative bodies of the European social economy and the rest of civil society.</p>	<p>Policy Forum on Development is already an example of a cooperation platform, bringing together representatives of Civil Society Organisations (including Cooperatives, the Fair Trade Movement, etc.), the private sector and local authorities, from the European Union and partner countries/regions on the one side and European Union institutions and bodies (European Parliament, European External Action Service, European Economic and Social Committee, Committee of the Regions) and Member States on the other side, to dialogue, consult and exchange on development issues, including the implementation of the 2030 Agenda. The Policy Forum on Development meets both at the global and regional levels.</p>
<p>1.24. The Commission's technical assistance and development programmes must provide for the participation of</p>	<p>The Commission notes that participation of organisations representing social economy as</p>

⁵⁵ EESC own-initiative opinion on the *2030 Agenda — a European Union committed to sustainable development globally* (OJ C 34, 2.2.2017), point 1.4.

<p>networks of organisations representing the social economy as intermediaries and strategic stakeholders in implementing investment and cooperation programmes in neighbouring and developing countries, and must support governments so that they promote an institutional environment favourable to social economy enterprises. The southern Mediterranean and the Balkans are an absolute priority.</p>	<p>intermediaries and/or implementers in cooperation programmes in developing countries will be facilitated.</p> <p>As regards investment and cooperation programmes for the Neighbourhood and Enlargement countries, please see the comments under point 1.12.</p>
<p>1.25. The Commission and the European External Action Service should develop a way of identifying the different categories of social economy enterprises in third countries, and promote the establishment of an appropriate legal framework that enhances the visibility of all social economy enterprises. Given that this will be a complex process extending into the medium/long term, emphasis should be placed on cooperatives and mutual undertakings. These are present throughout the world, with a clear legal framework, present in all branches of productive activity and with a system of values and governance that underpins the entire social economy, enabling them to be identified as the backbone of the social economy.</p>	<p>The Commission contributes to the improvement of business climate/legal frameworks which include Micro-, Small and Medium-sized Enterprises, social economy enterprises and cooperatives in developing countries.</p> <p>As regards programmes for the Neighbourhood and Enlargement countries, please see the comments under point 1.12.</p> <p>As regards identification of different categories of social economy enterprises in third countries and establishment of appropriate legal frameworks, please also see the comments under point 1.2. on the Partnership Instrument.</p>
<p>1.26. In order to achieve the aims advocated in this opinion, the European Economic and Social Committee urges the Commission to act swiftly on its commitment to do more to raise inter-departmental awareness of the social economy through internal briefings for the relevant Directorates-General and European Union delegations in third countries.</p>	<p>The Commission highlights that it has initiated regular meetings between different services on social economy to facilitate better exchange of information as well as concerted and coherent action from the Commission in the area of social economy, following various developments at European Union level in recent years, e.g. the December 2015 Employment, Social Policy, Health and Consumer Affairs Council Conclusions, the Luxembourg (2015), Bratislava (2016) and Madrid (2017) Declarations</p>

on the social economy, several opinions and resolutions by the European Parliament, by the Committee of the Regions and by the European Economic and Social Committee, the Commission's 2011 Social Business Initiative (2011), the Expert Group on Social Entrepreneurship (GECES) Report (2016), and the Communications on the "Start-up and Scale-up Initiative"⁵⁶, the "Next steps for a sustainable European future"⁵⁷ and the "Proposal for a new European Consensus on Development"⁵⁸ adopted on 22 November 2016.

The inter-service meeting on social economy has taken place twice since January 2017. It gathers 19 Directorates-General and services and follows up on the implementation of a set of 30+ actions, distributed in the following five pillars:

1. Access to finance;
2. Access to markets;
3. Framework conditions;
4. Social innovation, new technologies and business models;
5. External dimension of the social economy.

⁵⁶ <http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1503597655380&uri=CELEX:52016DC0733>.

⁵⁷ <http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1503597865693&uri=CELEX:52016DC0739>.

⁵⁸ <http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1503598369927&uri=CELEX:52016DC0740>.

N°15 From Cork 2.0 Declaration to concrete actions (own-initiative opinion)
EESC 2017/0694 – NAT/709
527th Plenary Session - July 2017
Rapporteur: Ms Sofia BJÖRNSSON (GRIII-SE)
DG AGRI – Commissioner HOGAN

Points of the European Economic and Social Committee opinion considered essential	European Commission position
<p>1.1. The European Economic and Social Committee welcomes the Cork 2.0 Declaration and the conference in September 2016 that led to it. The declaration offers strong ongoing support for a rural policy at European Union level.</p>	<p>The Cork Declaration provides an important orientation for the upcoming debates on the future of rural and agricultural policies, and has the backing of an entire spectrum of Common Agricultural Policy stakeholders. The Commissioner responsible for Agriculture and Rural Development has committed himself to give the declaration its most serious consideration.</p> <p>The Commission Communication on The Future of Food and Farming⁵⁹ makes explicit references to the declaration.</p>
<p>1.4. There is considerable scope for simplifying the policy. The European Economic and Social Committee emphasises the need to simplify the regulatory framework for the European Structural and Investment Funds, both at European Union level and in national and regional implementation of the policy. The current system is so complex that some avoid seeking support</p>	<p>The Commission recognises that there is room for improvement regarding simplification of the Common Agricultural Policy. Some simplification of current rules, for example on controls and publicity requirements, has already been introduced. Further shifting the policy management from compliance to result orientation would offer great potential to reduce administrative burden, in particular for farmers. The use of new technology and satellite data can also</p>

⁵⁹ COM(2017) 713 final.

	simplify the life of many beneficiaries and paying agencies.
1.5. Many parts of Europe, particularly in rural areas, still lack reliable internet solutions. The European Economic and Social Committee stresses that this is unacceptable. Rural areas need broadband, e.g. for fully functioning telephony, for their own safety and for their quality of life. Broadband access can be a factor influencing the extent to which, above all, young people choose to stay in an area or move away. Broadband is a must for businesses and entrepreneurs.	The Commission fully supports the views of the European Economic and Social Committee, which is reflected in the objective of the Digital Single Market strategy that by 2020 all European Union citizens should have access to high speed internet. Connectivity and digitisation are indeed key elements for providing necessary e-services in rural areas. The newly created network of Broadband Competence Offices supports all stakeholders in finding the right solutions for broadband roll-out. Smart Villages, a new concept jointly launched in April 2017 by Commissioners Hogan, Crețu and Bulc is based on a shared vision of balanced development across European regions, and the need to provide growth perspectives for rural areas and villages.
2.7. The European Economic and Social Committee sees itself as a natural partner when it comes to implementing the declaration, and requests that the Commission continue producing progress reports on said implementation.	The implementation of the Cork recommendation must happen in the same way as the Declaration was produced, in an open and participatory manner, involving all stakeholders. The support from the European Economic and Social Committee, as representative of civil society organisations, is considered very valuable and appreciated. The Commission agrees with reporting to the European Economic and Social Committee on the implementation of the Declaration.
3.1. Point 1 of the Declaration states that there should be a rural proofing mechanism	The Commission welcomes this point and fully agrees on the importance of

<p>that ensures that the potential of rural areas is reflected in the European Union's policies and strategies. Rural and agricultural policies should build on the identity and dynamism of rural areas through multi-sectorial approaches and should consider the value of sustainability, social inclusion and local development.</p>	<p>rural proofing and on the need to consider appropriately sustainability, social inclusion and local development.</p>
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<p>N°16 Industrial change in the European Union beet sugar industry (own-initiative opinion) EESC 2017/0807 - CCMI/151 527th Plenary Session – July 2017 Rapporteur: Mr José Manuel ROCHE RAMO (GRIII-ES) Corapporteur: Ms Estelle BRETNALL (GRII-BE) DG AGRI - Commissioner HOGAN</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.2. Aid for sugar private storage will be the only specific instrument that remains as an option to support the European Union beet sugar industry after the end of production quotas. However, in the event of a market crisis in the European Union beet sugar sector, it is not clear under which circumstances such aid might be introduced. The conditions for the activation of aid for private storage must be better defined so that the system is fit for purpose. The Commission could consider defining an objective price threshold that would trigger the decision-making process for the activation of aid for private storage. This would make the process less subjective, and promote the rapid and uniform introduction of such assistance in times of crisis. General crisis provisions, such as Article 222 of the Single Common Market Organisations Regulation, should also be explored as an option. The European Economic and Social Committee welcomes the setting up of the Sugar Market Observatory; so long as its composition is balanced and it is convened in a timely manner should market</p>	<p>The Commission considers that the present rules on the activation of private storage offer a good degree of flexibility to take action in case the market circumstances so require (Article 18 of Regulation (EU) 1308/2013 establishing a common organisation of the markets in agricultural products⁶⁰). Exceptional measures under Articles 219 to 222 of the same Common Market Organisations Regulation may be adopted in case of certain market crises, under the conditions set in the said provisions, in order to address serious market disturbances, to cope with loss of consumer confidence, to resolve specific problems or to provide for derogations from the application of Article 101(1) TFEU with regard to certain agreements of producers or interbranch organisations within the trade, where appropriate.</p> <p>Regarding the composition of the Sugar Market Observatory, after a call for applications and the corresponding selection process, the resulting</p>

⁶⁰ OJ L 347, 20.12.2013.

<p>difficulties arise.</p>	<p>composition reflects the best possible geographical coverage. All layers in the chain, i.e. beet growers, sugar producers, traders and users are covered. Besides the sugar market, relevant expertise for isoglucose, molasses and ethanol markets are also represented in the Economic Board. The Economic Board of the Sugar Market Observatory will meet regularly. Presently, two meetings per year are scheduled, and this can be adapted if necessary.</p>
<p>1.3. The Common Agricultural Policy should include market tools that support continued sugar production in the Member States. The European Union beet sugar industry contributes decisively to job creation and economic activity, as well as the competitiveness of the food and drink industry. Currently the Common Agricultural Policy allows Member States to grant coupled support to sectors or regions where specific types of farming or specific agricultural sectors that are particularly important for economic, social or environmental reasons are experiencing certain difficulties. This is the case for sugar beet cultivation in vulnerable regions. Coupled direct payments should be focused on reducing the risk of a decline in, and/or the abandoning of, beet sugar production in such regions in order to avoid rural desertification and preserve biodiversity. In the context of increased volatility, direct support for farmers should be supplemented by better access to risk management tools. The interdependence of processors and farmers is the reason for the specific contractual framework that regulates the relationship between growers and</p>	<p>As pointed out by the European Economic and Social Committee, the Common Agricultural Policy already includes the Voluntary Coupled Support for sectors that undergo certain difficulties involving the risk of abandonment or of decline of production, when those sectors are particularly important for economic, social or environmental reasons. This option is open to, and used by, the concerned Member States to support the sugar sector.</p> <p>The concept of subsidiarity has been applied to a very large extent in the case of direct payments. Each Member State may decide whether it uses a certain part of its direct payments national ceiling for granting coupled support. Should this be the case (and subject to certain conditions), it also is within the Member States' remit to design their support measures (e.g. beneficiary sectors, eligibility conditions, estimated amounts per unit).</p> <p>For the period between 2015 and 2020, ten Member States decided to support</p>

<p>processors in the sector.</p>	<p>their sugar beet producers with some EUR 170-180 million per year (in total).</p> <p>The Common Agricultural Policy already provides for a wide spectrum of instruments to deal with price, income and production risks, from a risk management toolkit including support for insurances and mutual funds, to measures to finance on-farm diversification, investments in preventive actions, etc. Resilience and risk management can be expected to be important elements of the future Common Agricultural Policy.</p> <p>Some proposals on specific instruments have already been put forward in the Omnibus Regulation. Of particular relevance is the possibility for Member States to introduce, in their rural development programme, a sector-specific income stabilisation tool (IST), which takes the form of financial contributions to mutual funds that provide compensation to farmers for a severe drop in their income. Public resources can also be used to support setup costs, interests on loans and the formation of the initial capital stock of the fund.</p>
<p>1.4. In the event of unfavourable developments in the European Union sugar market from 1 October 2017, redundancies may occur. The Commission should explore the suitability of the different Structural and Investment Funds in order to support regional or local employment, particularly for workers and farmers affected by possible utility closures. It may be necessary to make exceptions regarding the criteria for the introduction of some of these</p>	<p>European Structural and Investment Funds and the European Agricultural Fund for Rural Development in particular are implemented in a horizontal way without any sectoral differentiation. All investment, processing, quality, promotional and/or agri-environmental and organic measures are open to sugar producers, sugar processors or sugar groups and organisations. In addition, as already</p>

<p>funds.</p>	<p>mentioned, all risk management tools of the European Agricultural Fund for Rural Development (insurances, mutual funds and income stabilisation), if programmed by Member States during the 2014-20 period, can be activated in a wide range of unfavourable circumstances, including in the event of a drop in sugar prices and incomes.</p>
<p>1.5. From 1 October 2017, the European Union beet sugar manufacturers will be obliged to notify both the selling price of their principal product and the purchase price of their primary input. This degree of market transparency is not matched by transparency further down the supply chain and by isoglucose producers. The Commission should consider the recommendations of the Agricultural Markets Task Force to extend market transparency downstream to the users of sugar, to give a better picture of how value added is shared along the supply chain. Market transparency – be it for sugar and isoglucose producers or sugar users – must not affect the competitive positions of those undertakings affected.</p>	<p>The Commission and the Member States have discussed at length the market information needs within the new post-quota era for the purpose of market monitoring and management of market measures in the sugar sector. Taking into account, in addition, the administrative burden involved, the requirement to notify sugar and sugar beet prices is the result of those discussions.</p> <p>The European Economic and Social Committee also welcomed the setting-up of the Sugar Market Observatory by the Commission. In line with the recommendations of the Agricultural Markets Task Force, one of the objectives of this market observatory is to enhance market transparency and market analysis. One of the axes of work of this newly set observatory is to develop further knowledge on sugar consumption trends, including food and non-food uses.</p>
<p>1.6. Increased sugar exports will be crucial for the European Union's sugar industry after the end of quotas. The Commission should promote European Union sugar exports and should challenge the arbitrary imposition of trade defence</p>	<p>The Commission is aware of the sensitivity of the sugar sector and pays particular attention to this product during trade negotiations.</p> <p>The Commission remains, and will continue to remain, vigilant with regard</p>

<p>instruments by third country importers. The Commission should exercise caution in its pursuit of trade liberalisation in the context of the European Union's free trade negotiations. It should challenge the trade-distorting support policies of the major world sugar producers and exporters more assertively, both at the World Trade Organization and during bilateral trade negotiations.</p>	<p>to any trade-distorting support measures or arbitrary trade defence instruments used or imposed by third countries.</p>
<p>1.7. Fostering alternative outlets for sugar beet – such as bioethanol, animal feed, bioplastics, and bio-based chemicals – will be essential for the sector's future competitiveness. The Commission should maintain the seven per cent cap on biofuels that can be counted towards the 10 per cent target for renewable energy in transport. Annex IX of the Renewable Energy Directive⁶¹, which classifies molasses as an advanced biofuel feedstock, should remain unchanged. The Commission and European Investment Bank should work to stimulate and enhance innovation in the domain of other bio-based co-products. This could take the form of a European Union Innovation Fund and a programme of low-interest loans.</p>	<p>The objectives of the Commission proposal on the revision of the Renewable Energy Directive are to reduce the greenhouse gas emissions of the energy sector, including in particular the transport sector, reduce the dependence on fossil fuels and promote the use of renewable energy. The targets proposed by the Commission are intended to gradually limit the contribution of food-based biofuels while encouraging the development of more advanced biofuels, with a minimum impact on the economic sectors involved. The proposal is not negotiated by the legislators.</p> <p>A number of instruments, underpinned namely by the bio-economy strategy which is currently under revision, have been activated and enhanced for the development of bio-based products for a wide range of uses.</p>

⁶¹ 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>N°17 Waste to energy under the Circular Economy COM(2017) 34 final – EESC 2017/0719 – NAT/706 527th Plenary Session – July 2017 Rapporteur: Mr Cillian LOHAN (GR11-IE) Corapporteur: Mr Antonello PEZZINI (GR1-IT) DG ENV – Commissioner VELLA</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.4. Shortcomings from existing directives on waste treatment must be closed in any future legislation in order to ensure that the transition to a circular economic model is fair, consistent and systemic.</p>	<p>The Commission's legislative proposals on waste tabled under the Circular Economy package aim at further improving key European Union waste directives. The following proposed legal requirements are designed to help Member States in the transition towards a circular economy:</p> <ul style="list-style-type: none"> - set a common European Union target for recycling 65% of municipal waste by 2030; - set a common European Union target for recycling 75% of packaging waste by 2030; - set a binding landfill target to reduce landfill to a maximum of 10% of municipal waste by 2030; - step up its work with Member States to improve waste management on the ground; - simplify and improve waste definitions and harmonise calculation methods; - ensure that structural funds are used to support the objectives of the European Union waste legislation and guided by the European Union waste hierarchy;

	<p>- propose minimum criteria for Extended Producer Responsibility schemes, supporting producers who put greener products on the market and encourage their recovery and recycling at the end of their lifecycle.</p>
<p>1.8. The transition to a circular economy has been hindered in the European Union by a lack of the right price signals. This is accentuated by continued unjustifiable subsidies for unsustainable production systems, specifically the fossil fuel sector⁶². The European Economic and Social Committee welcomes the explicitly stated link between access to Cohesion Policy funds and both national waste management plans and the European Circular Economy Action Plan⁶³. The link to the European Fund for Strategic Investment could be stronger.</p>	<p>The Commission has issued guidance on how European Structural and Investment Funds (e.g. Cohesion Funds) can be combined with the European Fund for Strategic Investment to support additional investments. A first set of projects is being developed which shows how this combination works in practice.</p> <p>In addition, the Commission Communication "Europe investing again – Taking stock of the investment plan for Europe"⁶⁴ called for more and improved technical assistance, stating that "in the future, the Advisory Hub has a vital role in ensuring more streamlined access for beneficiaries by simplifying and merging the underlying envelopes for technical assistance and directing them to the support most suited to their needs".</p> <p>To this end, the Commission is in direct contact with the European Investment Bank in order to orientate the investment platform and private investments towards the circular economy, including waste-to-energy projects.</p> <p>As part of the Circular Economy Finance Support Platform launched on 26 January 2017, the Commission is</p>

⁶² David Coady, Ian Parry, Louis Sears, Baoping Shang, *How Large Are Global Energy Subsidies?*, IMF Working Papers, WP/15/105, May 2015.

⁶³ COM(2015) 614 final.

⁶⁴ COM(2016) 359 final.

	<p>setting up a group of experts (the Support To Circular Economy Financing Expert Group), bringing together representatives of the Commission, the European Investment Bank, National Promotional Banks and other key circular economy stakeholders.</p> <p>The Expert Group will provide advice and expertise to support the implementation and financing of circular economy in the Member States. It will provide recommendations regarding concrete measures to facilitate circular economy project financing, by analysing the characteristics of circular economy projects and their financing needs, providing general recommendations on structuring and improving the bankability of circular economy projects, coordinating activities regarding the financing of the circular economy, and sharing best practices.</p> <p>The Circular Economy Finance Support Platform is also expected to enhance the link between existing instruments, such as the European Fund for Strategic Investments and InnovFin. A Circular Economy advisory Pillar is also foreseen as part of the Circular Economy Finance Support Platform.</p>
<p>3.5. It is important that the weaknesses of the Waste Framework Directive⁶⁵ do not seep into Circular Economy initiatives, for example, the possibility of a Member State being excluded from separate collection obligations due to a technical or financial</p>	<p>Small and medium-sized enterprises are particularly active in fields such as separate collection, recycling, repair and innovation which represent core businesses in a circular economy. European Union Financial Instruments</p>

⁶⁵ Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste and repealing certain Directives (Text with EEA relevance), OJ L 312, 22.11.2008.

<p>inability to implement it. The focus should be on using public funding to overcome technical difficulties, or using economic policy instruments to remove the financial constraints to implementing the best practice option.</p>	<p>(e.g. the European Union Programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME), Horizon 2020, European Fund for Strategic Investments and European Structural and Investment Funds) have been made available to support the implementation of these types of initiatives, through for example, more research and innovation to boost the competitiveness of European Union industry.</p> <p>As regards the use of economic instruments, it should be noted that the Commission proposal to review Directive 2008/98/EC on waste puts an explicit obligation on Member States to make use of adequate economic instruments to provide incentives for the application of the waste hierarchy.</p>
<p>3.6. This Communication strongly develops on the Circular Economy Action Plan, and it sets out a high ambition for improved efficiency in waste-to-energy processes and increased focus on the waste hierarchy as determining the circularity of different processes. However, the legislation on which this Communication is built, specifically the Waste Framework Directive, has historic weaknesses that will continue to cause difficulties and weaken the Communication if not addressed. It is necessary to review the classification of waste, perhaps based on opportunities offered by new technologies in waste-to-energy plants (e.g. a damaged tomato is not put on the market whereas an unsold tomato is a waste), possibly including also sludge out of urban sewage for biodigestion processes. The</p>	<p>As part of its proposals to review Directive 2008/98/EC on waste, the Commission has proposed modifications to its articles 5 (on by-products) and 6 (on end-of-waste status) to facilitate the use of (secondary) raw materials. The Commission has also tabled a proposal to review the European Union Fertiliser Regulation⁶⁶ so as to facilitate recognition of organic and waste-based fertilisers in the single market and thus support the role of bio-nutrients in the circular economy.</p>

⁶⁶ Regulation (EC) No 2003/2003 of the European Parliament and of the Council of 13 October 2003 relating to fertilisers (Text with EEA relevance), OJ L 304, 21.11.2003.

<p>ambition to address these issues in the Circular Economy Action Plan must be reflected in necessary legislative amendments at all relevant levels.</p>	
<p>3.7. The positioning of waste-to-energy processes on the waste hierarchy can be misleading due to the constraints of how the processes are treated by legislation. Positioning is defined according to definitions which are set out in legislation rather than scientific analysis of the actual impact of such waste-to-energy processes.</p>	<p>The Communication on waste-to-energy⁶⁷ clarifies the positioning of the different waste-to-energy processes in the waste hierarchy.</p> <p>Furthermore, when applying the waste hierarchy Member States are requested by Directive 2008/98/EC on waste to take measures to encourage the options that deliver the best overall environmental outcome which may justify in certain cases to depart from it. This may require on a case-by-case basis a more scientific analysis through a 'life-cycle thinking' on the impacts of the management of waste, including the ones inherent to the application of waste-to-energy processes.</p>
<p>5.2. To optimise the contribution of waste-to-energy processes to the European Union's climate and energy objectives within the circular economy, there is a need to ensure that the most efficient techniques and technologies are used when waste-to-energy processes are required. This is consistent with the Commission's proposed changes to the Renewable Energy Directive⁶⁸; however, these criteria should be encouraged for all new plants, irrespective of size, including smaller plants of less than 20 megawatt (MW).</p>	<p>According to the proposed new Article 26 of the revised Renewable Energy Directive on the sustainability criteria, "biomass fuels shall have to fulfil the sustainability and greenhouse gas emissions saving criteria set out in paragraphs 2 to 7 only if used in installations producing electricity, heating and cooling or fuels with a fuel capacity equal to or exceeding 20 megawatt (MW) in case of solid biomass fuels and with an electrical capacity equal to or exceeding 0.5 megawatt (MW) in case of gaseous biomass fuels. Member States may</p>

⁶⁷ COM(2017) 34 final.

⁶⁸ 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 5.6.2009.

	<p>apply the sustainability and greenhouse gas emission saving criteria to installations with lower fuel capacity"</p> <p>This means that, at least, biogas plants exceeding 0.5 megawatt (MW) capacity will be subject to the full sustainability criteria. In any case, it is left to the discretion of Member States to apply such criteria to any installation with a capacity below the given thresholds.</p>
<p>3.8. There are also technical aspects of the calculation methodology associated with definitions and thresholds in the Waste Framework Directive. These are the calculation methods that determine the positioning of the different waste-to-energy processes on the waste hierarchy. These detailed calculations should be re-examined by the Commission in order to ensure that they now are robust in the context of the Circular Economy in particular, but also the Sustainable Development Goals, the Energy Union and the Paris Agreement.</p>	<p>The so-called R1 formula in Annex II of Directive 2008/98/EC on waste is the only calculation method available for energy efficiency, which is only applicable to dedicated incinerators processing municipal solid waste. The associated threshold determines if an incinerator performs as a recovery or a disposal operation. Since its adoption, this formula has acted as an incentive for operators to upgrade their facilities. The Commission does not envisage modifying it.</p> <p>The Joint Research Centre's study "Towards a better exploitation of the technical potential of waste-to-energy underpinning the Communication on waste-to-energy provides options for proven, energy efficient state-of-the-art technology that can be applied to both incinerators and other waste-to-energy processes to improve their energy efficiency.</p>

<p>N°18 Proposal for a directive of the European Parliament and of the Council amending directive 2011/65/EU on the restriction of the use of certain hazardous substances in electrical and electronic equipment COM(2017) 38 final – EESC 2017/1986 – NAT/707 527th Plenary Session - July 2017 Rapporteur: Mr Brian CURTIS (GR11-UK) DG ENV – Commissioner VELLA</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.1. The European Economic and Social Committee believes the amendment to this Directive is both timely and necessary to prevent barriers to trade and the distortion of competition in the European Union.</p>	<p>The Commission welcomes the European Economic and Social Committee's support.</p>
<p>1.2. The European Economic and Social Committee notes that a widespread stakeholder consultation and an impact assessment took place, the results of which are reflected in the Commission proposal.</p>	<p>The Commission welcomes the European Economic and Social Committee's support.</p>
<p>1.3. The European Economic and Social Committee supports the exclusion of pipe organs from the Directive's scope for economic reasons, as well as for cultural reasons. This will help avoid an estimated loss of up to 90% of jobs in the sector and an annual loss of up to EUR 65 million by 2025.</p>	<p>The Commission welcomes the European Economic and Social Committee's support.</p>
<p>1.4. The European Economic and Social Committee supports the exclusion of non-road mobile machinery powered through a traction drive from the Directive's scope. This will support industry development in the sector by removing distortion in the treatment of machinery.</p>	<p>The Commission welcomes the European Economic and Social Committee's support.</p>
<p>1.5. The European Economic and Social</p>	<p>The Commission will continue to</p>

Committee is of the view that to achieve the waste hierarchy's highest priority, i.e. waste prevention, this Directive alone is not sufficient. The European Economic and Social Committee recommends that a combination of the Restriction of certain Hazardous Substances in Electrical and Electronic Equipment (RoHS) Directive⁶⁹ along with the Ecodesign Directive⁷⁰ and the Waste Electrical and Electronic Equipment (WEEE) Directive⁷¹ would need to be used together to achieve these goals.

explore opportunities to enhance the coherence of European Union legislative acts in order to further promote waste prevention.

⁶⁹ Directive 2002/95/EC of the European Parliament and of the Council of 27 January 2003 on the restriction of the use of certain hazardous substances in electrical and electronic equipment, OJ L 37, 13.2.2003.

⁷⁰ Directive 2009/125/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for the setting of ecodesign requirements for energy-related products (Text with EEA relevance), OJ L 285, 31.10.2009.

⁷¹ Directive 2002/96/EC of the European Parliament and of the Council of 27 January 2003 on waste electrical and electronic equipment (WEEE) - Joint declaration of the European Parliament, the Council and the Commission relating to Article 9, OJ L 37, 13.2.2003.

<p>N°19 The European Union Environmental Implementation Review COM(2017) 63 final – EESC 2017/0868 - NAT/708 527th Plenary Session - July 2017 Rapporteur: Mr Mihai MANOLIU (GRI-RO) DG ENV – Commissioner VELLA</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.6. The integrated policy approach of the Environmental Implementation Review must also apply to the integration of environmental and social policies; social impacts for the labour market and consumers, particularly vulnerable groups should be carefully addressed.</p>	<p>Member States have been invited to involve social actors in the Environmental Implementation Review country dialogues. Their input should help in addressing social impacts better in the second Environmental Implementation Review package (2019).</p>
<p>1.6. Market-based instruments such as environmental tax reforms are important tools to achieve the objectives laid down in environmental legislation. In this context, the commitments to phase out environmentally harmful subsidies must be put into effect. The relationship between the European Semester and the Environmental Implementation Review should be further clarified so as to ensure the potential of various instruments.</p>	<p>The Environmental Implementation Review country reports do address these market-based instruments but specific 'suggested actions' have not been made at this stage, as these topics are covered instead in the European Semester, where they can be addressed in a more comprehensive macro-economic context. The Environmental Implementation Review and the European Union Semester are complementary and mutually reinforcing instruments. However, the Environmental Implementation Review is a dedicated environmental instrument aiming to fill in the key implementation gaps, whereas the second is a broader instrument focusing on how to boost sustainable jobs, growth and investment, while maintaining sound public finances.</p>

<p>1.7. The Environmental Implementation Review should be further developed in the coming years by extending its scope to other environmentally relevant fields of legislation, such as climate and chemicals legislation.</p>	<p>The Commission intends to integrate relevant elements of climate change mitigation and adaptation, as well as chemicals, in the second series of country reports.</p>
<p>1.8. Joint discussions by the Council of Environment Ministers and other Council configurations should be arranged in order to facilitate cross-cutting solutions.</p>	<p>The Commission has stressed the importance of this point in its 2017 Environmental Implementation Review Communication and will continue to advocate this with Council Presidencies.</p>
<p>4.5.1. The Environmental Implementation Review country dialogues must be transparent and provide a clear outcome and follow-up. A set of prerequisites for effective dialogue processes should be considered and laid down for all parties involved.</p> <p>The Communication lacks information about the practical arrangements for these dialogues, which should not be left to the discretion of Member State governments. A set of prerequisites for effective dialogue processes should be considered and laid down for all parties involved.</p>	<p>The Commission has presented several suggestions to the Member States to make the country dialogues effective. These include: involvement of other sectors/ministries, government levels and social stakeholders; selection of one to two main topics; inviting other countries as observers; and deciding on follow-up.</p> <p>However, while the Commission encourages and supports these structured dialogues inasmuch as possible, it cannot impose specific arrangements for their organisation. Also, the national authorities are best placed to design specific formats to fit their needs on the ground.</p>
<p>1.11. Civil society organisations at national level must be given the opportunity to contribute their expertise and insight to the country reports as well as to the structured country dialogues and the follow-up to them. They should therefore be consulted from the outset. The European Economic and Social Committee is ready to facilitate civil society dialogue at European Union level.</p>	<p>Civil society organisations are being invited by the Member States to participate in Environmental Implementation Review country dialogues. The Commission will reflect how their involvement in the whole Environmental Implementation Review cycle could be strengthened. The continued involvement of the European Economic and Social Committee to</p>

	bring in this perspective at European Union level is welcomed.
4.4.1. Smart integration of environmental objectives and other policy fields has to start at European Union level with smart and consistent regulation and the earmarking of funds. The Environmental Implementation Review should also be used for obtaining feedback on whether the European Union policies or legislation being implemented need to be corrected or updated.	This is foreseen in the 2017 Environmental Implementation Review Communication. The Environmental Implementation Review Communication is an open dialogue mechanism which should support policy integration and coherence both at Member State and at European Union level. Feedback will be noted on obstacles hampering implementation on both sides.
4.5.3. The country dialogues must be organised in a results-oriented manner. The results and next steps, the commitments of the participants and timelines should be clearly established and monitored.	The second Environmental Implementation Review Communication package will include a first assessment of progress and follow-up actions, among other things based on the results of the country dialogues. For a balanced approach, the Commission is counting on the Member States who have not yet organised such dialogues, to establish them.
4.5.3. "Partnership implementation agreements" between the Commission and the Member States should be considered, with commitments also from non-governmental stakeholders, such as industry, retail or agriculture.	The Environmental Implementation Review Communication as a whole could be considered as a general partnership implementation agreement. The Commission currently does not see the need for more concrete agreements, in particular because of the risk of overlaps with already existing implementation actions in the field of environment.
4.6.2. The exchange of single experts should be complemented by broader programmes of mutual support between Member States, similar to the PHARE "Twinning" projects. The introduction of	Based on first experiences with the TAIEX-EIR Peer 2 Peer tool, which was launched in September 2017, the Commission will assess the need for an additional twinning instrument. Peer

<p>peer review programmes should also be considered – similar to the Organisation for Economic Co-operation and Development Programme of Environmental Performance Reviews</p>	<p>review will remain a key element of the Environmental Implementation Review, but the Commission sees no added value in doubling the excellent and complementary work the Organisation for Economic Co-operation and Development is doing for individual countries.</p>
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<p>N°20 Proposal for a Directive of the European Parliament and of the Council to empower the competition authorities of the Member States to be more effective enforcers and to ensure the proper functioning of the internal market</p> <p>COM(2017) 142 final – EESC 2017/1811 – INT/821</p> <p>527th Plenary Session - July 2017</p> <p>Rapporteur: Mr Juan MENDOZA CASTRO (GR11-ES)</p> <p>DG COMP – Commissioner VESTAGER</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.1. The European Economic and Social Committee welcomes the Commission's proposal, which it considers essential to the effective implementation of Council Regulation (EC) No 1/2003⁷².</p>	<p>The Commission welcomes the opinion of the European Economic and Social Committee, which is very supportive of the proposal.</p>
<p>4.1.1. The European Economic and Social Committee notes that the proposal refers to the general principles of European Union law and the Charter of Fundamental Rights of the European Union in order to guarantee respect of fundamental rights of the parties to the proceedings, and considers that in order for the wide powers National Competition Authorities need to carry out their duties to be recognised, safeguards and guarantees of the rights of parties under investigation need to be put in place and this must be compatible with the full application of Articles 101 and 102 TFEU.</p>	<p>The Commission welcomes this statement of the European Economic and Social Committee and underlines that the protection of companies' rights of defence in investigations is of crucial importance. To that end, the proposal seeks to strike a careful balance between ensuring National Competition Authorities are effective enforcers and protecting companies' fundamental rights. A general provision indeed specifies that the application of National Competition Authorities' powers should be subject to appropriate safeguards, in accordance with the European Union Charter of Fundamental Rights. A recital explains in greater detail what is required, in particular the right of companies to be heard in competition</p>

⁷² Council Regulation (EC) No 1/2003 of 16 December 2002 on the implementation of the rules on competition laid down in Articles 81 and 82 of the Treaty (Text with EEA relevance), OJ L 1, 4.1.2003.

	<p>proceedings (right to a statement of objections and effective access to the case file to allow them to prepare their defence) and the right to effective judicial review. Fundamental rights guarantees are also embedded in some provisions, e.g. structural and behavioural remedies and fines must be proportionate, and inspections of non-business premises can only be authorised by court warrant.</p>
<p>4.2.4. The European Economic and Social Committee considers it essential that National Competition Authorities are genuinely independent from the authorities. To that end, management staff must be independent experts with a proven track record, staff turnover should be kept low and members of staff should receive adequate vocational training.</p>	<p>The Commission takes note of the European Economic and Social Committee's position on this point. However, the Commission believes that given that the legislative proposal is in the form of a directive, it is important to put in place general minimum guarantees that all National Competition Authorities act impartially but leave it up to Member States to decide how best to implement them.</p>
<p>4.3.1. The European Economic and Social Committee agrees that National Competition Authorities must be equipped with the powers foreseen in Articles 6-11 of the proposal. It also recommends that these powers are used in preventative actions.</p>	<p>The Commission welcomes European Economic and Social Committee's support for ensuring that National Competition Authorities have a set of powers foreseen in Articles 6-11. However, because of the need to ensure respect for the fundamental rights of the companies, the Commission considers that these powers should only be used in cases where there is a potential infringement of Articles 101 and 102 TFEU.</p>
<p>1.9. The European Economic and Social Committee agrees that the ability of the National Competition Authorities to impose penalties is a key component of competition policy. It is also concerned that competition law is currently under-enforced.</p>	<p>The Commission welcomes European Economic and Social Committee's support on these points and underlines that indeed the proposal seeks to remove the obstacles that some National Competition Authorities</p>

	<p>currently face to impose deterrent fines, for example by establishing a common set of basic parameters on which the fine should be based.</p>
<p>4.5.3. The European Economic and Social Committee considers it important that leniency measures be applied uniformly by the National Competition Authorities if genuine European competition law is to exist. However, these measures should not prevent injured parties from obtaining, by means of collective action, compensation for the damage sustained.</p>	<p>The Commission welcomes the European Economic and Social Committee's support on this point as the proposal indeed seeks to ensure that all National Competition Authorities have a leniency programme in place containing core principles that are common across the European Union so that companies are incentivised to apply. The Commission underlines that this in no way prevents injured parties from obtaining compensation for the damage sustained. In fact, given that leniency programmes are meant to help the National Competition Authorities uncover cartels, they make it possible for injured parties to find out about the possible damage sustained and subsequently seek compensation.</p>
<p>4.6.1. The European Economic and Social Committee is supportive of the provisions in Articles 23-26 (mutual assistance, 28 (role of national administrative competition authorities before national courts) and 30 (admissibility of evidence before National Competition Authorities)).</p>	<p>The Commission welcomes European Economic and Social Committee's support on these points.</p>

N°21 Application of State aid rules for compensating the provision of services of general economic interest (Decision 2012/21/UE and Community Framework) (own-initiative opinion)
EESC 2016/5302 - TEN/605
527th Plenary Session – July 2017
Rapporteur: Ms Milena ANGELOVA (GRI-BG)
DG COMP – Commissioner VESTAGER

Points of the European Economic and Social Committee Opinion considered essential

European Commission position

Services of General Economic Interest Decision

3.1. and 3.2. (Scope and threshold)

The Commission should include all Services of General Economic Interest in the Decision regardless of the yearly compensatory amount (abolishing the current EUR 15 million threshold). As Services of General Economic Interest non-eligible for the Decision face stricter and highly demanding rules, only cases raising particular concerns for competition should fall outside its scope.

Maintaining the threshold at the current (too low) level imposes an undue burden for authorities at no visible advantage for enforcing competition.

The Commission recalls that the Services of General Economic Interest Decision does not impose a threshold for compensation to Services of General Economic Interest providers in health and social services.

The case practice so far does not point at particular difficulties as regards the threshold of EUR 15 million that applies to the compensation for Services of General Economic Interest in other sectors. Increasing the threshold currently does not appear to be justified by the Commission's experience from its decisional practice and/or on the basis of evidence provided by stakeholders.

3.3. (Scope of services covered)

The European Economic and Social Committee invites the Commission to examine the possibility to broaden the scope of the Decision in order to make eligible services related to enhancing people's knowledge and qualifications and thus improve their job opportunities.

A broad variety of social Services of General Economic Interest is already included in Article 2, which refers to Services of General Economic Interest “*meeting social needs as regards health and long-time care, childcare, access to and reintegration into the labour market, social housing and the care and social inclusion of vulnerable groups*” (Article 2 (1) c). The notion “care and social inclusion of vulnerable groups” is large and may include practically all social services.

<p>3.4. (Availability of information)</p> <p>Article 8 requires Member States to keep available at least 10 years from the end of the entrustment period all the information necessary to determine the compatibility of the compensation. This runs contrary to Article 17 of the Procedural Regulation⁷³ (on expiry of a 10-year period aid cannot be recovered, therefore the Commission refrains from submitting it to the compatibility test as its usual practice shows).</p>	<p>Article 17 of the Procedural Regulation merely states that after 10 years the aid is deemed to be existing aid and can no longer be recovered. It may also be in the interest of Member States to keep the evidence in order to prove compatibility in case of complaints at a later point in time, in particular concerning aid schemes which are still in place.</p>
<p>3.5. (Duration of entrustment)</p> <p>Article 2.2 of the Decision applies to entrustments awarded for a maximum of 10 years except those Services of General Economic Interest requiring a significant investment justifying a longer period. The Commission should clarify that this time limit should neither exclude longer entrustments nor have any material effect on a renewal or extension of entrustments.</p>	<p>The Decision requires a limitation of the entrustment since entrustments for longer than 10 years have the potential of market foreclosure effects. Where significant investments which only can be amortised over a longer period are demonstrated, such entrustments may also be exempt based on the Decision. Moreover, granting authorities may renew the entrustment if the conditions have not changed.</p>
<p>3.6. (Calculation of reasonable profit)</p> <p>Pursuant to Article 5(1), the compensation shall not exceed the net cost of the service obligation, including a reasonable profit. The current approach for the calculation of a reasonable profit includes methods (like for example the Internal Rate of Return) which are far too complex for local authorities, and thus discourage compensation of Services of General Economic Interest. Setting up profitability benchmarks involves costly consultancy services which are out of reach for most Services of General Economic Interest.</p>	<p>The Services of General Economic Interest Decision allows for different ways to calculate the reasonable profit which can be more or less appropriate depending on the sector and the size of the beneficiary. It should be noted that it is also possible under the Services of General Economic Interest Decision to base the reasonable profit estimation on a simple approach (e.g. average/median operating profit of a set of companies sufficiently comparable to the Services of General Economic Interest provider).</p>
<p>3.7. (Efficiency incentives)</p> <p>Efficiency incentives, as referred to in the</p>	<p>The Commission wishes to underline that, in contrast to the Services of General Economic</p>

⁷³ Council Regulation (EU) 2015/1589 of 13 July 2015 laying down detailed rules for the application of Article 108 of the Treaty on the Functioning of the European Union (Text with EEA relevance), OJ L 248, 24.9.2015.

<p>Decision, require further clarification (e.g. the requirement of sharing productive efficiency gains between undertaking, Member State and/or the users).</p>	<p>Interest Framework, efficiency incentives are not a compatibility condition under the Services of General Economic Interest Decision.</p> <p>If efficiency incentives are implemented, further guidance (on, for example, productive efficiency gains) may be found in the Services of General Economic Interest Framework, as well as in the Commission's decisional practice under the Framework.</p>
<p>3.8. (Repayment of overcompensation)</p> <p>Article 6.2 of the Decision provides that overcompensations should trigger an update of the parameters, while those not exceeding 10% of the yearly average amount can be carried forward to the next period. Full consistency would also justify no requirement to update the parameters in this case.</p>	<p>The possibility to merely carry forward an overcompensation not exceeding 10% should not alter the necessity of updating the parameters also in such a case. In that sense, the provision merely is an exception to the obligation of repayment. Otherwise, permanent overcompensations of up to 10% would be covered by the Decision, which is not intended.</p>
<p>3.9. (Treatment of local and regional authorities)</p> <p>The Commission should establish a more structured dialogue with local/ regional authorities on State aid procedures and issues.</p>	<p>Outside the formal procedure, the Commission in many cases directly communicates also with local and regional authorities.</p> <p>In the formal procedure, it is also in the Member States' interest to centrally communicate with the Commission in order to coordinate and overview the local and regional authorities' submissions.</p>
<p>Services of General Economic Interest Framework (Opinion, pp. 8-11)</p>	
<p>4.1. (General remarks)</p> <p>In general, the Framework adopts an overcautious approach that raises problems and uncertainty. The European Economic and Social Committee invites the Commission to further specify alternative ways of meeting the requirements, as already widely used in its</p>	<p>Compensation of Services of General Economic Interest which does not meet the conditions of the Decision has to be notified and examined on its individual merits. The Framework provides guidance for this assessment. Further guidance can be found in the 2013 Staff Working Document⁷⁴ including a comprehensive "Frequently Asked</p>

⁷⁴ SWD(2013) 53 final.

<p>practice, in order to dispel doubts which authorities and providers face nowadays.</p>	<p>Questions (FAQ)" on Services of General Economic Interest and in the Commission's continuous decisional practice.</p>
<p>4.2. (Definition of the remit)</p> <p>The References under point 13 (illustrating the conditions that services should meet to constitute a genuine Service of General Economic Interest) can only serve as an indicative guidance, while it is for Member States to decide in the public interest the standards of "quality, safety, affordability, equal treatment, promotion of universal access and of user rights" that each essential service should meet, regardless of its coverage by the market or a remit. Member States also enjoy the discretion to decide accordingly whether ensuring those standards requires a Service of General Economic Interest.</p>	<p>The Commission has provided guidance on the requirements concerning the definition of a Service of General Economic Interest. Point 13 reiterates the Court case law and indicates that Member States cannot attach specific public service obligations to services that are already provided or can be provided satisfactorily and under normal market conditions. This is a key element for the definition of a genuine Service of General Economic Interest. In this context, the Commission's assessment is limited to checking whether the Member State's definition is vitiated by a manifest error, unless provisions of European Union law provide a stricter standard.</p>
<p>4.3. (Public consultations)</p> <p>Point 14 unduly conditions the powers of Member States in setting a remit by requiring them to conduct public consultations to take into account the interests of users and providers. Commission practice shows that it pays limited attention to this rule, especially if the Member States face hurdles in enforcing it.</p>	<p>Point 14 is meant to help Member States define a genuine Service of General Economic Interest. A Service of General Economic Interest must be set up in the "general" interest. Providing proper consideration to the public service needs in a flexible way as prescribed by the Framework (a public consultation or "other appropriate instrument") is a proportionate way to take the interests of the users into account, and ultimately avoid the cases of manifest error.</p>
<p>4.4. (Complying with public procurement rules)</p> <p>The requirement under point 19 (compliance with European Union public procurement rules) fails to take into account that the Public Procurement Directive⁷⁵ only applies, according to its Article 1(2), to acquisitions by</p>	<p>Compliance with public procurement rules has been included as a compatibility criterion in line with the proportionality test under Article 106(2) TFEU, based on the idea that compliance with public procurement rules limits the potential aid.</p> <p>Compliance with public procurement rules</p>

⁷⁵ Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC Text with EEA relevance, OJ L 94, 28.3.2014.

<p>contracting authorities and cannot impose a binding regime on Services of General Economic Interest as they refer to tasks performed by an undertaking on behalf of the authority.</p>	<p>comes into play only to the extent that these rules are applicable in a particular case (e.g. they do not apply if the relationship between the contractor and Member States is not contractual). In many instances where compliance with the public procurement rules was verified, the direct entrustment of a Service of General Economic Interest was accepted by the Commission as the provider in question was the sole provider for the service (e.g. <i>La Poste</i> Decision).</p> <p>In the Commission's experience, public service contracts are negotiated, while a unilateral imposition (if encountered in practice) constitutes an exception.</p>
<p>4.5–4.7. (Ex-ante calculation of compensation)</p> <p>The Commission's practice requires establishing the compensatory amounts ex-ante, preventing authorities from compensating ex-post according to the effective net cost. If ex-ante amounts fail to cover the net cost, the provider would face systematic underfunding.</p> <p>While the Framework requires a calculation based on the Net Avoided Cost method, the Commission recently has advocated the Profitability Cost approach. The European Economic and Social Committee invites the Commission to endorse both approaches and provide further guidance.</p> <p>Although the Cost Allocation method is most appropriate for most Services of General Economic Interest, Member States must justify discarding the (complex and costly) Net Avoided Cost method. The Commission should thus recognise the Cost Allocation method as fully valid, save for specific activities (e.g. postal services) where such methodology is binding (Third Postal Directive).</p>	<p>The <i>ex-ante</i> annual approach of the Framework relates to reasonableness. Member State can set up a mechanism, which prevents systematic underfunding, by taking into account variable elements.</p> <p>Member States can also base compensation on the effective net cost <i>ex-post</i>, but in such cases any consideration for reasonable profit should take due account of the absence of risk and an efficiency mechanism should be implemented.</p> <p>Under the Profitability Cost approach, the degree of flexibility of the universal service provider is greater. This approach takes into account how the provision of the service could be modified to maximize profits in the absence of the Universal Service Obligation (change in pricing, quality, coverage).</p> <p>Indeed, the Cost Allocation approach may be more adequate and flexible, but it also requires a full modelling of the company and cannot be based only on accounting information. In many cases, however, only the latter is available.</p>

<p>4.8. and 4.9. (Reasonable Profit)</p> <p>Determining what constitutes a reasonable profit requires further clarification. In practice, the Commission compares firms from the same or a related sector using standard profitability criteria (such as Return on Equity or Return on Sales). The Commission should provide more legal certainty by recognising all standard and well-established profitability criteria, rather than making one mandatory.</p>	<p>The Services of General Economic Interest Framework is relatively open in terms of the method and indicators used to determine a reasonable profit. In practice, all standard and well-established criteria for profitability can be accepted by the Commission when calculating reasonable profit, if they are adapted to the specificities of the case. The Commission's role is to assess methodology proposed by the Member States and verify if the methodology is sound and can be applied in a concrete case.</p>
<p>4.10. (Efficiency requirement)</p> <p>The mandatory efficiency requirement under points 39 to 46 proves a hurdle for stakeholders and authorities alike. As the Framework provides no guidance on how to calculate the efficiency incentives, the Commission's practice leads to widely divergent assessments and thus does not ensure legal certainty and equal treatment.</p>	<p>The Commission leaves a wide margin of discretion to Member States on how to implement such incentives, only verifying if the methodology in question is sound and credible. In the Framework, the Commission has given examples on how efficiency incentives could be designed, and are further explained in the 2013 Commission Staff Working Document with guidance on Services of General Economic Interest ("Frequently Asked Questions" (FAQ)).</p>