

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

EUROPEAN ECONOMIC AND SOCIAL COMMITTEE

PLENARY SESSION OF FEBRUARY 2017

N°	Title	References
SG		
1.	<p>Establishing a new partnership framework with third countries under the European Agenda on Migration</p> <p>Communication from the Commission to the European Parliament, the European Council, the Council and the European Investment Bank on establishing a new Partnership Framework with third countries under the European Agenda on Migration</p> <p>Rapporteur: Cristian PÎRVULESCU (GR11-RO)</p>	<p>COM(2016) 385 final</p> <p>EESC-2016-06003-00-01-AS-TRA</p> <p>REX/478</p>
2.	<p>Annual Growth Survey 2017</p> <p>Communication from the Commission to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank - Annual Growth Survey 2017</p> <p>Rapporteur: Etele BARÁTH (GR11-HU)</p>	<p>COM(2016) 725 final</p> <p>EESC-2016-05339-00-01-PAC-TRA</p> <p>SC/046</p>
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3.	<p>Strategy on skills and human capital</p> <p>Proposal for a Council Recommendation on establishing a Skills Guarantee</p> <p>Proposal for a Council Recommendation on the European Qualifications Framework for lifelong learning and repealing the Recommendation of the European Parliament and of the Council of 23 April 2008 on the establishment of the European Qualifications Framework for lifelong learning</p> <p>Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – A New Skills Agenda for Europe – Working together to strengthen human capital, employability and competitiveness</p> <p>Proposal for a Decision of the European Parliament and of the Council on a common framework for the provision of better services for skills and qualifications (Europass) and repealing Decision No 2241/2004/EC</p> <p>Rapporteur: Indrė VAREIKYTĖ (GR11-LT) Co-rapporteur: Tatjana BABRAUSKIENĖ (GR11-LT)</p>	<p>COM(2016) 382 final - 2016/0179 NLE</p> <p>COM(2016) 383 final - 2016/0180 NLE</p> <p>COM(2016) 381 final</p> <p>COM(2016) 625 final - 2016/0304 COD</p> <p>EESC-2016-04474-00-00-AS-TRA</p> <p>SOC/546</p> <p>Exploratory opinion requested by the Maltese presidency</p>

4.	<p>The effectiveness of ESF and FEAD funding as part of civil society efforts to tackle poverty and social exclusion under the Europe 2020 strategy</p> <p>Rapporteur: Krzysztof Stanislaw BALON (GRIII-PL)</p>	<p>EESC-2016-00747-00-03-AS-TRA</p> <p>SOC/537</p> <p>Own-initiative opinion</p>
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<p>N°1 Establishing a new Partnership Framework with third countries under the European Agenda on Migration COM(2016) 385 final - EESC 2016/6003 - REX/478 523rd Plenary Session - February 2017 Rapporteur: Mr Cristian PÎRVULESCU (GR11-RO) SG – First Vice-President TIMMERMANS</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>Commission position</p>
<p>1.1. The European Agenda on Migration should be designed so as to take into full consideration the humanitarian dimension of its scope, and the European Union should not forget its fundamental commitments and legally binding rules to protect lives and human rights, especially of people in danger.</p> <p>(see also paragraphs 1.11., 1.12., 1.13., 3.3., 3.61., 4.1. and 4.3. of the European Economic and Social Committee's opinion).</p>	<p>The European Commission, in the First Progress Report on the Partnership Framework¹, noted that in all cases, the humanitarian and human rights imperatives of European Union policy need to stay at the core of the approach. This includes international obligations also with regards to protection.</p>
<p>1.2. The European Economic and Social Committee supports the vision emerging from the Valletta Summit [...].</p>	<p>The Partnership Framework is indeed being implemented in the context of the follow-up to the Valletta summit.</p>
<p>1.4. While the need for policy coordination and streamlining is clear, it seems that the Agenda on Migration is becoming an overarching policy, superseding other policies in pursuit of its actions and objectives (e.g. neighbourhood, development assistance and trade). While it acknowledges the importance of the migration policy, the European Economic and Social Committee also considers the other</p>	<p>The Partnership Framework creates a long term strategic approach vis-à-vis third countries while also looking at short term deliverables. Migration is now firmly embedded in the European Union's foreign policy and its overall relations with third countries. As stated in the Second Progress Report², synergies between external and internal policies have proved crucial for success.</p>

¹ COM(2016) 700 final.

² COM(2016) 960 final.

<p>policies to be equally important and worth pursuing, and recommends that participation in the migration policy is not used as a condition for cooperation in other policy areas [...].</p>	
<p>1.5. A distinction should be made between lack of cooperation with third countries based on lack of political will and lack of cooperation based on lack of capacity and resources. They both need to be addressed but via different means. In order to ensure sustainability and resilience, the focus should be on building capacity first. Under no circumstances should assistance be conditional on readmission and border controls.</p> <p>(see also paragraphs 1.6 and 1.7 of the European Economic and Social Committee's opinion)</p>	<p>Capacity building in general, and for migration management in particular, is part of the tailor-made approaches with countries under the Partnership Framework. In the work of the International Organisation for Migration, a key implementing partner, capacity building of the national authorities and key stakeholders is included in actions focusing on protection, return and reintegration, information and awareness raising campaigns, as well as data collection and analysis.</p> <p>While the focus of the Partnership Framework is not on institution building in the partner countries, the importance of sound institutions is acknowledged (and promoted through other European Union and national policies).</p> <p>Humanitarian assistance will always be needs-based. While migration aspects are being considered in all European Union policies, including development assistance, this does not mean that assistance has become conditional on readmission or border controls.</p>
<p>1.8. The development of legal migration channels and institutional capacities to support legal migration should be a priority within the Partnership Framework with third countries, for the European Union, Member States and third countries.</p>	<p>The Partnership Framework calls for a balanced approach and includes the possible development of paths for legal migration. At European Union level, Erasmus+ facilitates exchanges and mobility with non-EU countries in the fields of higher education and youth;</p>

<p>(see also paragraph 3.2. of the European Economic and Social Committee opinion).</p>	<p>other forms of mobility are also being explored. Further progress can be made by Member States, who have larger competence on legal migration.</p>
<p>1.9. Civil society organisations play a significant role in making the resettlement, travel and reception of migrants and refugees more safe and humane. The proposal should reconsider the role of and support for their activities, from local organisations in the countries of origin and transit to those participating in the rescue operations and managing reception and integration. Moreover, civil society organisations should be involved in the monitoring and evaluation of the actions of all competent authorities involved in managing migration.</p>	<p>The European Commission agrees that local and regional organisations, in Europe and in the countries of origin, in the area of asylum, return, readmission and reintegration play a key role, and as highlighted for example in the First Progress Report, a key action in Niger is that financial assistance for reintegration of returning migrants and host communities is being stepped up. A EUR 100 million Initiative on protection, return and reintegration of migrants in the Sahel-Lake Chad region and Libya is supported by the European Union Trust Fund for Africa in partnership with the International Organisation for Migration.</p>
<p>1.14. The European Economic and Social Committee supports the increasing rates of return and readmission, with a preference for voluntary return and a focus on reintegration. Voluntary return with a focus on reintegration should be one of the main strategic choices that the European Union and Member States make in managing the migration process.</p>	<p>Assisted Voluntary Return and Reintegration is key in the work done by the International Organisation for Migration, as funded through the European Union Trust Fund for Africa and through other instruments. Effective returns coupled with sustainable reintegration support are important in discouraging people from embarking on dangerous journeys to Europe, and are thus an important element of migration policy. The fourth Progress Report³ has highlighted the success of assisted voluntary returns and reintegration supported by the EU.</p>
<p>1.16. The European Economic and Social</p>	<p>The Partnership Framework aims to</p>

³ COM (2017) 350 final.

<p>Committee encourages the European Union Institutions, the Member States, and governments of third countries to involve and support the diaspora groups as much as possible. [...]</p>	<p>include all national (including local and regional) policies in the comprehensive approach. Engagement with the diaspora, as indicated by the European Economic and Social Committee, is useful and important in this context.</p> <p>The important role of diasporas is duly taken into account, for example in the Mediterranean region. It is an important focus of the activities taking place under the regional Euromed Migration IV Programme. The creation of incubators facilitating investments of the diaspora in their country of origin will also be supported under a programme adopted for Tunisia under the North of Africa window of the European Union Trust Fund for Africa.</p>
<p>1.17. The European Economic and Social Committee encourages the Member States to participate fully in efforts to coordinate European Union policy on migration. [...]</p>	<p>Coordinated efforts are at the heart of the Partnership Framework approach. The Communication of 7 June 2016 underlines that all actors – Member States, European Union Institutions, and key third countries need to work together in order to bring order into migratory flows. The First Progress Report of 18 October 2016 emphasised that a joint approach by the European Union and the Member States is central to the success of the Partnership Framework approach. Indeed, regular videoconferences enable active exchange of information and close coordination of work at Member State and European Union level (see below, point 4.5.). Moreover, migration management needs to reconcile the interests and priorities of both parties, i.e. European Union and third countries, to deliver mutual benefit. The fourth Progress Report emphasised</p>

	the importance of further stepping up coordination and information sharing.
1.18. The European Economic and Social Committee encourages the Commission to establish its planned platform of dialogue to include input from business, the trade unions, and other social partners, to maximise the benefits of migration for the European economy and the migrants themselves. The European Economic and Social Committee is ready to cooperate for its establishment and proper functioning.	The European Commission notes the European Economic and Social Committee's suggestion.
2.4. Immediate action should be taken with key partners in the following areas, where specific and measurable targets should be set: working with key partners to improve the legislative and institutional framework for migration; concrete assistance for capacity building on border and migration management, including providing protection for refugees; increasing rates of return and readmission with a preference for voluntary return and a focus on reintegration; stemming the irregular flows while offering legal migration channels, including increased resettlement efforts.	The Partnership Framework calls for a balanced approach, also in line with the five pillars of the Valletta Action Plan. All areas highlighted by the European Economic and Social Committee are being addressed in the different approaches with the partner countries.
3.5.1. As well as the stated short-term objectives of the compacts: to save lives in the Mediterranean sea; to increase the rate of returns to countries of origin and transit; to enable migrants and refugees to stay close to home and to avoid making dangerous journeys, the European Economic and Social Committee also encourages the Commission to include the protection of migrants along the so called Balkan route, whose lives and safety could be in danger, and the creation of	The European Commission continues playing a very active role in the monitoring of the situation in the Western Balkans. Since the leaders' summit in 2015, the European Commission has been chairing videoconferences with the Member States and countries concerned. These videoconferences take place on a bi-weekly basis, and discuss trends in flows as well as responses to the needs of stranded migrants.

<p>legal routes for migration.</p>	
<p>3.7. The Agenda on Migration will be successful only to the extent that third countries are willing and able to work closely with the European Union and the Member States [...].</p> <p>(See also paragraphs 3.8. and 3.9. of the European Economic and Social Committee opinion).</p>	<p>The Partnership Framework, as was mentioned in the First Progress Report, implies a joint effort of the European Union and Member States drawing on the full range of European Union levers to find short-term solutions to immediate migration pressure, to address the root causes of irregular migration, and to foster sustainable development and stability, and opening opportunities for regular migration. Migration will thus be part of the genuine partnership with each partner country, which will be tailor-made to take specific needs and interests into account and targeted on results. The political engagement and buy in of partners is paramount (see also reply to paragraph 3.16.). Several partner countries have demonstrated a strong interest in assistance on border management, in the interest of their specific security and migratory situation. The importance of using all relevant policies was again highlighted in the fourth Progress Report.</p>
<p>3.10. While the need for policy coordination and streamlining is clear, this strategy raises some concerns. It seems that the Agenda on Migration is becoming an overarching policy, superseding other policies in pursuit of its activities and objectives. This could affect these other policies, each of which is legitimate in its aims and scope [...].</p>	<p>See response to paragraphs 1.5. and 3.7. above.</p>
<p>3.12. Related to this, the specific framing of policy coordination suggests the possibility of a conditional and coercive approach - third countries should</p>	<p>See response to paragraphs 1.5. and 3.7. above.</p> <p>The Partnership Framework emphasised the importance of capacity</p>

<p>cooperate with the European Union and member countries in the readmission and return of their own nationals, managing migrant flows on their territories and across borders, and hosting people fleeing conflict and persecution. Otherwise, access to European Union funding and assistance and to the European Union market could be jeopardised. This option could prove problematic and ultimately ineffective. The cooperation of third countries in the migration agenda is driven by internal concerns and internal capacities. A distinction should be made between lack of cooperation based on political will and lack of cooperation based on lack of capacity and resources. They both need to be addressed but by different means. In order to ensure sustainability and resilience, the focus should be on building capacity first. It is also very important to make a distinction between development assistance and migration cooperation. The latter should not be made conditional on the first under any circumstances.</p>	<p>building on border and migration management, asylum, protection for refugees, and readmission and reintegration efforts. Improving migration management is also one of the priorities of the European Union Trust Fund for Africa. Projects approved under the European Union Trust Fund for Africa include, for example a project to strengthen migration management and sustainable reintegration in countries including Côte d'Ivoire, Ghana, Guinea, the Gambia, Burkina Faso, Cameroon, Mali, Niger, Nigeria and Senegal.</p>
<p>3.16. Many of the third countries, especially those that became countries of origin for refugees and migrants, have fundamental problems with stability and effectiveness of government. Their infrastructures and economies are weak and their administrative systems underdeveloped. Thus, a renewed effort towards conflict resolution and state building should be considered. This is not only the case in Syria and Libya, but also in many other countries. Acknowledging this fact could help prioritise measures and actions and target the very reasons people ultimately flee from or transit through those territories. Narrowly</p>	<p>The importance of sound institutions is acknowledged (and promoted). Capacity building in general, and for migration management in particular, are part of the tailor-made approaches with countries under the Partnership Framework.</p> <p>It is paramount to ensure the political engagement and buy in of our partners in terms of linking this holistic tailor-made European Union approach and efforts that go beyond migration with their own political strategic choice to proceed to a series of reforms deemed necessary for the socio-economic</p>

<p>defined interventions, for example training border guards or transferring technology to them, breaking up smuggler networks, or providing incentives to return, will have a positive but limited impact. Migration is a phenomenon that correlates with state weaknesses and failures of different natures and degrees.</p> <p>(see also paragraph 3.17. of the European Economic and Social Committee's opinion)</p>	<p>viability and prosperity of their countries. Linking the European Union offer with their own strategic choice for reforms should be seen as a window of opportunity. In that regard, the European External Investment Plan will be fundamental not only in terms of the major impact the private sector might have on their economic development, job creation and growth, but also because it offers the necessary technical assistance for reforms.</p>
<p>3.18. In the European Commission proposal, the role of civil society is insufficiently acknowledged and supported. Civil society organisations have a significant role to play in making the resettlement, travel and reception of migrants and refugees safer and more humane [...].</p>	<p>The European Commission acknowledges the important role played by civil society in the area of migration. The comprehensive and multi-stakeholder Partnership Framework approach therefore includes civil society as key partners in its implementation. For instance, more than 20% of the actions funded under the European Union Emergency Trust Fund for Africa benefit civil society organisations. A number of projects (local and regional authorities and city to city /decentralised cooperation) are funded under the Civil Society Organisations and Local Authorities thematic Budget line.</p>
<p>4.2. The European Economic and Social Committee is deeply concerned about the agreement between the European Union and Turkey and its impact on the fundamental rights of the individuals subject to it. The European Union-Turkey Statement is contested by civil society groups and human rights advocates, as it treated Turkey as a "safe country". The European Union has to be certain when granting "safe country" status to countries of origin and transit, so as not to violate</p>	<p>The European Commission recalls that the European Union-Turkey statement, as published by means of Press Release No 144/16, cannot be regarded as a measure adopted by the European Council, or, moreover, by any other Institution, body, office or agency of the European Union (see judgment of the General Court of 28 February 2017 in cases T-192/16, T-193/16 and T-257/16). This said, as underlined by the European Union-Turkey Statement, set</p>

<p>the principle of non-refoulement.</p>	<p>out by the European Union Heads of State or Government and their Turkish counterpart, itself, it must be implemented in full accordance with international and European Union law, including the Asylum Procedures Directive⁴. In particular, any application for asylum is to be dealt with in line with the Asylum Procedures Directive on the basis of an individual examination in line with existing refugee protection safeguards.</p> <p>The European Commission has been continuously calling for Member States to make available staff required to respond to the needs identified by the European Asylum Support Office and the European Border and Coast Guard, including the profiles identified and for longer-term deployments, to support the relevant Greek authorities that remain responsible for asylum processing. As regards the 1:1 scheme (as of 9 June 2017), the number of resettled Syrians from Turkey to European Union Member States (6 254) is more than 31 times higher than the number of Syrians who have been returned to Turkey (201). The total amount disbursed has increased already to EUR 811 million under the Facility for Refugees in Turkey for both humanitarian and non-humanitarian assistance. Out of the EUR 2.9 billion already allocated for 2016-2017, contracts have now been signed for 47 projects for an amount of EUR 1.572 billion – over half of the EUR 3 billion – all of which have</p>
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⁴ Directive 2013/32/EU of the European Parliament and of the Council of 26 June 2013 on common procedures for granting and withdrawing international protection, OJ L 180, 29.6.2013.

	started being implemented.
4.5. A coordination mechanism needs to be introduced between the European Union level and that of the Member States to deliver the compacts. If some Member States have historical ties with the third countries, they could be mobilised to ensure better cooperation.	Regular videoconferences enable active exchange of information and close coordination of work at Member State and European Union level.
4.6. The European Economic and Social Committee welcomes the upcoming proposal for a structured resettlement system providing a common approach to safe and legal arrival in the Union for persons in need of international protection via resettlement, as a direct demonstration of the European Union's commitment to helping countries under the heaviest pressure. The Valletta Action Plan included a commitment by the European Union and Member States to launch pilot projects that pool offers for legal migration. However, the proposal should be much clearer and identify specific projects to be implemented.	The European Commission adopted its proposal for a Union Resettlement Framework Regulation in July 2016 ⁵ and looks forward to its swift adoption by the co-legislators.
4.9. The European Economic and Social Committee supports the increasing rates of return and readmission with a clear preference for voluntary return and a focus on reintegration. This should be one of the main strategic choices that the European Union and Member States make in managing the migration process. It increases the chance that those involved will all cooperate and, importantly, turns	The European Commission sees effective return of irregular migrants as an essential part of the European Union migration policy and thus welcomes this opinion of the European Economic and Social Committee. In March 2017, the European Commission adopted a Renewed Action Plan on Return ⁶ and a Recommendation on making returns more effective ⁷ when implementing the

⁵ COM(2016) 468 final of 13.7.2016.

⁶ COM(2017) 200 final.

⁷ C(2017) 1600 final.

<p>migration into a possible engine of local development.</p>	<p>Return Directive⁸. These instruments provide a number of focused actions to enable Member States and the European Union to substantially improve return rates. The Action Plan also provides specifically for assisted voluntary return and reintegration and calls for a coherent approach to reintegration assistance and general practices to incentivise return.</p>
<p>4.11. The European Economic and Social Committee broadly supports the direction of the specific partnerships with third countries: concluding compacts with Jordan and Lebanon, taking European Union-Tunisia cooperation to the next level; launching and agreeing compacts with Niger, Nigeria, Senegal, Mali and Ethiopia; and supporting the Libyan Government of National Accord. In all these compacts and agreements, the European Union should ensure that mainly positive incentives are used, that assistance is well designed and organised, and that it also addresses the institutional and administrative capacities of the government, promotes democracy and human rights and includes civil society organisations in all the processes, especially local and national ones.</p>	<p>The Partnership Framework calls for a balanced approach and includes all relevant European Union policies and available instruments and incentives. The role of local and regional authorities is very important. This was recognised in the Joint Communication JOIN(2017) 4 of 25 January 2017, which, for example, lists as a key action to step up the work and engagement with Libyan municipalities to promote alternative livelihoods and support the resilience of local communities hosting migrants.</p> <p>A number of projects (local and regional authorities and city to city /decentralised cooperation) are funded under the Civil Society Organisations and Local Authorities thematic Budget line.</p>

⁸ Directive 2008/115/EC of the European Parliament and of the Council of 16 December 2008 on common standards and procedures in Member States for returning illegally staying third-country nationals, OJ L 348, 24.12.2008.

<p>N°2 Annual Growth Survey 2017 COM(2016) 725 final – EESC 2016/5339 – SC/046 523rd Plenary Session – February 2017 Rapporteur: Mr Etele BARÁTH (GR11-HU) SG – Vice-President DOMBROVSKIS</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>Commission position</p>
<p>1.2. The European Economic and Social Committee takes very seriously the negative aspects of the rules of the Stability and Growth Pact and Country-specific Recommendations applied at national level to set the euro area fiscal stance</p>	<p>The European Commission does not share the European Economic and Social Committee's suggestion that the application of the Stability and Growth Pact or Country-specific Recommendations have had negative consequences. The major economic and social indicators, including the unemployment level, point to the opposite conclusion.</p>
<p>1.13. Analysing the consistency between traditional Cohesion policy – currently undergoing a mid-term review – and its financing (European Structural and Investment Funds) on the one hand, and the new investment instruments (European Fund for Strategic Investments) on the other hand, should be a focus of the Annual Growth Survey. Since this is one of the most dynamic forms of cooperation between the Union and the Member States, it is also important to ensure better coordination, including in terms of its implementation. The implementation of improvements should be coordinated.</p> <p>4.9. It is important to incorporate the new governance mechanism thus created into the development-focused governance of the future. The two funding systems (European Structural and Investment Funds and</p>	<p>The Annual Growth Survey together with the country reports and Country-specific Recommendations comprehensively cover barriers to investment, which concern both private and public investment, including the investment under the European Structural and Investment Funds and the investment triggered through the European Fund for Strategic Investments.</p>

<p>European Fund for Strategic Investments) must also be harmonised within each Member State. In the longer term, it makes sense to combine the two governance mechanisms.</p>	
<p>2.6.1. In addition, the rules on budget deficits set in 2005 should be adapted to the current economic and social situation of the European Union, and should take into account that some public expenses, such as education, have to be removed from deficit calculations as they are important investments for the future.</p>	<p>The deficit and debt thresholds are set in the protocol to the Treaty and indeed do not distinguish between types of government expenditure. In January 2015, the European Commission presented⁹ a detailed new guidance on how it will apply the existing rules of the Stability and Growth Pact to strengthen the link between structural reforms, investment and fiscal responsibility in support of jobs and growth. In particular, the European Commission specified and formalised the application of an “investment clause”. One of the conditions explicitly refers to the national expenditures on projects co-funded by the European Union under the Structural and Cohesion policy (including projects co-funded under the Youth Employment Initiative), Trans-European Networks and the Connecting Europe Facility, as well as co-financing of projects also co-financed by the European Fund for Strategic Investments.</p>
<p>3.2.7. Consistency in the vision for and implementation of the reforms would also enable the European Semester process to take more account of the social dimension. The tools and methodology of economic policy should be supplemented with a long-term results-based perspective and social values that also take sustainability into</p>	<p>The social dimension of the European Semester has been substantially strengthened, including through enhancing the macroeconomic imbalances procedure with the social indicators, requiring the Member States to involve the social partners and other stakeholders in the reform process</p>

⁹ COM(2015) 12 final.

account.	(guidance from the European Commission to the Member States on the National Reform Programmes), and also through policy dialogues, including on the occasion of visits of Vice-President Dombrovskis to the Member States.
3.3.1. Implementation of the Stability and Growth Pact, and monitoring how its provisions are applied and what their impact is on individual Member States' economies, are important elements of the European Semester process. It is regrettable that the Semester process has proved to be a one-sided instrument that proscribes high debt and deficits on pain of penalties, but only prescribes a simple reduction of high surpluses. The European Economic and Social Committee is in favour of flexibility, particularly when this enables public investment to boost sectors that are also of long-term benefit (education, training and healthcare).	The European Commission does not share this view; the Semester covers a wide range of issues, including education or health, and places focus on the quality of public expenditure.
4.5. The goals of long-term socio-environmental sustainability must play a greater role in the European Semester mechanism. This will encourage dialogue on key issues such as the promotion of various investments in the social and public sectors, the consideration of investments with long-term benefits when calculating the fiscal deficit, and the development of an institutional structure for the welfare of citizens. There must be a new "golden rule", defining what consumption is and what investment is. The necessary conditions to that end can be put in place by examining the possibility of reforming the European Union budget mechanisms and of increasing European Union own resources.	The European Semester already takes into account long-term issues, whenever it is assessed they need to be tackled to boost growth and jobs creation. This concerns in particular issues, such as long-term sustainability of public finance, including financing health or pension systems, investment in infrastructure, including transport or energy. The fiscal assessment follows the rules as defined by the Stability and Growth Pact.

<p>4.7. There is no consistent vision of the future, political will or governance capacity. The legal framework is complicated and the involvement of the social partners and civil society is token, which is reflected in the lack of public support. This worsens the democratic deficit and undermines trust.</p>	<p>In its guidance to the Member States on drafting National Reform Programmes, the European Commission stresses the need to appropriately involve the social partners and national parliaments.</p>
<p>4.8.2. To facilitate the complementarity mentioned above, it is essential to expand and simplify the rules as part of the mid-term review planned under the seven-year Multiannual Financial Framework that runs up to 2020.</p>	<p>The European Commission has already adopted the mid-term review proposal in September 2016.</p>

<p>N°3 Strategy on skills and human capital (exploratory opinion) COM(2016) 382 final, COM(2016) 383 final, COM(2016) 381 final, COM(2016) 625 final - EESC 2016/4474 - SOC/546 523rd Plenary Session - February 2017 Rapporteur: Ms Indrė VAREIKYTĖ (GR11-LT) Corapporteur: Ms Tatjana BABRAUSKIENĖ (GR11-LT) DG EMPL – Commissioner THYSSEN</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>Commission position</p>
<p>1.4. The European Economic and Social Committee asks the Commission to provide a broader view on the functioning of and mutual encounters between the overall education and training, labour and social systems and their individual measures, especially on issues related to higher levels of education, the role of lifelong learning, cross-border mobility, the entrepreneurial mind-set, creativity, innovation, and social and intercultural skills.</p>	<p>The New Skills Agenda for Europe (hereafter Skills Agenda) is already a comprehensive agenda that encompasses the elements mentioned. Building on the Skills Agenda, a number of initiatives are further developed, including on youth, schools, vocational education and training, higher education and entrepreneurship.</p>
<p>1.5. The European Economic and Social Committee would also like to see more explicit links between the new Agenda and both the European Semester and the Europe 2020 Strategy – in particular, their education and employment targets, as well as to anticipate the New Skills Agenda's role with regard to the 2030 Agenda, the Digital Single Market Strategy, the Circular Economy Strategy, Strategic Engagement for Gender Equality 2016-2019, the Pillar of Social Rights and the Sustainable Development Goals.</p>	<p>The Skills Agenda already presents strong and explicit links with the European Semester, Europe 2020 and Education and Training 2020. Links with the other policies mentioned, and in line with the European Commission's ten political priorities also exist, either with the Skills Agenda overall, or with specific Key Actions and further upcoming initiatives on youth, schools, vocational education and training, higher education and entrepreneurship (see, for example, key Actions on A Digital Skills and Jobs Coalition, the review of the Recommendation on Key Competences for Lifelong Learning, and</p>

	<p>the Blueprint for Sectoral Skills Cooperation which targets specific sectors with a link to the political priorities).</p> <p>The gender dimension is a strong feature of the actions proposed by the Skills Agenda. While no particular action is more relevant to one gender or another, the way in which the actions are designed and implemented takes into account the gender dimension, e.g. the Upskilling Pathways initiative calls upon Member States to identify priority target groups for the delivery of upskilling pathways at national level. In doing so, taking also into account the gender, diversity and various sub-groups in the targeted population, the Blueprint for Sectoral Skills Cooperation requires that activities include developing actions to promote the attractiveness of the sector as a career choice, in particular among the young, while also aiming for a gender balance in the sector.</p>
<p>1.6. The European Economic and Social Committee regrets the lack of specific action in the new Agenda relating to the key role that non-formal and informal learning plays in preparing young people for life. In addition, entrepreneurship in its broader sense (i.e. sense of initiative) is not highlighted in the new Agenda as a life skill that benefits all individuals. In this respect, the Commission should also pay special attention to the specific skills needs of the liberal professions.</p>	<p>Non-formal and informal learning is a main element of the Skills Agenda. It plays a key role not only for young people but also for adults. It is a strong component of the Key Actions on Upskilling Pathways (the Skills Guarantee, as initially proposed by the European Commission), the review of the Recommendation on Key Competences for Lifelong Learning¹⁰, the Skills Profile Tool for Third-Country Nationals and Europass. It is one of the main areas of ongoing work, as the Commission is focussing on helping Member States implement the Council</p>

¹⁰ Recommendation of the European Parliament and of the Council of 18 December 2006 on key competences for lifelong learning, OJ L 394, 30.12.2006.

	Recommendation on the validation of non-formal and informal learning of 2012 ¹¹ .
<p>1.7., 4.16., 4.17. and 4.18. The European Economic and Social Committee cannot accept that there is no new financing envisaged to enforce the new Agenda and firmly believes that making the best use possible of existing funding programmes will not be enough to underpin the Agenda's ambitions. Furthermore, the proposed sources of funding for the Agenda – namely the European Social Fund and Erasmus+ – are already being planned and distributed at national level, thus using them for the purposes of implementing the Agenda is even more uncertain.</p>	<p>The content of teaching and the organisation of education and training systems are the competences of Member States. Therefore, national budget should first and foremost be used.</p> <p>As regards European Union funding, the Skills Agenda was adopted within a set Multiannual Financial Framework which covers seven years: from 2014 to 2020. The Multiannual Financial Framework lays down the maximum annual amounts ('ceilings'), which the European Union may spend in different political fields ('headings') over a period of at least five years.</p> <p>The European Commission also notes that while priorities and plans for drawing on European Structural and Investment Funds up to 2020 have already been agreed, a significant share of the operational programmes and funding available pursue policy objectives which are fully compatible with the Skills Agenda in terms of upskilling and reskilling the workforce, therefore providing the possibility for future projects.</p> <p>Erasmus+ also supports the goals of the Skills Agenda, and its work programme is renewed annually.</p>
<p>1.12., 6.1., and 6.4. The European Economic and Social Committee believes that efforts to further develop the European Qualifications Framework</p>	<p>Member States are responsible for their own national frameworks and for decisions regarding the level attributed to their qualifications.</p>

¹¹ Council Recommendation of 20 December 2012 on the validation of non-formal and informal learning, OJ L 398, 22.12.2012.

<p>should focus on strengthening cooperation between Member States and all stakeholders, the importance of recognising skills and further education qualifications and validating skills acquired through non-formal and informal learning, with special attention to transversal skills. Furthermore – especially with regard to achieving a high level of skills – it is important to enhance non-formal and informal learning in such a way that they can blend into existing formal education and training systems without obstacles and in a way that it is acceptable to all relevant stakeholders.</p>	<p>The European Qualifications Framework is a referencing framework for all types and levels of qualifications, including those gained through non-formal and informal learning, which aids transparency and thus can facilitate improved recognition. It is a framework for lifelong learning, which can also serve the labour market.</p> <p>The European Commission hopes that the adoption of a revised European Qualifications Framework will make a difference by ensuring a closer focus of the referencing process on qualifications themselves, in addition to the focus on national qualifications framework levels. A focus on qualifications can make potential differences in qualification levels more transparent.</p>
<p>1.13., 6.2., 6.3. and 6.4 It is crucial to ensure that the attempt to upgrade the European Qualifications Framework does not become too burdensome and bureaucratic, as well as to achieve greater consistency between European Union qualification instruments – namely the European Qualifications Framework, the European Credit System for Vocational Education and Training and the European Quality Assurance Reference Framework. European Skills/ Competences, Qualifications and Occupations should support the development of the European Qualifications Framework and its use, but it is essential to finalise the referencing processes in order for European Skills/</p>	<p>The European Commission's intention is not to increase the administrative burden. No additional reporting structures should be created for Member States. The European Commission's proposal suggests making use of existing reporting structures in the education and employment fields.</p> <p>The European Commission's proposal on the European Qualifications Framework is compatible with the European Credit System for Vocational Education and Training¹² and European Quality Assurance Reference Framework recommendations¹³, as also made clear in annexes IV (on quality assurance) and V</p>

¹² Recommendation of the European Parliament and of the Council of 18 June 2009 on the establishment of a European Credit System for Vocational Education and Training (ECVET) (Text with EEA relevance), OJ L 155, 8.7.2009.

¹³ Recommendation of the European Parliament and of the Council of 18 June 2009 on the establishment of a European Quality Assurance Reference Framework for Vocational Education and Training (Text with EEA relevance), OJ L 155, 8.7.2009.

<p>Competences, Qualifications and Occupations to be able to contribute.</p>	<p>(on credit systems).</p> <p>European Skills/ Competences, Qualifications and Occupations is already being tested, for example in the context of the European Job Mobility Portal, EURES, and is being further developed. The European Commission considers that its use, on a voluntary basis, by Member States can support the purpose of the European Qualifications Framework to make qualifications more transparent.</p>
<p>1.15. The European Economic and Social Committee has reservations, however, on whether it is ethical to use Erasmus+ Programme funds as the initial financial source. At the same time, the European Commission should reassess the budgetary implications in a more realistic manner, especially in relation to the financial implications for the Member States and budgetary implications resulting from the dissemination of the new Europass Framework to the public.</p> <p>7.2. However, the European Economic and Social Committee has reservations on whether it is ethical to use Erasmus+ programme funds – an estimated EUR 2 500 000 – as the initial source of funding for developing web services for skills and qualifications. At the same time, the European Economic and Social Committee urges the European Commission to reassess the budgetary implications in a more realistic manner as there will be financial implications for Member States due to the increased scope of information gathered and the resulting need to upgrade their data submission tools and channels.</p>	<p>Effective web services are more necessary than ever to reach people, especially young people, to disseminate information and tools to support their choices and give visibility to skills. The current Europass portal is supported through the Erasmus+ Programme and is visited by up to 55 000 people per day. The European Commission's proposal aims to enhance the tools and information offered by Europass and to reach wider audiences and ensure outreach to all beneficiaries including disadvantaged persons.</p> <p>In addition, Erasmus+ Programme funds are also used to support the activities of national services, such as the National Europass Centres, who are responsible for promoting Europass and ensuring awareness and outreach to the public at national level. In 2015, for example, these national services organised over 2 000 events and meetings with up to 90 000 participants.</p> <p>The European Commission is committed to the effective use of Erasmus+ Programme funds and will manage the use of funds for web development in a transparent way, applying a strict project</p>

	<p>management approach to any development, based on user needs. However, the European Commission is of the view that, considering the existing outreach of Europass, the clear need for modernisation and the potential to reach people through online tools, the use of Erasmus+ funds is necessary and fully in line with the Programme's objectives.</p>
<p>4.5. [...] In this respect, the European Commission should also pay special attention to the specific skills needs of the liberal professions.</p>	<p>The actions proposed in the Skills Agenda to support skills development, visibility, analysis and documentation should cover all types of occupations. The Blueprint for Sectoral Cooperation on Skills is, on the other hand, a sector-specific action. There are currently six pilot sectors and further sectors are being considered for future rounds of implementation. Since the Blueprint is demand-driven, the liberal professions could be considered if interest is expressed by the stakeholders concerned and there is clear European Union added value.</p>
<p>4.6. The European Economic and Social Committee therefore urges the European Commission to adopt a coordinated, coherent and consistent approach to its policy initiatives, particularly where they involve the development of skills. There is a lack of efficient coordination between simultaneous initiatives proposed by separate Directorates-General which are closely intertwined. Better coordination could highly increase the effectiveness and impact of such measures.</p>	<p>The Skills Agenda benefits from the broad and close cooperation of several European Commission services. The European Commission considers that this is well reflected in the activities foreseen in the Agenda.</p>
<p>4.14. The European Economic and Social Committee highlights the fact that national education systems are the first</p>	<p>The competence for the content of teaching and the organisation of education and training systems lies with</p>

<p>level responsible for efficient and well-functioning education and training; the responsibility, therefore, to ensure minimum levels of basic skills lies with the governments of the Member States. Thus it is crucial for the European Commission to re-evaluate whether the new Agenda will allow the authorisation and promotion of required changes at national level and genuinely help the Member States to make better use of existing funds.</p>	<p>Member States. It is not the purpose of the Skills Agenda to provide any 'authorisation' of changes at national level. The close interaction with existing processes and frameworks, such as the European Semester and Education and Training 2020 ensures smooth coordination and supports Member States in the prioritisation and use of existing funding.</p>
<p>5.2. (...) Some of the impact that digitalisation is having on employment is already visible, while various estimations suggest that roughly 50% of today's medium-skilled jobs are at risk of being replaced by digital technology in the next 20 years, and that in the future workers will need comprehensive re-skilling measures in place every five years. Therefore, a continuous approach to re-training and lifelong learning, as well as close dialogue with businesses, social partners and stakeholders become all the more important. The European Economic and Social Committee presses for further solutions to increase the funding, such as public and private investment, required to ensure the swift provision of skills. Instruments used in some Member States, such as collective agreements on paid training leave, should also be examined.</p>	<p>The Council Recommendation on Upskilling Pathways¹⁴ requires that digital skills be accessible, along with literacy and numeracy as part of a targeted basic skills package for adults necessary for the individual to progress with further learning and upskilling.</p> <p>Furthermore, the New Skills Agenda promotes the improvement of digital skills at all levels, including for high-end jobs.</p> <p>Building on the Grand Coalition for Digital Jobs, on 1 December 2016, the Commission launched a "Digital Skills and Jobs Coalition for Europe" initiative, which <i>inter alia</i> supports the creation of national digital skills coalitions among education, employment and industry stakeholders, including actions to bring computing to all schools in Europe and train teachers accordingly.</p> <p>The European Commission welcomes any funding solutions that can be found to meet the cost of digital upskilling and hopes the European Economic and Social Committee members will explore them</p>

¹⁴ Council Recommendation of 19 December 2016 on Upskilling Pathways: New Opportunities for Adults, OJ L 484, 24.12.2016.

	<p>further in their national contexts and engage actively in the European Union initiatives such as the Digital Skills and Jobs Coalition to this end.</p>
<p>5.3. Therefore the European Economic and Social Committee believes that merely helping individuals to acquire a minimum set of skills is not enough and that it is crucial to ensure that the Skills Guarantee becomes a guaranteed pathway that enables people to advance further and reach the highest achievable level of skills. The objective of the Guarantee should be not only to enhance basic skills, but also to allow progression towards higher qualifications and a broader set of skills. Otherwise these individuals – especially women and the elderly – will remain trapped in unemployment or low-skilled occupations, which are continuously diminishing in a digitalising world.</p>	<p>The core of the Skills Guarantee proposal with regard to the acquisition of basics skills and progression to further learning was maintained in the Recommendation on Upskilling Pathways adopted by the Council. In practice, this means that adults with a low level of skills, knowledge and competences, who have left initial education or training without completing upper secondary education or equivalent, would be offered: firstly, a skills audit to assess their skills and identify any gaps; secondly, a tailored offer of education or training to (a) bring their literacy, numeracy and digital skills up to a minimum level and/ or (b) a quality offer of an apprenticeship or continued education (general, vocational or second chance training) which leads to a qualification at European Qualifications Framework 3 or European Qualifications Framework 4; and (c) the validation of the person's skills, and recognition towards a qualification. In this way, low skilled individuals will be empowered with a stronger foundation of skills and have the possibility to engage in learning at higher levels and progress to higher qualifications.</p>
<p>5.4. At the same time, it is important to acknowledge that improving individual skills alone will not give the desired effect of employability unless the closely intertwined supporting social, economic and gender policies are also developed further. This refers especially to policies</p>	<p>To ensure that upskilling leads to employment and personal improvement for individuals, it is recommended that as far as possible, local, regional and national labour market needs are taken into consideration when establishing a tailored offer of learning.</p>

<p>relating to: services enabling a work-life balance, encouraging entrepreneurship, support services to single parents in difficulty, the provision of qualitative, accessible and affordable full-time childcare facilities, as one of the main drivers to encourage both female and male labour market participation and the availability of proper care services for the elderly population, etc.</p>	<p>The European Commission has just adopted its proposal for a "European Pillar of Social Rights", setting out 20 key principles and rights to support fair and well-functioning labour markets and welfare systems.</p> <p>Further support is given to policies on work-life balance, support services such as childcare facilities, etc., in the Council Conclusions on <i>Enhancing Skills of Women and Men</i>, adopted by the Employment, Social Policy, Health and Consumer Affairs Council on 4 March 2017.</p>
<p>5.5. The European Economic and Social Committee highlights the essential role of the social partners and their activities in skills improvement and policy development. The European Economic and Social Committee also believes that the role of relevant Civil Society Organisations should be better promoted, given their wide-ranging experience of dealing with skilling measures for persons currently unable to access the labour market. These groups are usually correlated with lower qualification levels and have weaker links with other skills suppliers such as public employment services, providers of formal education and training, etc. (...)</p>	<p>The underlying idea behind Upskilling Pathways is that its successful implementation can only take place through good coordination and in close cooperation with a wide range of actors, including social partners, and education and training providers, civil society organisations, local community services, etc. Furthermore, the learning offers made should consider, as far as possible, local, regional and national labour market needs and be delivered in close cooperation with relevant stakeholders, in particular social partners and local, regional and national economic actors.</p> <p>As the skills needs, specialisms and opportunities vary across Europe, the Europass Framework will further seek to enhance intelligence on what skills are needed and where, based upon an analysis of 'big data' for real-time and trends information.</p>
<p>7.1. (...) It is crucial to ensure that the new Europass Framework is accessible to persons with disabilities. It is also important to take into account the</p>	<p>The ultimate beneficiary of Europass is the individual who is making education, training, employment and mobility choices. Europass will be developed and</p>

<p>accessibility of information in terms of physical environment, as some disabilities affect the ability to use Information Technology (IT) systems, and, in such cases, special access points and other alternative methods of access should be available.</p>	<p>modernised to ensure its user-friendliness and relevance to all potential users including persons with disabilities.</p>
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<p>N°4 The effectiveness of European Social Fund (ESF) and Fund for European Aid to the Most Deprived (FEAD) funding as part of civil society efforts to tackle poverty and social exclusion under the Europe 2020 strategy (own initiative opinion) EESC 2016/0747 - SOC/537 523rd Plenary Session - February 2017 Rapporteur: Mr Krzysztof Stanislaw BALON (GRIII-PL) DG EMPL – Commissioner THYSSEN</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>Commission position</p>
<p>Given the fact that poverty and social exclusion are feeding populist trends in many Member States, the European Economic and Social Committee welcomes the conclusions of the European Council of 16 June 2016 on Combating Poverty and Social Exclusion: An integrated approach¹⁵, and advocates the creation in the next financial perspective of an integrated European fund to combat poverty and social exclusion, based on experience to date of the implementation of the Fund for European Aid to the Most Deprived and the European Social Fund.</p> <p>5.1. The European Economic and Social Committee advocates the creation in the next financial perspective of an integrated European fund to combat poverty and social exclusion, based on experience to date with the implementation of the Fund for European Aid to the Most Deprived and the European Social Fund. This instrument should take account of the diverse nature of the problems and target groups in the individual Member State, including aspects relating to the various forms of migration.</p>	<p>The European Commission intends to present a comprehensive proposal for a new Multiannual Financial Framework covering the post-2020 period. The objective is a revised budget that reinforces support for the European Union's priorities and is able to respond rapidly to unforeseen circumstances, with simplified rules for beneficiaries and strengthened focus on results. After that, the European Commission could also envisage proposals for possible new funding instruments.</p>

¹⁵ <http://data.consilium.europa.eu/doc/document/ST-10434-2016-INIT/en/pdf>.

<p>Bearing in mind the diverse nature of the problems and target groups in the individual Member States, including the different forms of migration, the intervention of such a fund should make full use of the experience and capacity of civil society organisations by granting them a leading role in programming, implementation, monitoring and evaluation. The Fund should also contribute to building the capacity of networks of civil society organisations, with a particular focus on organisations providing support.</p> <p>5.9. The Fund for European Aid to the Most Deprived advocates strengthening the technical and organisational capacity of European networks of organisations working to combat poverty and social exclusion.</p>	<p>The current legislative framework, including the European Code of Conduct on Partnership, provides for the multi-stakeholder and multi-level governance of the European Structural and Investment Funds, including capacity building of all relevant stakeholders.</p>
<p>1.3. and 5.2. The European Economic and Social Committee believes that the European Commission's monitoring of the use of the European Social Fund in the fight against poverty and social exclusion and the use of the Fund for European Aid to the Most Deprived for integration measures in Member States in the current financial perspective should be more effective. Monitoring should closely involve civil society organisations and people experiencing poverty and social exclusion.</p>	<p>The European Commission uses a wide range of tools to monitor European Social Fund and Fund for European Aid to the Most Deprived programmes, including regular meetings and exchanges with the relevant stakeholders both at national and at European Union level. The monitoring system allows keeping track of progress on the ground for each programme, identifying challenges, and aggregating monitoring data at European Union level.</p>
<p>1.3. and 5.3. The European Economic and Social Committee considers cooperation between the national bodies managing the funds and the partner organisations to be of key importance¹⁶.</p>	<p>The European Commission paid particular attention to the respect of the partnership principle by the national authorities during the negotiations for the establishment of the Partnership</p>

¹⁶ According to the FEAD Regulation (Regulation (EU) No 223/2014 of the European Parliament and of the Council), "partner organisations" means public bodies and/or non-profit organisations that deliver food and/or

<p>These organisations make a significant technical and organisational contribution, representing genuine added value in the implementation of the Fund for European Aid to the Most Deprived and the European Social Fund. In this connection, the European Economic and Social Committee suggests that the European Commission considers a significant clarification of the minimum requirements with which the authorities of the Member States will have to comply when implementing partnerships, and the provision of sanctions in the event of inadequate implementation.</p>	<p>Agreements and Operational programmes. This focus now continues through monitoring respect of the partnership principle at the level of the monitoring committees of the operational programmes.</p>
<p>1.3. and 5.4. The European Economic and Social Committee calls on the European Commission to consider requiring Member States to make use of technical assistance in the framework of the Fund for European Aid to the Most Deprived and the European Social Fund, also with a view to developing the capacity of the civil society organisations involved in the fight against poverty and social exclusion. In addition, the European Economic and Social Committee advocates strengthening the technical and organisational capacity of European networks of organisations working to combat poverty and social exclusion.</p>	<p>Member States already have the possibility to use technical assistance for capacity building measures of civil society organisations. The European Commission will take the European Economic and Social Committee's opinion into account when reflecting on the post-2020 programming period framework.</p>
<p>1.3. and 5.7. The European Economic and Social Committee calls on the Member States to make greater use of global grants, re-granting and treatment - where possible - of in-kind contributions on the same footing as financial contributions. The possibility should also be considered of the European Commission requiring that a</p>	<p>The operational programmes aim to achieve specific objectives, which in turn determine the type of operations necessary. It is not possible to earmark a specific part of the resources of a programme for low-value operations, if this does not correspond to the intervention logic of the programme.</p>

basic material assistance and whose operations have been selected by the managing authority. The ESF Regulation (Regulation (EU) No 1304/2013 of the European Parliament and of the Council) speaks of the social partners, NGOs and other organisations.

<p>major part of resources made available under the operational programmes be earmarked for projects with smaller budgets. This would make it possible to support locally active organisations and self-help groups.</p>	
<p>5.5. The European Economic and Social Committee considers professional cooperation between the national bodies managing the funds and the partner organisations - including civil society organisations, regions, districts and municipalities - based on clear principles and transparent agreements to be of key importance. These organisations make a technical and organisational contribution, representing genuine added value in the implementation of the Fund for European Aid to the Most Deprived and the European Social Fund. Managing authorities should consult partner organisations more effectively in order to perfect operational programmes, and also encourage and support cooperation, consultation and exchange of experience¹⁷.</p> <p>5.6. As the partnership agreements and operational programmes are the result of negotiations between the European Commission and the national authorities, the European Commission could in future be more demanding when approving those agreements and programmes and require them to be corrected, if they do not fully respect the partnership principle¹⁸.</p>	<p>See reply to points 1.4. and 5.3.</p>

¹⁷ Cf. conclusions of the European Council of 16 June 2016 on Combating Poverty and Social Exclusion: An integrated approach, point 15.

¹⁸ Harnessing cohesion policy to tackle social exclusion, EPRS, in-depth analysis, May 2016.

<p>N°5 Proposal for a Council Directive on Double Taxation Dispute Resolution Mechanisms in the European Union COM(2016) 686 final - EESC 2016/6092 - ECO/420 523rd Plenary Session – February 2017 Rapporteur: Mr Krister ANDERSSON (GRI-SE) DG TAXUD – Commissioner MOSCOVICI</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>Commission position</p>
<p>The European Economic and Social Committee welcomes the Commission proposal for a Council Directive to improve double taxation dispute resolution mechanisms in the European Union. The European Economic and Social Committee underlines that there is an urgent need for mechanisms ensuring that cases of double taxation are resolved more quickly and more conclusively when they arise between Member States.</p>	<p>The European Commission welcomes the overall positive tone of the opinion and the strong support for having a more effective and robust double taxation dispute resolution mechanism introduced into the European Union.</p> <p>The European Commission fully agrees with the European Economic and Social Committee that full consideration has to be given to the introduction of broader, more time-efficient and conclusive mechanisms in the very short term.</p>
<p>The European Economic and Social Committee recognises that eliminating double taxation is not by itself sufficient to create a level playing field in the area of taxation. It believes that the European Union needs a common positive, forward-looking framework for corporate taxation.</p>	<p>The European Commission concurs with the Committee that only a harmonised and transparent framework for corporate taxation will create the expected tax certainty and a competitive tax environment for business and corporations in the European Union.</p>
<p>The European Economic and Social Committee agrees with the Commission that double taxation is one of the biggest tax obstacles to the Single Market.</p>	<p>The European Commission fully shares the view that double taxation creates economic distortion and can be significantly deterrent for investment and job creation in the Single Market.</p>
<p>The European Economic and Social</p>	<p>The European Commission agrees that</p>

<p>Committee is pleased that the proposed directive adds targeted enforcement blocks to address the main shortcomings identified in the Union Arbitration Convention.</p>	<p>targeted measures are needed to improve existing instruments such as the European Arbitration Convention for transfer pricing. The proposed measures should result in strengthened rights and obligations for taxpayers and include in particular:</p> <ul style="list-style-type: none"> - a broader scope (not just covering transfer pricing); - an obligation of result to achieve an effective neutralisation of double taxation; - recourse for taxpayers to national courts in cases of prolonged procedures resulting from non-action of Member States, - increased transparency; and - flexibility on the side of Member States regarding the use of available alternative dispute resolution approaches. The provision of clear, identifiable performance indicators which can be monitored will contribute to the effectiveness and efficiency of the administration.
<p>The European Economic and Social Committee also welcomes the flexibility provided to Member States to agree bilaterally on a case-by-case basis to alternative dispute resolution mechanisms.</p>	<p>The European Commission fully shares the view that Member States shall be given considerable flexibility so as to achieve more effectiveness on a case-by-case basis or, more generally to take into account specifics of bilateral relations. It is up to Member States to decide bilaterally on alternative composition and form of the Advisory Commission or on the technique of dispute resolution, if needed and given specific circumstances of the case but under the condition that the key requirements as regards the maximum</p>

	time period for taking the final decision to remove double taxation, as well as taxpayer's rights, are preserved.
<p>The European Economic and Social Committee would like to stress the urgency of implementing this proposal and supports the European Commission initiative to extend the monitoring of countries' performance in all cases of double taxation disputes in cross-border situations on a yearly basis.</p>	<p>The European Commission fully concurs with the European Economic and Social Committee in that the proposal should be swiftly adopted. The Economic and Financial Affairs Council reached a general approach on 23 May 2017 and the proposal will be formally adopted after the European Parliament delivers its opinion.</p>

<p>N°6 Specific measures for Member States affected by natural disasters COM(2016) 778 final – EESC 2017/0042 - ECO/426 523rd Plenary Session – February 2017 Rapporteur: Mr Pietro Vittorio BARBIERI (GR11-IT) DG REGIO – Commissioner CREȚU</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>Commission position</p>
<p>1.2. The European Economic and Social Committee welcomes the European Commission's proposal to institute support under the European Regional Development Fund for Member States and regions affected by major natural disasters, complementing the resources available under the European Union Solidarity Fund.</p>	<p><i>Reply to § 1.2, 1.3, 1.4, 1.5, 2.5 and 2.6</i></p> <p>The European Commission welcomes the position of the European Economic and Social Committee supporting the proposed legislative change. The European Commission also shares the reasoning provided by the European Economic and Social Committee with special regard to considerations about European solidarity, and quick, effective and visible action.</p>
<p>1.3. The European Economic and Social Committee supports the introduction of a separate priority axis for reconstruction operations supported by the European Regional Development Fund within an operational programme, without the need for national co-financing, in accordance with Regulation (EC) No 2012/2002¹⁹ establishing the European Union Solidarity Fund.</p>	
<p>1.4. The European Economic and Social Committee supports extending the eligibility period of expenditure so that it runs from the date of the natural disaster, even if this date precedes the entry into force of the present amendment to the regulation.</p>	

¹⁹ Council Regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund, OJ L 311, 14.11.2002.

<p>1.5. The European Economic and Social Committee supports the proposal to allow a Member State which has already included operations it has carried out in a payment application to the European Commission, to make the necessary adjustments for the next payment application.</p>	
<p>2.5. The European Economic and Social Committee supports the addition of Article 120(8) to Regulation (EU) No 1303/2013 (Common Provisions Regulation)²⁰ creating a separate priority axis with a European Regional Development Fund co-financing rate of up to 100%, provided that the operations:</p> <ul style="list-style-type: none"> - are selected by managing authorities in response to major natural disasters; - focus on reconstruction in the wake of a natural disaster; - are supported under a European Regional Development Fund investment priority. 	
<p>2.6. The European Economic and Social Committee supports the derogation to Article 65(9) of Regulation (EU) No 1303/2013, whereby expenditure for operations under this priority axis will be eligible from the date of the natural disaster.</p>	
<p>1.6. In line with the position taken in previous opinions, the European Economic and Social Committee supports the above-mentioned Commission initiatives</p>	<p><i>Reply to § 1.6, 1.7 and 1.8</i></p> <p>The European Commission takes note of the European Economic and Social</p>

²⁰ Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006, OJ L 347, 20.12.2013.

<p>intended to streamline and speed up the aid procedure, in order to respond to natural disasters in a more timely, effective and visible fashion.</p>	<p>Committee's position and would like to point out however that the European Union Solidarity Fund Regulation was modified in June 2014, and Member States were not in favour of widening the scope (i.e. acts of terrorism).</p>
<p>1.7 The European Economic and Social Committee believes that the fund needs to be revised once again in order to further clarify its scope, which does not exclude disasters brought about by climate change and acts of terrorism, and to review the access thresholds, which the European Economic and Social Committee considers to be overly high.</p>	<p>The purpose of the European Union Solidarity Fund is to respond to major natural disasters and support Member States which cannot face these disasters with their own means alone. Smaller, regional disasters shall be eligible only when they reach a higher threshold than the one set for national disasters. Against this background and in order to safeguard the “budget neutrality”, the legislator agreed on the 1.5% threshold for regional disasters (Gross Domestic Product at NUTS²¹ level) and 1% for outermost regions. This threshold ensures maintaining the current level of mobilisations of the Fund. Lowering the threshold would lead to an increased number of applications which cannot be met with the available (reduced) resource under the Solidarity Fund.</p>
<p>1.8 The European Economic and Social Committee considers that the fund is an important demonstration of European solidarity and that Europeans should be made more familiar with it.</p>	<p>The reform of the European Union Solidarity Fund in 2014 ensured a quicker response to applications, such as a) providing clearer rules on eligibility, introducing one single criterion for regional disasters (see above); this will allow applicants to know beforehand if they are eligible and it will allow for a much faster assessment of applications by the European Commission; b) the introduction of advance payments upon request: not exceeding 10% of</p>
<p>2.3. The European Economic and Social Committee has already pointed out that timely delivery of aid is key to ensuring that the aid will be effective and properly visible. More specifically, the European Economic and Social Committee has already addressed the red tape involved in European Union Solidarity Fund procedures, along with the overly lengthy timeframe for delivering aid.</p>	

²¹ Nomenclature of Territorial Units for Statistics.

	<p>anticipated contribution and capped at EUR 30 million allowing for a quicker reaction and presence in the affected countries; c) shorter administrative procedures by merging grant decision and implementation agreement into a single act.</p> <p>The European Commission believes that the European Union Solidarity Fund is a very efficient re-financing instrument for emergency and recovery operations following a disaster. It was however not designed as an emergency instrument.</p> <p>As the European Union Solidarity Fund is financed outside the European Union budget, the European Parliament and Council as budgetary authorities have to agree on the mobilisation of the Fund. This procedure can also take up to eight weeks.</p> <p>As European Union Solidarity Fund aid can be used retroactively, to refinance emergency measures from the start of the disaster, no money is lost. In addition, beneficiary States have 18 months to implement the Fund.</p>
<p>2.4.1. The European Economic and Social Committee is also concerned about the rise in the number of disasters, both natural and otherwise, and stresses the need to step up prevention policies.</p>	<p>The European Commission places great importance on minimising disaster risks and investing in prevention. The European Union Solidarity Fund cannot be used for preventive measures, however, during the 2014-2020 programming period, risk prevention is one of the key priorities of Cohesion Policy. The European Regional Development Fund and the European Union Solidarity Fund complement each other.</p> <p>The reform of the European Union</p>

	<p>Solidarity Fund Regulation now contains several references where the beneficiary state is asked to report on preventive measures, disaster risk prevention, and any other relevant information on prevention and mitigation measures taken related to the nature of the natural disaster (Article 8.2.3).</p>
<p>3.2. The European Economic and Social Committee considers that the Regulation should take account of and be considered in the context of the Stability Pact derogations provided for Member States affected by natural or other disasters.</p>	<p>The European Commission believes that neither the provisions of the Common Provisions Regulation nor the rules governing the European Union Solidarity Fund are well placed to establish derogations from the provisions of the Stability and Growth Pact. The European Commission has taken account of the expenditure linked to prevention and mitigation of the effects of natural disasters in the negotiation of the deficit targets and Medium-Term budgetary Objectives the Member States hit. In particular, this kind of expenditure has been considered a ‘one-off’ and it is therefore not included within the structural spending of the Member State for the purposes of compliance with the Stability and Growth Pact. As regards the national co-financing of the European Structural and Investment Funds it can, under certain circumstances, benefit from a temporary derogation in compliance with the Medium-Term Objective or the adjustment path towards it.</p>
<p>3.3. The Regulation stipulates major natural disasters and does not stand in for the Member States in the event of disasters where the resulting damage is assessed below a figure which the European</p>	<p><i>Reply to § 3.3, 3.4, 3.5 and 3.6</i></p> <p>The European Union Solidarity Fund was set up to respond to natural disasters and express European</p>

<p>Economic and Social Committee considers to be an excessively high threshold which should be revised.</p>	<p>solidarity within Europe.</p>
<p>3.4. Eligible operations do not include housing, with the exception of temporary emergency housing; the State or insurance companies must intervene here. Historic towns may rely on economic activities based on second-home tourism. The European Economic and Social Committee considers that the dichotomy between housing and economic activities needs to be tackled.</p>	<p>Private damage, such as damage to private property and income losses, are in principle considered insurable and are not covered.</p>
<p>3.5. The Regulation also stipulates that there can be no overlap with other European Union measures intended to overcome regional difficulties due to natural or other disasters. One key prerequisite for accessing the fund is a natural disaster risk prevention plan. The European Economic and Social Committee considers that the European Institutions and Member States place insufficient emphasis on prevention.</p>	
<p>3.6. The Regulation specifies that operations approved for financing must comply with the provisions of the Treaty and the legislative instruments adopted thereafter. It calls for sound financial management and transparent public procurement procedures, as well as environmental protection and climate change adaptation with investment in environmentally sound infrastructure projects. When the Regulation was adopted, no specific directive on accessibility was in force. Since the demand for accessible products and services has risen still further as the European Union's population ages, the</p>	

European Economic and Social Committee considers that key criteria should include accessibility of emergency and reconstruction initiatives.	
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<p>N°7 Establishing the European Fund for Sustainable Development Guarantee and the European Fund for Sustainable Development Guarantee Fund COM(2016) 586 final – EESC 2016/6004 - REX/477 523rd Plenary Session - February 2017 Rapporteur Mr Jan SIMONS (GRI-NL) DG DEVCO – Commissioner MIMICA</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>Commission position</p>
<p>1.1. The European Economic and Social Committee welcomes the establishment of the European External Investment Plan and the proposal for a Regulation on the European Fund for Sustainable Development and establishing the European Fund for Sustainable Development Guarantee and the European Fund for Sustainable Development Guarantee Fund as steps in the right direction towards tackling the causes of irregular migration at its roots. The eradication of poverty is also a goal on which the European Fund for Sustainable Development should focus.</p>	<p>The European Commission welcomes the position of the European Economic and Social Committee. The European External Investment Plan will support the implementation of the 2030 Agenda and achievement of the Sustainable Development Goals.</p>
<p>1.2. The European Economic and Social Committee calls for a particular focus on resolving the situation in the countries that are the main source of migration where economic, social and security conditions have led to economic devastation and spiralling poverty while blocking any efforts towards sustainable development.</p>	<p>The European Commission welcomes the views of the European Economic and Social Committee. Once adopted, all efforts will be made to use the guarantee to boost investment, economic activity and job creation in difficult contexts. This will be one of the objectives that the European Commission aims to achieve through the European Fund for Sustainable Development.</p>
<p>1.3. The European Economic and Social Committee refers to its previous opinions where it has stressed the need to involve the private sector in development on condition that such development is in line with the</p>	<p>The European Commission welcomes the European Economic and Social Committee's views. Processes for the implementation of the European External Investment Plan will be set up to ensure</p>

<p>sustainable development goals and that the private sector respects basic economic, environmental and social rights, the core International Labour Organisation conventions and the Decent Work Agenda. This should apply also to the investment projects financed by the European Fund for Sustainable Development.</p>	<p>compliance with these standards.</p>
<p>1.5. The European Economic and Social Committee calls on the European Commission to study and analyse the experience of the implementation of the Investment Plan for Europe and the European Fund for Strategic Investment to avoid any shortcomings and obstacles taking into consideration that the situations in the partner countries covered by the European Fund for Sustainable Development are much more complicated than those in the Member States.</p>	<p>The European Commission welcomes the European Economic and Social Committee's suggestion. This is being done through the sustained involvement of all relevant Directorates-General of the Commission, including the Directorate-General for Economic and Financial Affairs and the Directorate-General for Budget, in the design and set up of the European External Investment Plan, as well as through close collaboration with the European Investment Bank.</p>
<p>1.6. The European Economic and Social Committee welcomes the coordination of the cooperation and governance through the strategic board of the European Fund for Sustainable Development where all the relevant institutions and bodies should be represented. Given the irreplaceable role of civil society in development cooperation, the European Economic and Social Committee asks to be given the status of observer on the strategic board and recommends involving the representative civil society organisations in partner countries in the decision making process, including the preparation of concrete projects.</p>	<p>The European Commission takes note of the requests of the European Economic and Social Committee.</p>
<p>1.7. The European Economic and Social Committee recommends that the one-stop shop to be established for the investors should not be limited to investment issues but should provide guidance and all necessary</p>	<p>The European Commission aims at enhancing transparency and efficiency through the set-up of a "one stop shop", which targets not only potential investors but also any other interested stakeholder.</p>

information and contacts for those who would like to engage in development activities.	
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<p>N°8 Recommendation for a Council Recommendation on the economic policy of the euro area COM(2016) 726 final – EESC 2016/5954 – ECO/423 523rd Plenary Session - February 2017 Rapporteur: Mr Javier DOZ ORRIT (GR11-ES) Corapporteur: Mr Petr ZAHRADNÍK DG ECFIN - Commissioner MOSCIVICI</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>Commission position</p>
<p>1.3. The European Economic and Social Committee would like to encourage the Commission to take full advantage of its recently increased powers in interpreting fiscal rules flexibly in order to allow for significant increases in public investment which, under specified conditions, should not be taken into account when calculating the deficit targets of the Stability and Growth Pact.</p>	<p>The European Commission in the Communication on "Making the best use of the flexibility within the existing rules of the Stability and Growth Pact"²² and the Council in the "Commonly agreed position on Flexibility within the Stability and Growth Pact" provide additional guidance on the best possible use of the flexibility within the existing rules of the Stability and Growth Pact, without modifying or replacing these rules. Thus, the mandate of the Commission did not evolve. In the recent spring package, euro area Member States that have fiscal scope are recommended to use it - within the existing rules of the Stability and Growth Pact - to support domestic demand, notably investment in infrastructure, research and innovation.</p>
<p>1.4. The European Economic and Social Committee welcomes the emphasis on increasing investment and building on the existing Investment Plan. This must be adequately funded so as to lead to a significant increase in European Investment</p>	<p>The European Commission underlines that projects supported by the European Fund for Strategic Investments are selected on their own merit, irrespective of any specific geographical focus.</p>

²² COM(2015) 12 final.

<p>Bank lending compared to recent years. Governance structures should ensure that funds are adequately directed towards countries in which investment has fallen particularly severely. These measures must be combined with adequate structural reforms that promote growth, employment and social cohesion.</p>	<p>Although all 28 Member States have now been covered by the European Fund for Strategic Investments, the European Commission agrees that more needs to be done to attract projects in countries and regions less covered so far. This is an integral part of the European Commission's proposal to extend the duration of the European Fund for Strategic Investments. The legislative proposal is currently being discussed by the co-legislators.</p> <p>In addition, the third pillar of the Investment Plan for Europe aims at removing barriers to investment through complementary European Union and national actions. Its ultimate objective is to promote the development of framework conditions conducive to investment, provide greater regulatory predictability and further reinforce the Single Market.</p>
<p>1.10. The European Economic and Social Committee stresses that strengthening and promoting social and civil society dialogues both at the national and the euro area level is of paramount importance for agreeing and successfully implementing the policies that are necessary for recovery and long-term economic sustainability.</p>	<p>The European Commission believes that effective democratic legitimacy and accountability are crucial for strengthening ownership of the European Semester process and agrees with the importance of social and civil society dialogues. In this context, the dialogue with European Union and national stakeholders has been significantly strengthened, both at technical and political level. In particular, the role of social partners in the design and implementation of relevant policies and reforms has been enhanced as part of the European Semester and in line with the commitments on a 'New start for social dialogue' signed on 27 June 2016 and the Employment Guidelines.</p>

	<p>An active involvement of social partners is also at the core of the European Pillar of Social Rights, the initiative launched on 26 April 2017 by the European Commission to give new momentum to the process of convergence towards better working and living conditions.</p>
<p>1.12. The European Economic and Social Committee supports the creation of a European Deposit Insurance Scheme and calls for the creation of a common backstop for the Single Resolution Fund of the banking union to be speeded up. Decisive steps should be taken to solve the problem of non-performing loans, while at the same time protecting consumers' rights and respecting the relevant principles of the European Pillar of Social Rights.</p>	<p>The European Commission welcomes the European Economic and Social Committee support for the proposals complementing the Banking Union. The European Commission shares the view of the European Economic and Social Committee that steps should be taken, by various institutions and stakeholders, to address the issue of non-performing loans.</p>
<p>1.13. The European Economic and Social Committee supports the initiatives to complete the Economic and Monetary Union, including more fiscal flexibility and a fiscal capacity for the euro area, notably by promoting the establishment of a Euro Treasury, which should ultimately issue common bonds, under strong democratic and political control.</p>	<p>On flexibility, the European Commission recalls that the Stability and Growth Pact aims at ensuring sustainability of public finances, while leaving room for short-term macroeconomic stabilisation. The European Commission is already using the flexibility within the existing rules of the Stability and Growth Pact. In particular, in spring 2017, the European Commission has committed to use its margin of appreciation in cases where the impact of large fiscal adjustment on growth and employment is particularly significant²³.</p> <p>The European Commission also believes that the credibility of the euro area and of the Pact relies on clarity, transparency and predictable implementation of the rules. In this</p>

²³ https://ec.europa.eu/info/files/2017-european-semester-communication-country-specific-recommendations_en

respect, efforts have been undertaken to reduce the complexity of the Pact and improve its predictability, as stated in the European Commission Communication on "Steps towards Completing Economic and Monetary Union" of 21 October 2015²⁴. Notably, the European Commission and the Member States have recently agreed upon a common interpretation of the rules which places greater emphasis on an expenditure rule for setting and assessing fiscal policies under the Stability and Growth Pact. The evolution of the rules and surveillance practices are timely reflected in the "Vade mecum on the Stability and Growth Pact"²⁵, updated annually.

The Reflection Paper on deepening the Economic and Monetary Union²⁶ takes forward the ongoing discussions on the establishment of a macroeconomic stabilisation function. The central stabilisation function would support national fiscal policies in stabilising local shocks. The guiding principles for such a function, as specified in the Five Presidents' Report²⁷, remain valid. The function should not lead to permanent transfers, minimise moral hazard, and be strictly conditional on clear criteria and continuous sound policies. It should be developed within the European Union framework, and should not duplicate the role of the European Stability Mechanism. Three concrete options are discussed in the paper: a European Investment

²⁴ COM(2015) 600 final.

²⁵ https://ec.europa.eu/info/sites/info/files/ip052_en_0.pdf.

²⁶ https://ec.europa.eu/commission/sites/beta-political/files/reflection-paper-emu_en.pdf

²⁷ https://ec.europa.eu/commission/sites/beta-political/files/5-presidents-report_en.pdf.

	<p>Protection Scheme, a European Unemployment Reinsurance Scheme and a rainy day fund. A central stabilisation function and better incentives in the European Union budget would lead to strengthened economic and social convergence. Stronger economic, fiscal and financial integration over time would also open the door to review the set of European Union fiscal rules.</p>
<p>1.14. The European Economic and Social Committee calls for the further improvement of the European Semester with a reinforced coordination role of the European Commission in it and a clear commitment of the Member States to implement the policies they agree on at Council level, thus avoiding uncertainty and creating a conducive investment environment.</p>	<p>The European Commission would like to clarify its role in the European Semester. Every autumn, the European Commission sets out the policy priorities at European Union level in its Annual Growth Survey, and provides a recommendation for a Council recommendation addressed to the euro area. The attention then shifts to the national dimension, with the European Commission publishing the analysis of main country-specific challenges and measures undertaken to address them in the country reports, reflecting also the structured dialogues between the European Commission and Member States, both at the political and technical level. On this basis and taking into account the national reform and stability/convergence programmes, the European Commission proposes a number of Country-Specific Recommendations.</p> <p>During the recent surveillance cycles, the European Semester has been streamlined to ensure a better follow-up on the side of the European Commission throughout the year and foster improved implementation by Member States of the agreed policies.</p>

	<p>The objective is to increase ownership and to speed up the implementation of the national reform agendas in line with the European Union policy priorities.</p> <p>First, the European Commission has focused on the key priorities, resulting in fewer but more targeted policy recommendations.</p> <p>Second, the European Commission has engaged in a closer dialogue with the Member States and the relevant stakeholders. In this respect:</p> <ul style="list-style-type: none"> - the European Commission's publication of the Country Reports on 22 February 2017²⁸ allows ample time for discussion in the Council; - in this European Semester cycle, all Member States had the opportunity to comment on the analytical part of their respective Country Reports prior to their finalisation. Throughout the year, the European Commission remains in a continuous dialogue with the Member States' authorities and the stakeholders, also to closely monitor policy implementation; - by allowing more time for the dialogue, the revamped European Semester allows for greater involvement of the European Parliament and national legislatures, as well as social partners and stakeholders at all levels. <p>The European Commission has also taken a number of steps to enhance the involvement of social partners in the</p>
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²⁸ https://ec.europa.eu/info/publications/2017-european-semester-country-reports_en.

	<p>European Semester:</p> <ul style="list-style-type: none">- the Semester visits to the Member States under the leadership of Vice-President Dombrovskis have allowed for exchanges with the national social partners as well;- the European Commission has continuously called on Member States to consult closely with national social partners when preparing their national reform programmes and stability programmes or convergence programmes;- the need for this stronger involvement has also been recognised in a statement that was jointly signed in June 2016 by the European social partners, the European Commission and by the Council presidency, representing the Member States;- in October 2016, the European Employment committee carried out a review of the involvement of social partners in all Member States. <p>Third, the European Commission has worked on ways and instruments to enhance benchmarking and cross-examination, which could in turn help to diffuse best practices. Together with the Annual Growth Survey, the European Commission published thematic fiches providing cross-country comparison complementary to the country analysis in Country Reports and Country-Specific Recommendations.</p> <p>Fourth, to ensure better implementation of reforms, the European Commission further supports the reform process in Member States, (i) through the focus of</p>
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	<p>European Union funds on the key priorities highlighted in the Country-Specific Recommendations and (ii) technical assistance available for the implementation of the reforms from the European Commission's Structural Reform Support Service and under the forthcoming, new European Union initiative - Structural Reform Support Programme.</p> <p>Moreover, in its Reflection Paper on Deepening the Economic and Monetary Union, published on 31 May 2017, the European Commission calls for further reinforcement of the European Semester. Measures to be taken before 2019 encompass: (i) fostering further the cooperation and dialogues with Member States, involving national parliaments, social partners, National Productivity Boards and other stakeholders to ensure stronger domestic ownership and encourage better reform implementation, (ii) increasing further the focus on the aggregate euro area dimension, with a stronger role of the euro area recommendations, and (iii) making closer the link between the yearly process of the European Semester and a more multi-annual approach to reforms of national governments.</p>
<p>3.1. The European Economic and Social Committee takes a positive view of the European Commission's call for an overall positive fiscal stance in the euro area. However, the European Economic and Social Committee is also concerned that limiting fiscal expansion to the two or three Member States that currently have fiscal</p>	<p>The rules of the Stability and Growth Pact are essentially designed to prevent excessive levels of deficit and government debt. They foresee more stringent and binding mechanisms for the Member States which are away from their medium-term budgetary objective, also as a way to help them</p>

<p>space according to the European Union fiscal rules is unlikely to deliver the overall fiscal stance that is proposed.</p>	<p>regain room for macroeconomic stabilisation. However, for those Member States which have achieved their fiscal goals and/or have more fiscal space to act, the tools of the European Semester can only recommend, not enforce, more expansionary fiscal policies. The European Commission considers that expansionary fiscal policies by Member States with fiscal space would allow reaching an appropriate fiscal stance.</p>
<p>3.5. The European Economic and Social Committee proposes that the Golden Rule is adopted in the implementation of the Stability and Growth Pact, whereby public investment that will contribute to improving growth potential and economic competitiveness should not be taken into account in the deficit targets of the Stability and Growth Pact.</p>	<p>The European Commission is not favourable to the adoption of such a rule. First, according to the Treaty, budgetary discipline is assessed against reference values that do not differentiate between different kinds of expenditure. This reflects the fact that all deficit-financed expenditure must be repaid in the future. Thus, a so-called golden rule – which is generally understood as a permanent exclusion of investment expenditure from the deficit and debt figures – is not compatible with the Stability and Growth Pact. Moreover, a “golden rule” would prioritise investment over other important kinds of expenditure (e.g. education, health), incentivise creative accounting practices and generate calls for exempting other expenditure.</p>
<p>3.10. The European Economic and Social Committee believes that priority in structural reforms should go to those reforms that enhance productivity growth but also strengthen job security and the social protection system within the framework of appropriate business</p>	<p>The European Commission agrees that striking a balance between flexibility and security in labour markets is key. The Annual Growth Survey 2017²⁹ underlines that well-functioning, flexible, labour markets must be matched with enhanced skills and</p>

²⁹ COM(2016) 725 final.

<p>conditions. No euro area country can compete in the modern world on the basis of low wages and casualised employment. The emphasis should be on reforms that combine negotiated flexibility with security so as to enhance, and create incentives for enhancing, skills and innovation. Labour market reforms should promote greater stability in employment, which will help improve both the supply and the demand side of the euro area economy, even in the short term.</p>	<p>income support during work transitions, and welfare systems firmly anchored in strong social standards. Those Member States that pursued comprehensive labour market and social protection reforms, prior to the crisis, have been better positioned to support employment and preserve social fairness during the economic downturn. As attested by the multiannual assessment of reform implementation in the context of the European Semester, many Member States have implemented important labour market reforms aiming at improving flexibility while ensuring security and reducing labour market segmentation. Such reforms encompass flexible and reliable contractual arrangements that promote labour market transitions and avoid a two-tier labour market, comprehensive lifelong learning strategies, effective active labour market policies and modern social protection systems. Other Member States have introduced reforms in this direction during the crisis, contributing to the increased job intensity of the current recovery.</p> <p>In addition, the European Pillar of Social Rights defines a number of rights for citizens and workers, which can in turn contribute to the development of well-functioning and more resilient labour markets.</p>
<p>3.11. The European Economic and Social Committee stresses once more³⁰ that the current malaise of the euro area has been due to weak demand, itself the outcome of fiscal policies and asymmetric current</p>	<p>Published in November 2016, the European Commission's Annual Growth Survey outlines the most pressing economic and social priorities on which the European Union and its</p>

³⁰ OJ C 177, 18.5.2016, p. 41.

<p>account balance adjustment (based mostly on labour costs) pursued in previous years during the greatest post-war recession and not due to Member States' insufficient reform efforts. The European Economic and Social Committee underlines again that structural reforms aiming at the supply side of the economies will not go far in stimulating investment and growth unless an expansionary fiscal stance in the euro area is adopted and sustained until recovery is well underway.</p>	<p>Member States need to focus their attention: boosting investment, pursuing structural reforms and ensuring responsible fiscal policies. In so doing, the focus should be put on social fairness in order to deliver more inclusive growth.</p> <p>In this context, the European Commission's opinion is that weak growth in the euro area is partly a result of the deleveraging in response to excessive private and public debt which was accumulated before the crisis. The European Commission is also of the opinion that demand has been subdued in countries with current account surpluses and fiscal space and has recommended a more supportive contribution of fiscal policy to growth for these countries in its recommendations to the euro area and the Communication on the fiscal stance in Autumn 2016³¹. Although a more positive fiscal stance in countries with more sustainable fiscal positions will be supportive of the recovery and help adjustment in high-debt countries, this will need to be complemented by structural reforms in countries with important bottlenecks to investment and productivity growth.</p>
<p>3.12. The European Economic and Social Committee regrets that during the crisis, social and civil society dialogues have been compromised if not completely side-lined in the Member States, particularly those where financial support had to be provided, and which underwent large-scale social and labour market reforms. Some headline indicators reflecting the European Pillar of</p>	<p>The European Commission believes that effective social dialogue is crucial for a well-functioning social market economy. During the crisis, and concretely with the countries under adjustment programmes, the European Commission was open to dialogue and met at several occasions the national</p>

³¹ COM(2016) 727 final.

Social Rights in a balance between social partners should be recommended for inclusion in the European Semester paradigm. The European Economic and Social Committee notes that, at present, procedures for social dialogue are not guaranteed in the European Union and in many Member States, preventing the social partners from taking part effectively in the European Semester process.

social partners.

The engagement of social partners at European Union and national level is crucial for striking the right balance when designing and implementing economic and social policies. The need to give social partners a greater role in policy making and reforms was also underlined in the Statement of the Presidency of the Council of the European Union, the European Commission and the European Social Partners on 'A new start for social dialogue', signed on 27 June 2016.

In particular, concrete steps have been taken to reinforce the involvement of social partners in the European Semester. Employment guidelines adopted by the Council underline that in line with national practices, and in order to improve the functioning and effectiveness of social dialogue at national level, Member States should closely involve national parliaments and social partners in the design and implementation of relevant reforms and policies. At the country level, the European Commission holds regular consultations with social partners and has invited Member States to pay greater attention to the contribution of national social partners, in particular to strengthen ownership of reform efforts, including by their stronger involvement in the elaboration of National Reform Programmes and their consultation on key milestones of the Semester. In the context of the Semester visits, the Vice-President and European Commissioners have regular meetings with national social partners. The Employment Committee organised on 24 October

2016, for the first time, a thematic review on the involvement of social partners in the European Semester in the presence of both national public authorities and national social partners.

The European Commission has always aimed to engage in a constructive dialogue with the social partners both at European Union and individual country level. In the countries benefitting from financial assistance, the European Commission has discussed the economic developments and labour market reforms. In particular, in the case of Greece, steps have been taken to encourage the process of establishing a framework for a more constructive social partnership as a medium-term goal with the view to improve the process of social dialogue:

As far as the European Pillar of Social Rights is concerned, during the consultation process, stakeholders largely favoured the reinforced use of non-binding policy instruments to support national reform efforts, through coordination of national policies, mutual learning and exchanges of best practices to increase convergence. Rather than creating new, parallel processes, a widely shared view was that the Pillar should build on and strengthen existing processes and instruments such as the European Semester.

The Semester will be a key tool to monitor the implementation of the Pillar Principles, including through the analysis in Country Reports and a 'social scoreboard', which will track trends and performances across European Union countries.

<p>4.3. Fiscal fraud and tax evasion are leading to a significant decline in public revenue, which has a very negative impact on the fulfilment of the Stability and Growth Pact objectives and the capacity to increase public investment. In particular, tax havens are essential for large-scale tax evasion operations and their related crimes (e.g. money laundering). Putting an end to the use of tax havens should be a priority.</p>	<p>The External Strategy for Effective Taxation, which the European Commission presented in January 2016, is focussed on tackling external risks of tax abuse and promoting tax good governance globally. As part of this Strategy, a new European Union list of non-cooperative jurisdictions is currently being developed. Third countries that refuse to respect international tax standards or to engage with the European Union in addressing tax good governance concerns will be listed. Member States are also discussing common defensive measures that could apply to the listed jurisdictions.</p>
<p>4.4. The European Economic and Social Committee believes that the European Union authorities should take reasonable and balanced steps to end unfair tax competition practices, following recommendations from the Organisation for Economic Co-operation and Development and the International Monetary Fund.</p>	<p>The European Commission has given high priority to advancing an agenda for fair and effective taxation and has presented five ambitious packages of tax reforms to this end over the past two years. These include new, legally binding anti-abuse measures, new tax transparency requirements and the re-launch of the Common Consolidated Corporate Tax Base. Member States' preferential regimes (patent boxes) and transfer pricing rules are also being reviewed, to prevent them from being abused for tax avoidance reasons and ensure a common approach to new international standards.</p> <p>As a result of this work, all of the Organisation for Economic Co-operation and Development Base Erosion and Profit Shifting actions have now been covered at European Union level, and even more ambitious measures have been taken where needed for the Single Market.</p>

	<p>The European Commission has also drawn on State aid rules to challenge cases of unfair tax competition in certain Member States.</p>
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<p>N°9 High quality education for all (exploratory opinion) EESC 2016/5262 - SOC/555 523rd Plenary Session – February 2017 Rapporteur: Mr Benjamin RIZZO (GR11-MT) DG EAC – Commissioner NAVRACSICS</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>Commission position</p>
<p>1.1. The European Economic and Social Committee encourages Member States to take a stronger commitment in the field of high quality education for all to achieve the European Union objectives for 2020 and the United Nations objectives for 2030.</p>	<p>The recently adopted European Commission Communication on "Improving and Modernising Education"³² identifies the same outstanding challenges as the European Economic and Social Committee. It invites the Member States to be attentive to the need to improve educational quality, particularly against the backdrop of the recent Programme for International Student Assessment results, and it proposes a number of policy actions to support and encourage Member States' own efforts to improve and modernise schools and higher education systems.</p>
<p>1.2. The European Economic and Social Committee stresses the importance of state-funded high quality education and training for all whilst emphasising the relevance of educating citizens on human rights, their role as citizens and strengthening European values in all educational programmes of Member States.</p>	<p>In order to provide support and guidance to Member States as part of the Education and Training 2020 framework, a dedicated working group on 'Promoting citizenship and the common values of freedom, tolerance and non-discrimination through education' has been set up, composed of experts from the European Commission, Member States, social partners, relevant civil society organisations, and international</p>

³² COM(2016) 941 final.

	<p>organisations. The group is developing a policy framework and an online compendium of good practices covering the four pillars of the Paris Declaration. This work will feed into the European Commission's proposal for a Council Recommendation on promoting social inclusion and common values through education and non-formal learning, announced in the Communication on "Supporting the prevention of radicalisation leading to violent extremism"³³.</p>
<p>1.3. The European Economic and Social Committee pleads for a stronger support for early childhood education (decisive for language acquisition, socialisation, adaptation to primary education and further education) and lifelong learning (decisive for a successful integration in society and in the world of work).</p>	<p>The European Commission Communication on "Improving and Modernising Education" confirms that quality early childhood education and care is crucial to provide the foundation for personal development and continued learning. The European Commission intends to further support Member States in providing high quality early childhood education and care and step up efforts to help them learn from each other and identify what works best.</p>
<p>1.5. The European Economic and Social Committee finds that the future of work and digitalisation challenges are essential topics to which the European Union and its Member States must give a key place in the political debate and in the social dialogue on high quality education for all.</p>	<p>As one of ten actions in the new Skills Agenda, the European Commission launched the Digital Skills and Jobs Coalition. It brings together Member States, companies, social partners, non-profit organisations and education providers who take action to tackle the lack of digital skills in Europe. The European Commission also works closely together with the Member States in the digital skills subgroup of the Digital Single Market and the Education and Training 2020 working</p>

³³ COM(2016) 379 final.

	group on digital skills to identify challenges and implement the best practices for digital education.
<p>1.7. The European Economic and Social Committee reminds the European Commission and its Member States that teachers and education staff need to be supported in their efforts to improve all aspects of their professional development to improve job performance. It therefore recommends investing in the qualification of teachers and trainers, striving to ensure a gender balance in recruitment, and providing stable work and good career conditions and salaries for all of them.</p>	<p>Based on the policy actions outlined in the Communication on "Improving and Modernising Education", the European Commission published (May 2017) a Communication on school development and excellent teaching for a great start in life³⁴, which addresses ways to actively support teacher education and continuous professional development, while also addressing the governance of school education systems as a whole.</p>

³⁴ COM(2017) 248 final.

<p>N°10 Ranking of unsecured debt instruments in insolvency hierarchy COM(2016) 853 final - EESC 2017/0002 - ECO/429 523rd Plenary Session - February 2017 Rapporteur: Mr Daniel MAREELS (GRI-BE) DG FISMA – Vice-President DOMBROVSKIS</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>Commission position</p>
<p>European Union legislation should ensure that employees' wages, pensions and other fixed remuneration should remain safeguarded from bail-in.</p>	<p>The proposal is without prejudice to the existing European Union Bank Recovery and Resolution Directive³⁵ rules that exclude those liabilities from the scope of the bail-in tool (Article 42(1)(g)(i)).</p>
<p>European Union legislation should provide for legal certainty for bail-in while minimising the negative effects on bank funding costs.</p>	<p>The proposal safeguards legal certainty by creating a new 'non-preferred' senior debt category that ranks in insolvency/resolution below other liabilities that are more difficult to bail-in (e.g. derivatives) or that are excluded from bail-in (operational liabilities). As such, this makes the bail-in tool more effective. The proposal minimises the negative effects on bank funding costs because the proposal keeps the existing (cheaper) senior debt category that could be used by banks mainly for funding.</p>
<p>European Union legislation should be adopted and implemented quickly to allow banks to issue debt for building bail-in buffers.</p>	<p>The European Commission fully agrees with this statement.</p>

³⁵ Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council Text with EEA relevance, OJ L 173, 12.6.2014.

<p>European Union legislation should not restrict by law the investor base for 'non-preferred' senior debt while investor protection rules should be effectively applied.</p>	<p>The proposal does not restrict the investor base for 'non-preferred senior'. However, the Markets in Financial Instruments Directive³⁶ rules on investor protection are fully applicable. In addition, the proposal requires the insolvency ranking (hence the risk of bail-in) to be indicated by banks in the relevant contractual documentation and prospectus. Other proposals (the Capital Requirements Regulation) require that banks inform investors that eligible instruments (including senior 'non-preferred' debt) are subject to bail-in powers under European Union law.</p>
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³⁶ Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC, OJ L 145, 30.4.2004.

<p>N°11 Mid-term evaluation of the Programme for the Environment and Climate Action (LIFE Programme) (exploratory opinion) EESC 2016/3894 - NAT/689 523rd Plenary Session - February 2017 Rapporteur: Mr Lutz RIBBE (GRIII-DE) DG ENV – Commissioner VELLA</p>	
<p>Points of the EESC opinion considered essential</p>	<p>Commission position</p>
<p>The Programme for the Environment and Climate Action (LIFE Programme) should be made the main instrument for funding the Natura 2000 network. The approach taken in the past, of funding the Natura 2000 network primarily via the European Union's regional development funds and the second pillar of the Common Agricultural Policy, must be regarded as unsatisfactory. The Committee would draw attention to its opinion³⁷ in this connection, and calls for the Programme for the Environment and Climate Action (LIFE Programme) to be supplemented with appropriately earmarked funds. It is important in this context to ensure coherence between all support measures, i.e. to avoid any conflict between or duplication of support from other European Union funds.</p>	<p>The current financial envelope of the Programme for the Environment and Climate Action (LIFE Programme) is too small for it to be the main instrument for funding Natura 2000. However, the catalyst effect of the Programme for the Environment and Climate Action (LIFE Programme) investments in Natura 2000 has been assessed to strongly support Natura 2000 in the last 20 years.</p> <p>As announced in the Action Plan on nature, people and the economy³⁸, the European Commission will propose a 10% increase in the Programme for the Environment and Climate Action (LIFE Programme) budget dedicated to projects supporting the conservation of nature and biodiversity, while keeping the overall budgetary envelope of the Programme for the Environment and Climate Action (LIFE Programme) unchanged. This will allow contributing to improving the implementation of the Habitats³⁹ and Birds⁴⁰ directives.</p>

³⁷ See EESC opinion "The Biodiversity policy of the EU" OJ C 487, 28.12.2016, p. 14 .

³⁸ COM(2017)198 final.

³⁹ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora, OJ L 206, 22.7.1992.

	<p>Evidence suggests that the integration of nature and biodiversity into European Union funds can deliver tangible results. The European Commission, in the Action Plan for Nature and through Prioritised Action Frameworks (PAFs), promotes better synergies with various European Union funds and more efficient use of those funds.</p>
<p>Conventional research projects should not receive the Programme for the Environment and Climate Action (LIFE Programme) funding, in order to distinguish it even more clearly from Horizon 2020.</p>	<p>The European Commission confirms the the Programme for the Environment and Climate Action (LIFE Programme) projects do not include significant conventional research activities.</p>
<p>The European Economic and Social Committee feels that it is too early for a thorough "mid-term evaluation" of the current phase of the Programme given that the first projects in the new phase were only awarded in 2015 and the vast majority of them have not yet been completed, and certainly cannot yet be evaluated. Nonetheless, it would like to make an initial contribution to shaping the Programme for the Environment and Climate Action (LIFE Programme) in the 2021-2028 programming period, in light of an evaluation of the previous phases.</p>	<p>The European Commission's mid-term evaluation on the Programme for the Environment and Climate Action (LIFE Programme) is ongoing and at this stage it is too early to provide indications for the period after 2020.</p> <p>The European Commission welcomes the Committee's support for the development of the next regulation.</p>
<p>It is at present difficult to gauge how successful this part of the Programme will be, whether the cooperation initiated with the European Investment Bank will prove useful, and whether the application process will be simple enough and the financing conditions (including the use of risk capital) appropriate. The European Economic and</p>	<p>It is indeed envisaged to extend the pilot phase of the two existing Financial Instruments.</p> <p>The evaluation foreseen in the regulation will include an assessment of the Financial Instruments.</p>

⁴⁰ Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds, OJ L 20, 26.1.2010.

<p>Social Committee therefore calls for this part of the new Programme for the Environment and Climate Action (LIFE Programme) to be evaluated particularly closely in future.</p>	
<p>The European Commission should also examine in its own evaluation how, if possible, to improve the extent to which projects supported by the Programme for the Environment and Climate Action (LIFE Programme) can be turned into genuine "model projects", i.e. replicated elsewhere in Europe (ideally without additional subsidies) with a focus on the transfer of know-how and economic feasibility. One possible step could be to ask the promoters of particularly successful projects to answer this question in a more in-depth stage of the project</p>	<p>In the mid-term evaluation of the Programme for the Environment and Climate Action (LIFE Programme), to be submitted by 30 June 2017, it will be too early to assess the replicability of the Programme for the Environment and Climate Action (LIFE Programme) projects. Nevertheless, some examples of the predecessor Programme, LIFE+, are included.</p>

<p>N°12 Role of Agriculture in Multilateral, Bilateral and Regional Trade negotiations in the light of the Nairobi WTO Ministerial meeting (own-initiative opinion) EESC 2016/0732 - NAT/679 523rd Plenary Session - February 2017 Rapporteur: Mr Jonathan PEEL (NAT/679) DG AGRI - Commissioner HOGAN</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>Commission position</p>
<p>The European Economic and Social Committee believes that a fresh approach, fresh input and fresh impetus are required for trade in agriculture, often the most contentious area in negotiations. In the Nairobi Ministerial Declaration⁴¹ there was for the first time no reaffirmation of a full commitment to conclude the Doha Round, but it did include a "strong commitment of all members to advance negotiations on the remaining Doha issues", including agriculture.</p>	<p>The European Union promotes policy coherence for development in relation to agriculture and trade, and European Union funds are no longer used to subsidise exports outside the European Union. In this context, the European Union was instrumental in the adoption in 2015 of the Nairobi World Trade Organization agreement to "eliminate all forms of agriculture export subsidies".</p> <p>The European Union is fully open to all products from least developed countries – including open terms in its economic partnership agreement (trade preferences, Economic Partnership Agreements) and is already tackling agricultural export competition which would support farmers world-wide.</p> <p>In its other trade and investment relations with third countries, the European Union pays particular attention to food security, sustainable agriculture and fisheries, as is the case for the European Neighbourhood Policy, the Enlargement policy, the</p>

⁴¹ https://www.wto.org/english/thewto_e/minist_e/mc10_e/mindecision_e.htm.

	Common Agricultural Policy and the Common Fisheries Policy.
<p>The European Union is well positioned to play a leading, proactive role in promoting a fresh, balanced approach. The European Economic and Social Committee urges it to do so not least due to the failure of many fast-emerging economies to make any notable efforts to help others still further behind in development. Capacity building for the latter remains critically important, as does giving less advanced developing countries greater scope to prevent undermining of their food security or of the development of their emerging agricultural sectors.</p>	<p>The European Union can play a collaborative and effective role in building global and regional opportunity, prosperity and stability to 2030, by building on what has already been achieved, by ramping up efforts, working together and making strides to end poverty and build a sustainable future for all.</p> <p>European Union support has been significant in supporting macroeconomic stability and growth, indirectly enabling new sustainable employment opportunities. Support to technical and vocational training as well as trade development contributed to widen employment opportunities.</p> <p>Further support to third countries is provided through the European Union's research and innovation policy. Horizon 2020 for example supports the European Union-Africa Research and Innovation Partnership on food and nutrition security and sustainable agriculture as well as the European Union-China Food, Agriculture and Biotechnology Flagship Initiative.</p>
<p>The European Economic and Social Committee believes that the United Nation's adoption of the Sustainable Development Goals, together with the Paris Agreement, fundamentally changes the global trade agenda, especially for trade in agriculture. These agreements are profound and the need to implement them must now lie at the heart of all future trade negotiations.</p>	<p>One of the first European Union agricultural initiatives to embed Agenda 2030 was the Cork 2.0 Declaration which highlights the role of rural policy to implement the Sustainable Development Goals, calling for strengthened rural value chains and addressing challenges such as youth unemployment. The European Commission can also be commended for having been the first to deliver on a</p>

	<p>Sustainable Development Goals aim: Target 2.b requires the elimination of all forms of agricultural export subsidies. There is more to do in Target 2.b, e.g. 'correcting and preventing trade distortions in world agricultural markets'.</p>
<p>The European Economic and Social Committee welcomes the Commission Communication "Next Steps for a Sustainable European Future"⁴², published in November 2016, which sets out to integrate the Sustainable Development Goals fully "in the European policy framework and current Commission priorities".</p>	<p>Delivering on the Sustainable Development Goals – taking an integrated, long-term approach – is deeply connected with the European Union's objectives, and it is included in the ten Juncker priorities (jobs, growth, sustainability, climate, international development, etc.).</p> <p>The Common Agricultural Policy is identified as the main policy to deliver sustainable agriculture (Sustainable Development Goal 2) and the Commission expressly committed to take forward and consult widely on simplification and modernization of the Common Agricultural Policy to maximize its contribution to the Commission's ten priorities and to the Sustainable Development Goals.</p> <p>Agriculture has a central role in the implementation of the Sustainable Development Goals, particularly Sustainable Development Goal 2 (end hunger, achieve food security and improved nutrition and promote sustainable agriculture), Sustainable Development Goal 1 (end poverty in all its forms everywhere) and Sustainable Development Goal 12 (Ensure sustainable consumption and production patterns). However, agriculture policy is multifaceted and also plays a significant contributory</p>

⁴² COM(2016) 739 final.

	<p>role in Sustainable Development Goal 13 (climate action), Sustainable Development Goal 5 (gender equality), Sustainable Development Goal 15 (protect life on land), Sustainable Development Goal 6 (assuring viability of clean water), Sustainable Development Goal 8 (full employment and decent work) and Sustainable Development Goal 17 (strengthening international partnership and cooperation) and others.</p>
<p>The European Economic and Social Committee urges the Commission to undertake a full Impact Assessment first on the likely effects that implementation of the Sustainable Development Goals and the Paris Agreement will have on European Union agriculture and on European Union trade policy.</p>	<p>The Sustainable Development Goals will be a key feature for the modernisation and simplification of the Common Agricultural Policy. An Impact Assessment for this is under preparation. Any legal proposal for implementing the Paris Agreement will also be accompanied by an Impact Assessment.</p>
<p>The European Union must also fully safeguard its agricultural interests in bilateral negotiations, and enhance these as far as possible, in particular where the European Union's negotiating partner is a significant agricultural exporter, such as Mercosur, Australia or New Zealand. The European Union must avoid any temptation to make concessions in agriculture in return for gains elsewhere.</p>	<p>The European Union supports the European Union agri-food sector by securing better access to third countries' markets in free trade agreement negotiations, solving Sanitary and Phytosanitary issues and financing promotion measures. The European Union agri-food sector also benefits from European Union support to farmers and rural areas.</p>
<p>International trade can significantly improve food security and nutrition through increasing food availability and encouraging investment and growth. Conversely, recourse to protectionist measures can remove essential flexibility and prevent the development of regional markets. Nevertheless, trade agreements also need to include effective measures to</p>	<p>Integration of Sustainable Development Goals into agricultural research and innovation policy and into agri-food trade policy has been foreseen.</p> <p>The goal of zero hunger will be achieved through well-functioning agricultural markets, ending extreme – mostly rural – poverty, ensuring</p>

<p>allow less advanced developing countries greater scope to prevent undermining of their food security or of the development of their emerging agricultural sectors.</p>	<p>sustainable consumption and production, doing our part on climate action and reducing inequalities.</p> <p>The role of the private sector will also play a significant role in boosting agriculture in developing countries, as the public sector alone cannot solve the challenges in agricultural development. This is explicitly recognised in Agenda 2030 for which a specific financing agreement was adopted in 2015 by the United Nations, the Addis Ababa Action Agenda. This engaged developing countries to be responsible for their own development by improving tax systems, and creating an investment- and business-friendly environment.</p>
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<p>N°13 Decarbonisation of transport COM(2016) 501 final - EESC 2016/4961 - TEN 609 523rd Plenary Session – February 2017 Rapporteur: Mr Stefan BACK (GRI-SE) DG MOVE – Commissioner BULC</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>Commission position</p>
<p>1.4., 3.10., 3.11. The European Economic and Social Committee would have liked this approach to be further developed in terms of the links between the Strategy and the Communication on the upgrading of the internal market, including synergies between opening up markets and efficiency. This also applies with regard to the prospects of the digital economy, including digital mobility, and the development of a sharing economy and a circular economy.</p>	<p>The European Commission considers that the Strategy provides a comprehensive and forward-looking approach, while focusing on concrete actions the European Commission plans to take.</p> <p>New technical and societal developments and behavioural changes have huge potential for improving mobility and contributing to decarbonisation. The European Commission dedicates strong attention to these trends and their implications for policy.</p>
<p>1.7., 4.4. However, it regrets the silence on improved rules on market access in road haulage and on the improved energy efficiency enabled by the European Modular System for vehicle combinations. In this context, the European Economic and Social Committee also draws attention to its opinion on the internal market of international road freight: social dumping and cabotage (TEN/575) and again underlines the importance of clear and enforceable legislation and the necessity to fight all forms of social dumping as well as fraud and abuse regarding posting of workers and access to welfare benefits.</p> <p>Subject to the appreciation of each Member</p>	<p>As regards the review of the internal market and social rules, the European Commission's main objective is to strike the right balance between market opening, on the one hand, and fair working and competition conditions, on the other hand. This should be done in the framework of reasonable and clear rules, which are more effectively and consistently enforced across the European Union. This is essential in view of preventing abusive practices, such as letterbox companies, illegal cabotage and infringements of the labour and social rules.</p> <p>The use of the European Modular</p>

<p>State, the European Modular System combinations should therefore be allowed wherever conditions are appropriate, including in cross-border traffic.</p>	<p>System combinations is currently allowed in national transport, subject to approval by Member States. In cross-border transport, it is the interpretation by the European Commission of Council Directive 96/53/EC⁴³ as amended that the use of the European Modular System combinations should not be prohibited between two Member States each allowing these vehicles.</p>
<p>1.8., 4.1. The European Economic and Social Committee also welcomes the plans to review the Eurovignette Directive⁴⁴, but reiterates the importance of flexibility for avoiding unreasonable cost effects in distant and sparsely populated areas including islands and mountain regions. It also underscores the importance of a level playing field between modes with respect to infrastructure charges and external costs to ensure fair competition between modes.</p>	<p>The impact assessment accompanying the planned revision of the Eurovignette Directive is looking at the regional distribution of impacts and possible impacts of road charging on remote areas. In any case, Member States should retain the flexibility to decide whether or not to introduce road charging and on which roads.</p>
<p>1.9., 4.1. The European Economic and Social Committee takes note of the relaunch of the European Electronic Tolling Service, but recalls that the European Electronic Tolling Service was decided upon in 2004 and has still not been implemented, which points to a need to review the entire system so as to overcome the obstacles to implementation.</p>	<p>The European Commission agrees that there is a need for a thorough review of the legislation on the European Electronic Tolling Service. The purpose of the envisaged review is precisely to create a market for the provision of such services by removing unnecessary market entry barriers to the European Electronic Tolling Service providers and establishing a balanced set of rights between toll chargers and service providers.</p> <p>One of the objectives of the revision of the European Electronic Tolling Service legislation is to reduce the</p>

⁴³ Council Directive 96/53/EC of 25 July 1996 laying down for certain road vehicles circulating within the Community the maximum authorized dimensions in national and international traffic and the maximum authorized weights in international traffic, OJ L 235, 17.9.1996.

⁴⁴ Directive 1999/62/EC of the European Parliament and of the Council of 17 June 1999 on the charging of heavy goods vehicles for the use of certain infrastructures, OJ L 187, 20.7.1999.

	costs of toll collection, which will ultimately benefit transport operators and other road users, making electronic tolling more attractive for them.
<p>1.13., 4.8. As a matter of transparency, the European Economic and Social Committee proposes that the European Commission should publish a yearly emission scoreboard for the transport sector.</p>	<p>The European Commission considers that transparency is ensured regarding emissions from transport, which are published on a yearly basis. The European Environmental Agency provides a detailed "greenhouse gas - data viewer", including for transport, drawing on the greenhouse gas emissions and removals sent by Member States to the United Nations Framework Convention on Climate Change and the European Union Greenhouse Gas Monitoring Mechanism. These statistics are used by the European Commission for monitoring greenhouse gas emissions from transport.</p>
<p>1.14., 3.15. The European Economic and Social Committee endorses the planned International Civil Aviation Organization and International Maritime Organization action and suggests that further actions could be taken, such as pursuing a structured external dialogue on low-emission transport with neighbouring countries in the lead up to specific projects.</p>	<p>The European Commission welcomes the European Economic and Social Committee's support for the European Commission strategy as regards aviation and shipping actions through the International Civil Aviation Organization and the International Maritime Organization. The European Commission would like to recall, in this context, that structured dialogues already exist with Eastern Partners, Euromed and Western Balkans countries, the aim of which is to ensure that European Union policies and programmes, including, among other things, the development of innovative transport solutions, as well as improved mobility planning, fully take on board decarbonisation solutions.</p>

<p>1.16., 3.7, 3.14. The European Economic and Social Committee regrets that updating the White Paper is no longer on the European Commission's agenda, since digitalisation, the evolution of energy policy and the holistic view of policy design and implementation of the current European Commission warrant an update.</p>	<p>The European Commission agrees that the situation has evolved since 2011, mainly due to the rapid technological developments. However, the main trends and the vision set in 2011 remain valid and most of the stakeholders were in favour of the continuation of the strategy. In addition, at the moment of the stocktaking exercise it was too early to validate or revise the 2011 White Paper goals, as there were no sufficient data available and many initiatives proposed by the European Commission were still not fully implemented. For the same reasons, it would have been difficult to properly assess the impact of our actions. It should also be mentioned that various initiatives have been announced in the context of other strategies such as the one on low-emission mobility.</p>
<p>3.2., 4.1. In this context, the European Economic and Social Committee also draws attention to its opinion on the internal market of international road freight: social dumping and cabotage (TEN/575) and again underlines the importance of clear and enforceable legislation and the necessity to fight all forms of social dumping as well as fraud and abuse regarding posting of workers and access to welfare benefits.</p>	<p>The European Commission recognizes the utmost importance of ensuring adequate working and resting conditions for the workers in the road transport sector as well as safeguarding their social protection rights. Therefore one of the main objectives of the review of the social rules applicable to road transport, including posting provisions, is to better tailor the current rules to the specificities of the highly mobile nature of the sector and enhance effectiveness of enforcement.</p>
<p>3.12. The European Economic and Social Committee regrets that the strategy does not mention the social aspects, including consumer rights, labour market relations and the status of micro enterprises, of some of the planned initiatives, for instance the</p>	<p>The European Commission agrees that these are important aspects to take into consideration in the preparation of planned initiatives; however they are too diverse and complex between the different dimensions and actions to</p>

<p>Cooperative, connected and automated mobility (C-ITS) plan, the digital economy, new transport patterns or further opening up of the market in different transport sectors. It considers it important to address these issues at an early stage so as to avoid unnecessary tensions.</p>	<p>have been appropriately reflected in the Strategy.</p>
<p>3.13 The European Economic and Social Committee appreciates the fact that financing is raised in the Strategy, as it is fundamentally important to the Strategy's implementation. It draws attention to the financing needs of areas with limited financial resources and projects that are not big enough to reach the thresholds set for European Union co-financing. Options for financing small projects should be available in the transport sector, as is the case in the energy sector.</p>	<p>The Connecting Europe Facility has clear objectives for ensuring sustainable and efficient transport systems in the long run. Over 90% of the projects financed by the Connecting Europe Facility are aiming at transport decarbonisation. The Connecting Europe Facility provides financing to transport projects in the form of grants and financial instruments. The facility does not impose thresholds to projects for eligibility.</p> <p>The Facility also enables blending with Connecting Europe Facility-financed grants offered under the Connecting Europe Facility blending call.</p> <p>Also, in order to facilitate the financing of projects aiming at decarbonising transport modes, the Cleaner Transport Facility was jointly set up by the European Commission and the European Investment Bank, in December 2016. The Facility aims at supporting the demonstration and roll-out of innovative renewable energy technologies in the transport sector. Already four projects have been approved and four others are under appraisal by the European Investment Bank.</p>
<p>4.10. The European Economic and Social</p>	<p>The European Commission's Effort</p>

Committee regrets that the Effort Sharing proposal⁴⁵ does not discuss the possible need for sector-specific emission reduction aims.

Sharing proposal does not set any sector-specific national targets, given its objective to achieve fair and cost-effective emission reductions in the non-Emissions Trading System sectors across the whole of the European Union. Therefore it would not be appropriate for the European Union to set national targets at sector-specific level. It would also be against the principle of subsidiarity. The national energy and climate plans under the Governance Regulation⁴⁶ will require Member States to more actively address sector-specific policies. They will be closely monitored by the European Commission.

⁴⁵ COM(2016) 482 final.

⁴⁶ COM(2016) 759 final.