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COMITÉ ÉCONOMIQUE ET SOCIAL EUROPÉEN

RENDUS AU COURS DU 2ème BIMESTRIEL 2013

(Mars et Avril 2013)

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<u>Veuillez noter que les numéros en haut à gauche de chaque encadré reprenant le titre et les</u> <u>références correspondent aux numéros attribués aux avis dans la demande de</u> <u>contributions aux services [note SC(2013)21]</u>

PARTIE A: Consultation obligatoire et facultative

2. Changements indirects dans l'affectation des sols / biocarburants; Proposition de directive; COM (2011) 595 final; CESE 2363; April 2013; Rapporteur: Mr RIBBE (Var. Int./DE);

DG CLIMA/ENER; Commission	ners HEDEGAARD/OETTINGER
Points of the EESC opinion considered essential	Commission position
The EESC welcomes the 5% cap	The Commission welcomes the Committee's support for the Commission proposal on this matter.
The EESC welcomes in principle to promote greater use of biofuels from waste, residues and by-products	The Commission welcomes the Committee's support for the Commission proposal on this matter.
The Commission should not be aiming for a policy target of 10% (for Renewable Energy in transport), The Commission should completely re-think its bioenergy policy, especially when it comes to biofuels.	The Commission proposal on ILUC is based on the understanding that the EU legislator adheres to the 10% target as expressed by the Renewable Energy Directive and the Fuel Quality Directive.
It makes sense to consider ILUC when shaping policy	The Commission welcomes that Committee's support for the Commission proposal on this matter.
Electromobility should be further developped.	The Commission will take into account the Committee's suggestions on this matter during the upcoming negotiations with the co-legislators.

The COM proposal does not reduce GHG emissions in transport enough.	The aim of the Commission proposal is to address ILUC in the Fuel Quality Directive and the Renewable Energy Directive. The GHG reduction in transport is regulated by the Fuel Quality Directive, the reduction target of which is left unchanged by the Commission proposal on ILUC.
Cultivation of rapeseed in the EU should not be limited because it delivers feed protein.	As a matter of fact, the Commission proposal on ILUC does <u>not</u> limit the cultivation of crops for feed protein in the EU.
The proposed multiple counting of some advanced biofuels needs to be reviewed.	The Commission will take into account the Committee's suggestions on this matter during the upcoming negotiations with the co-legislators.

4. Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 912/2010 setting up the European GNSS Agency;

COM (2013)40 final – 2013/0022 (COD); CESE 1582/2013 – April 2013; Rapporteur: Mr PEZZINI (Empl./IT);

DG ENTR - Vice-President TAJANI

DG ENTR – Vice-President TAJANI	
Points of the EESC opinion considered essential	Commission position
Par. 1.3: The Committee deems it important that the Commission presents regular substantiated reports on the implementation of the programmes.	The Commission agrees with the Committee and points out that the draft-text of the new GNSS regulation, as currently agreed between the Council and EP-rapporteur, includes numerous reporting obligations for the Commission, and GSA, on the implementation of the programmes.
Par 1.10: The Committee expresses strong reservations about offloading existing research and innovation support activities – carried out to date by the Commission – onto agencies, and calls on it to take more account of the positive	The Commission points out to the Committee that the tasks of managing research and development projects under FP6 and 7 have thus far been delegated to the European GNSS Agency. This is covered under regulation 683/2008, where the delegation of the task of

experiences here to date.	promoting applications and services in the satellite navigation market is explicitly foreseen. Under the newly prepared legislation the role of the Agency in this
	regard will be even more important and therefore it is foreseen to continue this
	practice with regard to Horizon 2020.

6. Sustainable competitiveness of the construction sector (Communication); COM(2012)433 final – CESE 2295/2012; April 2013; Rapporteur: Mr PLOSCEANU (Work./RO); DC FNTR – Vice-President TA IANI

Rapporteur: Mr PLOSCEANU DG ENTR – Vice-President TAJ	· · · · · · · · · · · · · · · · · · ·
Points of the EESC opinion considered essential	Commission position
Public Investments in energy efficient buildings and infrastructure should not be taken into account in the country's performance with respect to the Stability and Growth Pact.	When assessing the national budgets for 2014 and the budgetary outcomes for 2013, the Commission will, in full respect of the Stability and Growth Pact, consider allowing temporary deviations from the structural deficit path towards the mediumterm objectives set in the country specific recommendations on a case by case basis. Such a deviation must be linked to national expenditure on projects co-funded by the EU under the Structural and Cohesion policy, Trans-European Networks or Connecting Europe Facility with a positive, direct and verifiable long-term budgetary effect.
Resolve the problem of arrears registered before the transposition of Directive 2011/7/EC (late payment directive) and ensure a proper enforcement of the new Late Payment Directive while avoiding potential rebound effects that could potentially exist with relation to the Directive's derogation.	The Commission services will monitor closely the implementation of the Directive in each country. The Late Payment phenomenon is particularly acute for a few Member States, hence an EU approach, if needed, should be quite circumcised.
Member States should ensure adequate	The Commission will examine the

financial and fiscal incentives for reducing	ambition of the Member States when they
energy through the renovation of the	will present in 2014 their respective
existing building stock	national plans as required by the Energy
	Efficiency Directive and the Energy
	Performance of Buildings Directive.

7. An action plan to strengthen the fight against tax fraud and tax evasion (Communication); COM(2012) 722 final – EESC 101/2013; April 2013 Rapporteur: Mr DANDEA (Work./RO) **DG TAXUD – Commissioner ŠEMETA** Points of the EESC opinion considered **Commission position** essential 1.1 The Committee endorses the The Commission welcomes the opinion Commission's plan and supports its efforts to of the EESC and will continue its efforts find practical solutions as regards reducing to implement concretely the Action Plan. tax fraud and tax evasion.

8. Proposal for a Council regulation amending Regulation (EC) No 723/2009 concerning the Community legal framework for a European Research Infrastructures Consortium (ERIC); COM(2012) 682 final – 2012/0321 (NLE); CESE 1645/2013 final-2012/0321 NLE; March 2013; Rapporteur Mr STANTIČ (Empl./SL); **DG RTD – Commissioner GEOGHEGAN-QUINN** Points of the EESC opinion considered **Commission position** essential The **EESC** Welcomes the support of the EESC. supports the proposed amendment to Article 9 of the Regulation eliminate discrimination order to between Member States and associated countries and boost more active participation of associated countries in setting up and operating future ERICs. The EESC believes that equality in voting Confirms that enough controls are rights will not affect the Community available for the Commission as also dimension of the Regulation and that the stated in the opinion of the EESC. Community can retain enough control over essential elements of ERIC activities through other existing provisions in the

Regulation.	
1.1 The EESC is concerned about the slow pace at which the ERIC legal instrument is being applied to the setting up and operation of research infrastructure projects of European interest from the European Strategy Forum for Research Infrastructure (ESFRI) Roadmap. Therefore, it urges the Commission to provide maximum support to potential partners and thus facilitate use of the ERIC legal form.	Notes the concern, acknowledges that it took significant time for a number of Member States to adopt internal administrative or regulatory measures to be able to participate in or host an ERIC. This seems now for most Member States to be the case and the Commission notes that it received in the last six months applications for the establishment of the European Social Survey ERIC (UK hosted), the European Infrastructure for Translational Medicine (NL hosted), European Clinical Research Infrastructure ERIC (FR hosted), Biobanking and Biomolecular Resources Research Infrastructure (AT hosted), Central European Research Infrastructure ERIC (IT hosted).
1.2 The EESC would also recommend that the Community contributes more to the co-financing of ERIC projects, by ensuring better synergies between the Structural Funds and the Horizon 2020 Framework programme.	In Horizon 2020 specific support measures for ERIC's and equivalent Research Infrastructures are foreseen. Also more synergies between Structural Funds and Horizon 2020 has been identified as one of the important actions for Research Infrastructures.

10.	Moving Youth into Employment Communication; COM (2012)727; EESC 2419/2012; March 2013; Rapporteur: TRANTINA (Var. Int./CZ), DE BUCK (Empl./BE); DG EMPL – Commissioner ANDOR

Points of the EESC opinion considered essential	Commission position
3.14 The EESC considers it key to equip the proposal with adequate means to support Member States and regions wishing to establish ambitious youth guarantee schemes or apprenticeship alliances. In this framework, the EESC wishes to recommend that the money from the EU be allocated to those schemes that comply with the minimum quality standards set through the	ESF is implemented under specific regulatory framework. Obviously, when adopting MS partnership agreements and operational programmes the Commission will seek the demonstration of maximum added value of the investment priorities and objectives proposed by the Member States.

EU initiative and by Member States.

4.2.3 The **EESC** is convinced that increasing the quality of traineeships is a priority and therefore views the European Commission's initiative on the European Quality Framework on Traineeships as progress in this direction. At the same time, the EESC urges all the institutions, Member States and social partners involved, to make the most effective use of the results of current consultations. taking into consideration the support previously expressed by the social partners, NGOs, members of the public, and a number of education providers. The EU institutions must act quickly and create a framework for quality traineeships and continued direct involvement of young people and their organisations in this process alongside the social partners. In this regard, the European Internships Quality Charter on Apprenticeships proposes minimum quality standards to bridge the gaps between countries in Europe in terms of learning guidance processes, available and mentoring, social and labour rights, of contract recognition skills, legal provisions, reimbursement and remuneration, evaluation and monitoring, etc.

Following the closure of social partner's consultation on a quality framework for traineeships, where social partners decided not to negotiate on this subject under Art 154 TFEU, the Commission is preparing its own proposal. This proposal is planned to be adopted in December 2013. The proposal will take into account the European Quality Charter Internships and Apprenticeships. Young people have been involved in the preparatory work, namely through a public consultation organised between April and July 2012, as well as through regular consultations with European Youth Forum.

4.4.3 The **EESC** further supports improvements of and investment in the "Your Job" Initiative. first **EURES** Specifically, the EESC calls on European Commission to introduce such improvements to EURES, which would increase its visibility and availability for young people, as well as its userfriendliness. Young people must be actively encouraged to participate, in order to overcome obstacles stemming from cultural

A proposal to develop EURES into a true pan-European job placement and recruitment network is included in the legislative process. In this respect, a new EURES Decision was adopted on the 26 November 2012. It paves the way for the creation of a true European labour market. The EURES Reform aims to make it easier for jobseekers to contact employers looking for particular skills, to focus on sectors and

and language barriers and their lack of organisational skills and fear of the unknown. This could be done through an improved career and personal advice system, which would support students, trainees (and young people in general) in becoming more aware of their desires, capabilities and job opportunities. This also includes advice regarding employment law and sociopolitical environment and advice regarding the rights and obligations of both employers and workers.

occupations with skills shortages and to support targeted mobility schemes for young people (e.g. "Your first EURES job").

Proposal for a directive of the European Parliament and of the Council on marine equipment and repealing Directive 96/98/EC COM(2012) 772 final – 2012/0358 (COD); CESE 609/2013; March 2013;

Rapporteur: Ms BREDIMA (Empl./EL); DG MOVE - Vice President KALLAS

EESC specific comments Commission's position 1.4 The EESC suggests the deletion from the list of the International Convention on Load Lines (1966) as there is no provision for equipment under it. The EESC suggests the deletion from the list International Convention on Load Lines (1966) has no provisions for marine equipment.

- 4.2.1 The EESC suggests that for the sake of legal clarity it would be appropriate to explicitly clarify that the Directive shall not apply to equipment which on the date of the entry into force of this Directive has already been placed on board a ship
- 4.2.2 The EESC requests that it be clarified that the text that the scope of the Directive applies to mutual recognition and acceptance of equipment under Regulation 613/91/EEC on the transfer of ships from one register to another within the Community and under Regulation 391/2009/EC on common rules and standards for ship inspection and survey organisations.

The Commission is of the view that the wording in Article 3 "to be placed on board" is sufficiently clear to avoid any such confusion particularly if this provision is read with Article 5(2) of the proposal which relates to equipment already placed on board. It can in this context be noted that the wording of Article 3 in the Council's General Approach is "placed or to be placed on board".

In this regard the Commission would like to point out that Regulation 613/91/EEC has been repealed by Regulation 789/2004/EC. Regulation 789/2004/EC however deals with a different situation to that covered by the proposal which is the transfer of

a vessel within the EU while Article 7 deals with the situation of a vessel coming into an EU register from outside the EU. In relation to survey organisations Article 10(1) Regulation 391/2010 provides for automatic mutual recognition of marine equipment for classification purposes. The Commission considers that this 4.3 The provision for the automatic application of is reflected in the text in Article 4 of IMO Conventions and other instruments in their up-to-date version does not any more necessitate its proposal. amendments to the Directive and the inclusion of lists with equipment as currently exist in Annexes A.I and A.II. 4.4 In order to avoid any misinterpretation of the The Commission is of the view that expression "international instruments which are the reference in Article 5(2) to applicable to equipment already placed on board" "already placed board" on the EESC is of the view that it should be made sufficiently clear to distinguish this clear that it refers to the requirements in force at from equipment to be installed and that Article 5(2) only refers to the time of installation, unless requirements subsequently adopted by the IMO apply to retroactive requirements of the IMO. equipment already placed on board ships. 4.5 The EESC is of the view that the possibilities In relation to Article 7(2) the offered by Articles 7.2 (referring to the Commission does not agree that replacement of non-equivalent equipment), allowing a receiving EU member Article 32.6 (giving the right to receiving states to State to require that non-equivalent repeat tests of innovative equipment), and Article marine equipment on board a vessel 34.4 (opening the possibility of not accepting the coming from outside the EU be replaced equivalent equipment outside EU) may replaced would negatively impact on weaken the internal market provisions and the internal market. objectives of the Directive. In relation to Article 32(6) the equipment in question has not been wheel marked and has been allowed on board an EU ship under the responsibility of an EU flag state for purposes of technical innovation. If the vessel is transferred to another EU member State it is reasonable that the receiving state verify that this non wheel marked equipment is at least as safe as wheel marked equipment. Article 34 deals with the situation where in exceptional circumstances

	and under the responsibility of the flag state, non wheel marked equipment may be placed on board an EU ship, when, in a port outside the EU wheel marked equipment is not available. The possibility must exist for the flag state to remedy this exceptional situation and require that the non-compliant equipment be tested to ensure it is safe or replaced.
4.6 The EESC wonders in cases of transfer of vessels from a third country register to an EU state when the receiving state does not consider that the equipment is equivalent whether (taking into account IMO regulations on mutual acceptance of certificates) it would be reasonable for the receiving States to follow the procedure of Article 5 of Regulation 613/1991 (which requires prior notification to the Commission in cases of transfer of flags between Member States).	As previously stated, Article 7 of the proposal relates to vessels transferring to the register of a Member State from a non-EU State, while Regulation 789/2004/EC covers intra-EU transfers of vessels. The possibilities offered by Article 6 of Regulation 789/2004/EC will continue to exist and are not affected by the proposal.
4.7 The EESC wonders whether the EU and not its Member States should pursue the development of the IMO international standards. It is of the view that collective action of Member States to the IMO process will ensure that the objectives of the Directive are observed, without the need to resort to EU unilateral interim standards for equipment that eventually may not meet the IMO standards and may need to be replaced or "grandfathered".	The Commission agrees that the EU and its Member States should pursue the development of international standards at the IMO. The Commission agrees that collective action of Member States in this regard is vital.
4.8 The EESC supports the possibility to supplement or replace the wheel mark with electronic tags to facilitate inspections and combat counterfeiting.	The Commission agrees that this is a worthwhile initiative and welcomes the support for its proposal in this regard.
4.9 The EESC endorses the proposed creation of a co-operative group for notified bodies.	The Commission agrees that this is a worthwhile initiative and welcomes the support for its proposal in this regard.

14. The EU's External Aviation Policy - Addressing future challenges

(Communication);

COM(2012) 556 final EESC 12503/2012 – April 2013;

Rapporteur: Mr MCDONOGH (Work./IE);

DG MOVE- Vice President KALLAS

Essential EESC's points

Commission's position

1.2 In particular, the EESC is keen to see rapid progress towards an enlarged Single Aviation Area encompassing our neighbours both to the Near East, Eastern Europe, Russia, Turkey and across the Mediterranean to North Africa.

The Commission agrees and stretches its efforts to progress with developing a wider Common Aviation Area incorporating neighbouring countries to the south and east of the EU. In this regard the Commission is intensifying its efforts to finalise on-going negotiations and will seek to reach agreements with all remaining neighbouring countries by 2015.

Furthermore, national fragmentation means that the aviation industry is still overly subject to local interests and an over reliance on ad hoc initiatives based on individual negotiating authorisations to create the conditions for effective market entry and growth. The pace un-coordinated market liberalisation at EU Member State level with certain non-EU countries and some Member States' apparent intent to continue to grant bilateral air traffic rights to third countries without commensurate return, or account taken of the EU-level implications, is such that if we do not act now to establish a more ambitious and effective EU external policy, then in a few years' time it may be too late.

The Commission agrees that the national fragmentation still prevails, and that a comprehensive common EU external aviation policy has not yet been completed. With the objective to address a general lack of unity and sense of solidarity at EU level the Commission is preparing an inventory of practical ways and means for how to enhance internal EU cooperation and coordination.

The Commission further agrees that, as stressed in the Communication, it is urgent to take the EU external aviation policy significantly forward.

2.7 The EESC welcomes the comprehensive Council Conclusions on the Commission proposal, but considers that Member States could be more explicit in their support for some key EU negotiations such as by giving a strong mandate to the Commission for "normalising" the strained aviation relations with Russia.

The Commission appreciates the EESC support on strong mandates. On Russia, the Commission is currently preparing a comprehensive road-map for enhancing EU-Russia aviation relations, to be accompanied by a request for a mandate for negotiating a comprehensive EU-Russia agreement.

2.8 Latin America is a fast growing market, and the amalgamation of LAN & TAM poses a real commercial threat to Iberia,

The Commission fully agrees with the EESC opinion that an early conclusion of the agreement with Brazil is urgent. Its signature

Tap and other European airlines serving Latin America. The early conclusion of the Brazilian agreement is urgent. has unfortunately been delayed by our counterpart. The Commission is currently seeking an extended negotiating mandate, as Brazil conditioned its signature renegotiation of certain provisions including outside the Commission's original mandate.

3.2 The growth of major hubs in places like Abu Dhabi and Dubai poses a significant competitive threat to long haul EU services. For instance, the recent agreement between Qantas and Emirates is a serious threat to the European airline industry.

The Commission is well aware of the competitive threat represented by the aviation systems linked to the Gulf area. As stressed in the Communication, the relations with the Gulf States have in recent years been a largely oneway process of opening EU markets for Gulf carriers, which has created significant imbalances in opportunities. With the objective to reverse this trend the Commission intends to engage in a dialogue with the Gulf on transparency and fair competition.

3.4 Some European airport hubs are already limiting, due to lack of capacity, the number of feeder routes that can be operated, this must be effectively addressed if European competitiveness is to be maintained.

The Commission agrees that the lack of capacity of EU hubs must be addressed. The Communication stressed that investments in airport infrastructure and development of hubs are crucial for allowing EU hubs to compete with those developing in other parts of the world. As part of the "Airport Package" presented in December 2011, the Commission has proposed a series of measures intended *inter alia* to help increasing the capacity of Europe's airports.

5.4 Under the third pillar (comprehensive agreements with key partners) a number of important agreements have been negotiated. However, it is also an area where some key objectives still need to be achieved, notably under the EU-US and EU-Canada agreements regarding the liberalisation of ownership and control of airlines.

The Commission agrees that the time is now ripe to take the additional steps envisaged in the EU-US air transport agreement to liberalise airline ownership and control in order to enable airlines to attract investment irrespective of the nationality of the investor. The Commission proposes to discuss the issue in the context of negotiating a Transatlantic Trade and Investment Partnership (TTIP).

8.1 The EESC supports the Commission's concerns regarding the need for investment in capacity at airports. This section of the proposal needs, though, further clarification as to which are the proposed actions to deliver the aims and the relation to the earlier "Airport Package" proposal of the Commission should be made more explicit.

The Commission, when drafting the Communication, considered the issue of airport investment to be somewhat outside the scope of the main topic. Indeed, the subject is addressed by the Commission's "Airport Package" proposal.

16. Proposal for a Regulation of the European Parliament and of the Council on occurrence reporting in civil aviation amending Regulation (EU) No 996/2010 and repealing Directive No 2003/42/EC, Commission Regulation (EC) No 1321/2007 and Commission Regulation (EC) No 1330/2007; COM(2012) 776 final - 2012/0361 COD; EESC 926/2013 – April 2013; Rapporteur: Mr HENCKS (Work./LU); DG MOVE - Vice President KALLAS

Essential EESC's points

Commission's position

- 1.4 (...) To this end, the Committee: reiterates its proposal to draw up an
 EU Charter on Just Culture (...)
- 5.5 (...) the Committee stressed that more needed to be done at EU level to guarantee that all Member States amended their national penal systems to develop a Just Culture, and highlighted the importance of drawing up an "EU Charter on Just Culture" in order to avoid punishment for involuntary errors.
- 5.6 The Committee regrets that this proposal was not taken up in the draft regulation under discussion; (...).
- 1.4 (...) To this end, the Committee: (...) proposes that it be stated explicitly that in addition to the Member States, organisations in the civil aviation sector shall also refrain from instituting proceedings in respect of unpremeditated or inadvertent infringements of the law which come to their attention only because they have been reported (...).
- 5.7 As regards the protection of reporters, the provision which stipulates

The Commission agrees that an EU Charter on "Just Culture" could contribute to a better implementation of "Just Culture" principles within the EU Member States. However, the limitation of a Charter is that by nature it can only be considered as guidance or soft law. In its proposal, the Commission focused on introducing the legal environment which would ensure the respect of "Just Culture" principles. A Regulation is not the appropriate place to include a Charter, but the Commission could be supportive of an "EU Charter on Just Culture" which would help to implement the legal principles enclosed in the Regulation.

The Commission agrees that reporters shall be protected for their employer actions and considers that this protection is fully covered by Article 16(4) of its proposal which protects reporters from any prejudice made by their employer, except in cases of gross negligence.

To the Commission's opinion, this also covers proceedings, would they be disciplinary, administrative or legal.

that "Member States shall refrain from instituting proceedings in respect of unpremeditated or inadvertent infringements of the law which come to their attention only because they have been reported" should also apply to the reporter's employer; (...).

- 1.4 (...) To this end, the Committee: (...) recommends that the internal rules describing how Just Culture principles are guaranteed and implemented, to be drawn up by the organisations in the sector, should be approved by the competent public authority before implementation.
- 5.8 As regards the provision requiring each organisation in the sector to adopt internal rules describing how Just Culture principles are guaranteed and implemented, the Committee proposes that these rules be approved beforehand by the body competent in each Member State for implementing EU provisions on the protection of information sources.
- The Commission agrees that the Committee proposal to have organisations' internal "Just Culture" policy overseen by Member States competent authority could help to ensure good implementation of this provision. It would ensure control of the compliance of these internal rules with the legal principles ensuring the protection of reporters. However, it should be considered whether oversight does not create unnecessary administrative burden.

- 1.6 (...) It should be mandatory for a copy of the report forwarded directly to the employer to be sent by the reporter to the competent public authority at the same time.
- 4.5 (...) It expresses reservations regarding reports forwarded directly to the employer. With a view to ensuring neutrality and avoiding any interference by the employer in the record of facts drawn up by the reporter, a copy of the report should be sent by the reporter to the competent public authority at the same time.

The Commission agrees that employees should be able to submit reports directly to the competent authority, notably in the cases where they have limited confidence into their organisation. The Commission proposal includes this possibility. However, Commission disagrees with the obligation to systematically send a copy of the report to competent authority in the cases where the reporter has submitted a report to his organisation. Indeed not only it will be unclear for the competent public authorities what are their responsibilities regarding these occurrence reports but in addition competent authorities are being sent occurrence reports collected by organisations and therefore they should not receive twice occurrence reports.

- 1.7 The Committee regrets that the regulation makes no explicit provision for incident reporting by passengers (...) The Committee therefore proposes that procedures be established to integrate all passengers into the flow of information on occurrences to be reported.
- 4.7 (...) The Committee therefore proposes that procedures be established to integrate passengers into the flow of information on occurrences to be reported. (...)
- 1.8 Lastly, the Committee considers that occurrences or failures observed during embarkation operations, particularly passenger security checks, should be included in the scope of mandatory occurrence reporting.
- 4.6 The Committee notes that the list of incidents to be reported under mandatory occurrence reporting scheme (Annex 1 of the regulation) does not include incidents regarding pre embarkation operations. Therefore, any failures during the pre-embarkation security checks must, at most, be reported under the voluntary reporting process. However, such failures can have such repercussions disastrous that the Committee considers that they should be included in the scope of mandatory occurrence reporting.

The purpose of the Regulation is to ensure reporting of safety relevant information in order to prevent civil aviation accidents. Most of the events, which do not have visible consequences, are unnoticed by passengers. The Commission considers that reporting from passengers would mainly focus on issues other than safety (e.g. complaints regarding level of services) and that it would not bring or only very limited benefit to aviation safety improvement. Passengers who notice a possible safety issue on board should in any case alert the crew, who may then report the occurrence if it is a confirmed safety issue.

The Commission considers that the occurrences which could have an important impact on aircraft or passengers safety are those included in Annex I and therefore must be reported through mandatory reporting schemes in accordance with the Regulation.

This does not prevent any other occurrence with a more limited impact on safety, such as pre-embarkation security checks events, to be reported when they are considered as creating a hazard to aviation safety.

5.9 Although every element of the regulation is mandatory and directly applicable in every Member State on the twentieth day following its publication in the Official Journal of the EU, some of those elements (notably the internal rules describing how Just Culture principles are implemented by the organisations, or the applicable in rules the event infringement of the regulation) have yet to where necessary, be drawn up or, transposed into national law. Committee would have preferred that the regulation set a deadline for the implementation of these elements.

The Commission takes good note of this proposal. In any case, the Commission intends to develop those elements as soon as possible after the adoption of the Regulation, so that the Regulation may deliver its full potential quickly.

17. Proposal for a Regulation of the European Parliament and of the Council on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization in the Union;

COM (2012) 576 final – CESE 2314/2012 – March 2013;

Rapporteur: Lutz RIBBE (Var. Int./DE); DG ENV – Commissioner POTOČNIK

Main points of the EESC Opinion

3.4 When, by contrast, the European Commission asserts in its proposal for a regulation that "the Protocol rests on two main pillars: measures on access, and measures on user-compliance" ¹, it fails to explicitly stress benefit sharing as an essential objective of the Nagoya Protocol, a requirement of the WSSD and an international-law obligation under the CBD.

- 3.5 The draft regulation thus gives the impression that the Nagoya Protocol is intended to ensure unhindered access for the EU Member States to raw materials in developing countries
- 3.6 Not only is this almost complete failure to take account of the essential objective of the Nagoya Protocol a serious failing in the

Commission Position

Despite the fact that the Commission's proposal does not divide the Protocol's content in 3 pillars, the user compliance aspect of benefit sharing is addressed properly and efficiently in the proposed regulation. Article 4.1 of the regulation (due diligence obligation) expressly states that utilizing genetic resources associated traditional knowledge to ascertain that benefits are fairly and equitably shared upon mutually agreed terms. However, the Nagoya Protocol being based on contractual, i.e. private law approach, the competent authorities in the Member States will not enforce the substantive aspects of benefit sharing obligations that are contained in the Mutually Agreed Terms accepted by the respective user. Instead, Member States will

¹ COM(2012) 576 final, p. 3.

Commission draft, but an ineffective and unsatisfactory solution could also have serious consequences for European companies. Without clear rules on benefit sharing (and monitoring), companies will find it difficult to refute the frequently raised accusations of bio-piracy.

provide in their legal system for the possibility for providers to initiate civil law action against users that violate benefit sharing agreements before the courts EU Member States.

- 3.7 The Commission's draft regulation builds on the principle of due diligence (Article 4). This assigns to the user of the genetic resource and associated traditional knowledge the main role in ensuring compliance with the applicable national and foreign laws on access and benefit sharing.
- 3.8 The EESC welcomes this approach, based on the responsibilities of the research and industrial sectors. It would, however, point to the international-law obligation entered into with ratification of the Nagova Protocol to adopt "legislative, administrative or policy measures" to ensure that the benefits derived by the user from the utilisation and marketing of genetic resources and associated traditional knowledge are actually shared with the country of origin or the indigenous and local communities.
- 3.9 The draft regulation also largely omits this important part of the commitments deriving from the Nagoya Protocol, and the EESC recommends that the Council and the Parliament, in the course of the further procedure, adopt sufficient rules for monitoring compliance with these responsibilities. This also means that national governments must not be absolved of their responsibility for monitoring the rules.

The Protocol Nagoya foresees the conclusion of private contracts (mutually agreed terms "MAT") between users and providers for the establishment and monitoring of benefit sharing obligations. Article 5.3 of the Protocol indicates that each **Party** shall take legislative, administrative or policy measures, as appropriate, to address the issue of effective sharing of benefits arising from the utilisation of genetic resources as well as subsequent applications for commercialisation. The draft EU proposal contains an obligation of users to ascertain that benefits are fairly and equitably shared in accordance with MAT; in addition providers have the right to bring legal action against the violation of MATs before the courts of EU Member States, at any time, in particular for non-respect of contractual obligations in subsequent applications for commercialisation.

3.10 The proposal for a regulation is thus not sufficient to build a basis for mutual trust between the EU Member States, their companies and researchers, and the countries of origin, which is needed to promote bilateral ABS treaties and for the constructive continuation of the international ABS negotiations. The EESC is concerned

The Commission does not share the EECSs opinion that the regulation is not sufficient to build a basis for mutual trust for users and providers. The user compliance rules proposed by the Commission are fully in line with the Protocols requirements. They create a credible system of user compliance, while at the same time only imposing

that the proposed ABS system will hinder rather than promote European industry and research.

administrative obligations on users that are proportionate to the objective of the regulation. The due diligence obligations for EU users will ensure that they will be able to continue research and development based on genetic resources and thus generate benefits that can be shared with the provider state. The provision on cooperation with third countries and the complementary measures contained in the proposal will also help to raise awareness among users, to ensure their compliance and to establish closer links with provider states, including on bilateral basis. At the same time due regard is paid to the situation of EU academic researchers and medium-sized enterprises.

4.1 Scope in the broader sense (Article 2)

4.1.1 Article 2 of the draft regulation states that the rules on benefit sharing would only apply to genetic resources and associated traditional knowledge that are acquired after the entry into force of the Nagoya Protocol for the EU. The Commission has failed to draft rules on benefit sharing which would apply to current use and marketing of genetic resources and associated traditional knowledge which have reached the EU since 1993 without ABS treaties.

4.1.3 In its provision on the relationship to international treaties the regulation fails to incorporate the decisive passage from Article 4(4) of the Nagova Protocol. This makes it clear that genetic resources can only be covered by the rules of another agreement "provided that they are supportive of and do not run counter to the objectives of the Convention and this Protocol". This stipulation is missing and must be incorporated into the draft regulation in order to implement the Nagoya Protocol correctly. The decision on whether the ABS rules of another agreement apply to specific genetic resources must be taken by the relevant international organisations and EU institutions.

The Commission proposal on the temporal scope is in line with the Nagoya Protocol and the international principle of non-retroactivity of international agreements. There is no obligation in the Nagoya Protocol to cover retroactively all genetic resources used since 1993; adopting such rules could seriously affect European research and therefore provide a disincentive to generate benefits that could be shared and it would also create significant increase legal uncertainty.

As for the relationship of the Nagoya Protocol with other specialised agreements, express mention of the requested qualifier can be found in article 2 last sentence of the proposed regulation which needs to be read in conjunction with recital 10. The Commission agrees with the EESC that the decision on whether the ABS rules of another agreement apply to specific genetic resources must be taken by the relevant international organisations and EU institutions.

4.2 Definitions (Article 3)

4.2.1 The Commission's draft regulation differs significantly from the text of Article 2 of the Nagoya Protocol. The Commission fails to incorporate the important principle of Article 2(c) of the Nagoya Protocol, that the utilisation of genetic resources includes "the application of biotechnology as defined in Article 2" of the CBD. This definition is of enormous importance in connection with the benefit sharing. In almost all cases of successful product development from genetic resources, e.g. in the fields of medicine and cosmetics, it is no longer the resources themselves but rather extracts or ingredients ("derivatives") obtained via the use of biotechnology which are marketed for profit.

There is no need to incorporate all the definitions of the Nagoya Protocol and the CBD into the regulation. Those definitions automatically apply upon ratification of the Nagoya Protocol by a Party. The definitions proposed in article 3 mainly cover terminology that is not defined in the CBD or the Nagoya Protocol.

As for the observation on commercialisation of extracts or ingredients obtained via the use of biotechnology, commercialisation of a genetic resource or part of it as commodities is not covered by the Nagoya Protocol and the Regulation. The Nagoya Protocol does not deal with commercialisation of derivatives, which is left to the Parties to be regulated under

In this connection the draft regulation should also include in its provisions the concept of "derivative", as defined in Article 2(e) of the Nagoya Protocol.

private contracts.

4.3.5 The EESC also notes that Article 7(1) of the draft regulation leaves scope for interpretation, which must be clarified by the Commission, the Council and the Parliament as a matter of urgency. The text of the regulation could be interpreted to mean that privately financed users are exempt from the reporting requirement. If this interpretation were correct, this, in combination with the late reporting deadline under Article 7(2), would mean that most use and marketing of genetic resources and associated knowledge could be carried out without the competent authorities being informed. This would make official checks on the compliance of privately financed research and development and the resulting marketing with benefit sharing arrangements impossible.

The Commission will reserve its opinion on this particular issue of privately funded research in view of the negotiations with the legislators.

4.3.6 Article 9(3) of the draft regulation leaves it up to competent authorities whether to conduct checks on a user on the basis of substantiated concerns provided by third parties, e.g. reports of bio-piracy from NGOs or indigenous peoples. This provision also runs counter to the regulation's political objective and must be reformulated in a binding way.

Article 9 (3) reflects the general principle of discretion of the competent authorities on when to intervene. This principle would significantly reduce the authorities' discretion not to intervene in cases when there are substantiated concerns of third parties.

In any case, the Commission will consider this specific observation of the EESC in view of the negotiations with the legislators.

18.	7th Environment Action Programme;
* * *	COM(2012) 710 final; CESE 296/2013; March 2013;
	Rapporteur: Mr. RIBBE (Var. Int./DE);
	DG ENV – Commissioner POTOČNIK

Main points of the EESC Opinion The EESC welcomes the draft proposal for a seventh Environment Action Programme (EAP). The decision of the Council and of the Parliament establishes an environment policy Commission Position The Commission notes with appreciation the Committee's opinion on the 7th EU Environment Action Programme and the fact that the Committee generally approves the

consensus among the EU's decision-making institutions on how serious the environmental situation remains, that there are significant deficiencies in the implementation of European environment law, that the efforts made to date to solve current and future problems have been inadequate, and on what action needs to be taken in environment policy in the period up to 2020.

approach taken by the Commission in its proposal, i.e. setting out a strategic programme focussing on a limited number of priority objectives, framed by a coherent narrative which justifies the choice of priorities and actions for the period up to 2020. Better implementation of environment legislation is a recurring theme throughout the programme and is a priority objective in its own right.

The proposal is in keeping with the view expressed by the Committee on a number of occasions, that Europe's current environmental problems are attributable not to a lack of understanding or of ideas about how to tackle them, but to a lack of political will to follow through.

The Commission agrees that insufficient political will is sometimes a preventing the achievement of environmental objectives. That is why the 7th EAP has a strong focus on improving implementation of existing policy and legislation, and securing Member State commitment to a limited number of priority objectives to be attained by 2020 and to deliver on implementing existing legislation. In many areas (resource efficiency, biodiversity, climate), the 7th EAP offers opportunities to secure the political agreement of the European Parliament and Member States and enhance ownership of these policy priorities.

However, this draft seventh **EAP** characterised less by clarity and more by a lack of specifics, both in general and on individual points. If the aim of a programme according to its title is to allow us to live well "within the limits of our planet", it must offer at least a rudimentary description of those limits and explain in greater detail the link between specific policy measures and their impact on social and economic activity in Europe. Unfortunately, the seventh EAP does not do this.

The impact assessment accompanying the Commission's proposal provides considerable level of detail on the challenges and pressures on Europe's environment and the global megatrends described by the European Environment Agency in its State of the Environment Report 2010, as well as their social and economic implications. These are highlighted, albeit briefly, in the introduction of the 7th EAP itself. The Committee will appreciate that in the interests of brevity and communicability, it was not possible to elaborate in detail on these elements in the 7th EAP text itself. Nevertheless, the analysis in the impact assessment informed the selection of the nine priority objectives set out in the 7th EAP, which can help ensure that our economy and society is well-prepared to face challenges ahead. In a context of a vision for 2050, the 7th EAP sets out the path for Europe to become a place where people live in a safe and healthy natural environment,

	where economic progress is based on a sustainable, green economy and where ecological resilience has been achieved.
The seventh EAP is therefore more a report on the environmental situation than a genuine policy document or action programme.	The Commission does not share the view of the Committee. The Commission proposal identifies not only 9 priority objectives, but for each of them also a series of specific goals for 2020 and a set of policy requirements to achieve them.
In the EESC's view, the seventh EAP does not take a clear enough position on the economic and social changes needed to achieve the environment policy goals. The Committee would point out that when the Commission presented the "resource-efficient Europe" flagship initiative, it stressed that achieving the necessary changes would require not only technological improvements and changes in the behaviour of producers and consumers, but also "a significant transition in energy, industrial, agricultural and transport systems".	The Commission has already adopted long-term, integrated strategies to halt biodiversity loss, improve resource efficiency and expedite the transition towards a low-carbon economy. The 7 th EAP does not replace these strategies but provides an overarching framework for them and for environment policy as a whole up to 2020. The Commission does not consider it necessary to repeat in full the positions and statements set out in other policy documents, which remain valid. It would point out that it has made proposals to further integrate environmental concerns and objectives into other key policy areas, including energy, agriculture and transport. The 7 th EAP builds on them without duplicating actions and objectives already set, and complements these efforts by defining priority objectives for the EU to attain over the period up to 2020. In accordance with the Treaty, the detailed measures necessary for the implementation of these objectives will be adopted subsequently.
The seventh EAP accurately analyses shortcomings in implementing previous EAPs, but it hardly offers any proposals on how these failures might be mitigated or eliminated altogether. Almost all positive developments in terms of nature and the environment have come at the behest of civil society. In the view of the EESC, civil society organisations are key players in implementing the seventh EAP, and their role should be strengthened and given much more attention in the form of an additional priority objective.	In the 7 th EAP the role of civil society is explicitly recognized both in improving implementation and in ensuring the societal changes needed to achieve environment and climate objectives. The Commission remains fully committed to
to describe much more clearly the path away	sustainable development and considers that

from conventional environment policy focusing on end-of-pipe technology and towards sustainable development. The Europe 2020 strategy expires at the same time as this seventh EAP. The EESC has repeatedly said that the Europe 2020 strategy cannot be a substitute for a European sustainability strategy that defines the goals and strategies for sustainable development in Europe, with a long-term planning horizon and balanced consideration of the economic, social and environmental dimensions. It invites Council and Parliament to set the objective in the seventh EAP of developing a new overarching EU sustainability strategy, as called for by the Council of Environment Ministers in its conclusions on the United Nations Rio+20 sustainable development conference (Point 3 of the Conclusions on Rio+20: Outcome and follow-up to the UCSD 2012 Summit; 3194th Environment Council meeting; Luxembourg, 25 October 2012). This would bring real added value to the seventh EAP.

the Europe 2020 strategy and the European Semester provide a more effective means to ensure that sustainability is integrated effectively in Union and Member State policies than a fully separate sustainable development strategy. The Commission will continue to ensure that the vast amount of information contained in the biannual report on sustainable development indicators from **ESTAT** is fully reflected in implementation of the Europe 2020 strategy and Member States' national reform appropriate, and will programmes as continue that ensure sustainability to considerations are embedded in policy making at the EU, national and regional levels.

The 7th EAP adds value notably by describing how environment and climate priorities will be pursued in the framework of the European Semester, with a view to ensuring the long term goal of sustainable development.

19. Outermost regions: smart growth (Communication) COM(2012) 287 final; EESC 2011/2012; March 2013; Rapporteur: Mr MALOSSE (Empl./FR); DG REGIO – Commissioner HAHN

Points of the EESC opinion considered essential

1.1 "The EU's current priority in relation to the outermost regions (ORs) must be to strengthen the links that connect them with mainland Europe and their citizens' sense of belonging to the European The ORs can project. serve laboratories, testing grounds and even models for Europe in certain areas, such observation, biodiversity, earth renewable energies and cultural integration".

Commission position

The ultimate goal of the Commission strategy vis-àvis the ORs must be that the latter become more self-reliant, economically more robust and better able to create sustainable jobs, by capitalising the unique assets that each OR possesses and the ORs' added value for the EU. The EU will continue to do its utmost within its remit to achieve such a goal. This should reinforce the ORs' citizens' sense of belonging to the European project.

1.2 "The ORs have considerable assets with which they can contribute to the future of Europe. These include the talents of their men and women, their agricultural, fisheries and industrial products, their high-quality tourism and their geographical role as outposts of Europe in their neighbourhoods. The ORs must have access to all the advantages of the internal market, on an equal footing with other European regions".

The Commission fully shares this view.

1.3 "Despite the extremely tight budgetary situation, specific support for the ORs must not be cut. These regions must have access to appropriate financial means to allow them to achieve the objectives of the Europe 2020 strategy and to compensate for their disadvantages, particularly those linked to their remoteness".

Without pre-empting the final results on the actual allocations for the ORs of the main EU funds, there will be no general reduction for these regions for the next period 2014-2020.

1.4 "Although European policy in favour of the ORs has delivered good results, the concept of outermost regions needs to be revitalised on the specific legal basis established in the TFEU by giving it a more strategic and ambitious dimension. The ORs can thus no longer be excluded from European policies on major networks, research, mobility and earth observation".

When appropriate, the Commission will continue to propose specific measures for the ORs to take account of their specific situation as referred to in Article 349 TFEU.

On the other hand, and in general terms, the Commission does not consider that the ORs are excluded from European policies on major networks, research, mobility and earth observation. The Commission's most recent view on how the specific situation of the ORs should be taken into account in the Europe 2020 strategy is outlined in its Communication of June 2012. The on-going revision of different EU policies will thus consider, where appropriate, the OR dimension.

1.5 "The POSEI instrument should be evaluated and extended to cover all the ORs' products, both agricultural and non-agricultural".

The scope of the POSEI instrument currently in place limits it to agricultural production, specifically those products in Annex I of the Treaty for the Functioning of the European Union. Within this programme, Member States have the possibility to include all or any agricultural productions listed in the aforementioned Annex, as long as the expenditure remains within the envelope allocated to them. The Commission does not currently intend to propose other POSEI programmes for non-agricultural products.

"Article 349 of the Treaty on the Functioning of the European Union (TFEU) needs to be properly implemented in relation to certain European policies, such as those on competition, public procurement, fisheries and the environment, so as to take account of the ORs' geographical and climatic circumstances. Given the text of the Treaty, the European Commission's current silence on these issues is not really justified. The **EESC** calls on the European Commission to draw up and publish an analysis of the application of Article 349".

The Commission has taken account, in various ways, of the ORs' specific situation. This approach is not confined to the area of application of Article 349 of the TFEU, i.e. to measures derogating from the rules and principles enshrined in the Treaties². Rather, various initiatives not implying such derogation and, therefore, based on the sectoral articles of the TFEU (agriculture, fisheries, transport, cohesion policy etc.) show that the fact of not using Article 349 as a legal basis for every specific measure for the ORs has not prevented the EU institutions from developing an ad hoc strategy towards these regions. For example, in case of the Union cohesion policy, such specific measures for the ORs are foreseen in the proposal for a Common Provisions Regulation of the European structural and investment funds (e.g. 85% of cofinancing rate regardless of the GDP) or those contained in the proposal for Regulation on the European territorial cooperation under the ERDF (e.g. specific allocation for the ORs to offset additional costs or the highest percentage, 30%, of the total amount allocated under cooperation programmes that may be spent on operations outside the EU).

Therefore, the Commission does not consider that it has been "silent" on the application of Article 349 TFEU. Every time it has considered it necessary, it has proposed specific measures for the ORs on the basis of this Article and it will continue to do so. At

that are considered to be derogations from the Treaty.

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² Such as the tax regimes of the "*octroi de mer*" for the French ORs or the AIEM for the Canaries, which are exclusively based on Article 349 TFEU. There are other examples of legal acts for which Article 349 TFEU has been used as legal basis together with the respective sectoral Article, such as Regulation (EU) No 228/2013 (agricultural POSEI) or the ERDF Regulation No 1080/2006, since they contain, inter alia, particular measures

the same time, the Commission must make sure that any specific measures in regard to the ORs are proportional to the handicap they intend to offset. This applies to any such measure, whether or not it is based on Article 349 TFEU.

In particular as regards competition rules, and in particular in the area of State aid, Article 107(3)(a) TFEU makes explicit reference to Article 349 TFEU and the particular situation of ORs. This wording of Article 107(3)(a) is the result of an amendment introduced by the Lisbon Treaty and consolidates the practice followed by the Commission for the application of the previous Article 87(3)(a) EC. In line with the Treaty in its previous and present versions, the specific situation of ORs is reflected in the regional aid guidelines (RAG)³. The Commission has taken a further step in its proposal for the future general block exemption Regulation (GBER), according to which operating aid intended to compensate certain additional costs incurred by companies established in the OR would be considered to be compatible with the internal market, under the conditions laid down therein, and would thus be exempted from notification under Article 108(3) TFEU. The Commission considers that this will provide a sound basis for achieving the simplification which is sought, and will take full account of all concerns expressed in respect of the specific situation of the OR.

As regards fisheries, there are different aspects of the specificities of the ORs that are discussed in the ongoing negotiations on the reform of the common fisheries policy.

As regards public procurement, the Commission considers that its approach in relation to the ORs set out in the Communication in this field does not need any further implementation.

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³ C(2013)3769, of 28/06/2013.

With respect to environment, the Commission published an open call for tender to implement the third year of the Preparatory Action BEST in order to extend the initiative. The EU Strategy on adaptation to climate change identifies the ORs as among the most vulnerable regions to the impact of climate change. The three key objectives of the strategy will have to be applied in the specific context of the ORs.

1.7 "Employment and young people are vital issues for the ORs. The social dimension must be a priority in EU policies for the ORs. As a result, this angle needs to be effectively developed through the application of short, medium and long-term measures under support programmes for education and training, in line with the needs of the world of work in such regions, on the one hand, and support for job- and wealth-creating activities on the other".

Within the EU2020 strategy, the ESF envisages to reduce the obstacles to employment, such as lack of qualification, early school leaving and poverty. The Commission will take into account the specific situation of the ORs and ensure that these gaps are appropriately dealt with in the operational programmes under the ESF. The Commission presented a set of measures, planned for 2012 and 2013, to drive down youth unemployment in its "Youth Opportunities Initiative"⁴.

Moreover, given their high levels of youth unemployment, the new Youth Employment Initiative will be of particular importance for the ORs.

As regards education and training, the new Erasmus + will enhance the employability of young people by bridging the gap between the knowledge acquired through education and training and the skills and competences required in the world of work. It will also contribute to reducing inequalities and to providing adequate support services, including through the development of flexible learning paths and alternative access routes. Links between education and the labour market will be further reinforced in particular through the funding of traineeships, strategic partnerships, knowledge alliances and sector skills alliances.

1.9 "It is clearly necessary to try to improve the ORs' integration in their

Regional integration is a key axis of the development of the ORs. To reach its full potential, it is necessary

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⁴ COM(2011) 933 final

local environment. There are many examples which show that the European Commission has a general difficulty in understanding the ORs' strategic role in EU external policy as outposts of the EU, particularly in relation to trade, fisheries policy and development cooperation. Decisive, more visible and more active support from the European Commission for regional cooperation is essential".

to have an integrated approach. On the one hand, one of its key elements, territorial cooperation financed under the ERDF involving the ORs, will be financially reinforced and facilitated for the next period: e.g. specific allocation for the ORs or the highest percentage, 30%, of the total amount allocated under cooperation programmes that may be spent on operations outside the EU; the OR should receive not less than 150% of the ERDF support they receive in the current period plus an additional allocation of EUR 50 million. In addition, coordination mechanisms will be established in order to make the most of the synergies between the ERDF and the European Development Fund.

On the other hand, the Commission will also work on all the other aspects that also contribute to such a better integration (for example, how the ORs can make the most of the possibilities offered by the EPAs or how to facilitate the creation or optimisation of new or more efficient air and maritime routes between the ORs and their neighbours by promoting the establishment of the appropriate legal framework).

Such an integrated approach should be reflected in the future regional neighbourhood plans referred to in the Communication. The ORs and their Member States are also to play an active role.

1.10 "The involvement of civil society in the EU's strategy must be more than just a slogan. The EESC proposes that round tables be organised, bringing in civil society players in each OR, to prepare the "Action Plans" setting out targets and milestones for the implementation of the Europe 2020 strategy. The EESC is willing to launch this process in partnership with the Conference of Presidents of the ORs and ORs' Economic Social and Councils".

The Commission agrees that civil society must be involved in the process of defining, deciding on and implementing any development strategy for the ORs, including the aspects for which the EU is responsible.

The Commission actually congratulates the ORs on having involved their civil society in the preparation process of the action plans.

In addition, the Commission will participate in the conference organised by the EESC and scheduled for 19 September 2013 on the participation of ORs civil society in the elaboration of EU policies.

1.11 "The EESC also supports establishing structured dialogue a between civil society in the ORs and in countries of their respective neighbourhoods (i.e. Latin America, the Atlantic Ocean, the Caribbean or the Indian Ocean, as the case may be). That would, in particular, involve the participation of representatives of the ORs in the dialogue set up by the European Commission under the **Economic** Partnership Agreements (EPAs). The EESC is in favour of creating monitoring committees involving civil society under all the EPAs, and calls for the participation of the ORs in the committees that concern them".

In the Caribbean region, the CARIFORUM-EU EPA offers a clear example of the dialogue possible under the EPAs. It creates four bodies allowing for different forms of dialogue: ministerial dialogue in the Joint EPA Council; senior-officials meetings in the joint Trade and Development Committee; parliamentary dialogue in the joint Parliamentary Committee; and civil society dialogue in the joint Consultative Committee. The outermost regions are concerned by all four bodies in that: the Member States to which they belong are members of the Council and the Trade and Development Committee, and may decide their own representation; the Parliamentary Committee currently includes an MEP from an outermost region; and the Consultative Committee also includes an organisation from an outermost region.

The viability of the monitoring committees suggested by the EESC will have to be further assessed in the light of experience gained with the above bodies.

1.12 "The EESC proposes that EU offices be set up in each of the ORs, to make the links between the EU and those regions more tangible, visible and direct".

The Commission agrees that it is important to render the links between the EU and all EU citizens, including those of the ORs, more tangible, visible and direct. The Commission representations in each Member State are a key element in this respect. The Commission representations in the three Member States concerned should cover their respective entire territories, which includes the ORs. To give a local response, the Commission has set up a local information network (Information Centres Europe Direct) spread out in the EU (more than 500), out of which four are in the ORs. The EUROPE DIRECT Contact Centre is also accessible for all European citizens including in the ORs. In addition, there are also more than 300 documentation centres, five being in the ORs. In this context, and under the budgetary constraints, the Commission considers that setting up EU offices in each OR would be disproportionate to achieve the intended objective.

2.2 "The ORs substantially extend the

To develop all the ORs' own potential and to bring

EU's territory and geographical presence in the world, thus increasing Europe's political, economic and cultural influence and adding huge fishing areas in the Atlantic and Indian oceans. Better use should be made of the ORs' position as outposts of Europe, by integrating them into the trans-European networks TEN-T and the (such digital networks) and giving them priority access to European earth observation programmes (GMES and GALILEO) as well European as to research programmes on renewable energy and biodiversity. Mobility and cooperation programmes should also be used to develop the ORs' role as transmission mechanisms for Europe's influence in the world. The presence of EU special representatives in these regions, which is justified by their remoteness, will act as both a political signal and an effective tool to promote their role as outposts of the EU".

their full added value to the EU it is indeed essential to reinforce their role as EU active borders for cooperation and EU ambassadors able to expand the EU's sphere of socio-economic and cultural influence and to promote increased trade and knowledge-sharing with the ORs' neighbourhoods and with third countries with which they share strong historical and cultural links (see also comment on point 1.9).

In particular, the EU will take into account the OR dimension in the implementation and development of the trans-European networks in the field of transport. In this area, projects of common interest involving ORs and focused on Motorways of the Sea would be eligible for financial support from the proposed Connecting Europe Facility (CEF).

On ICT, the existing regional policy and the competition and electronic communications frameworks provide already a considerable array of instruments to address the needs of ORs. On the one hand, National Regulatory and Competition Authorities have a key role to play to ensure competitive access to ICT services & infrastructures, tariffs & quality of service, and to facilitate investments in new infrastructures.

On the other hand, Member States' national and regional Broadband Plans should identify and take into account the specific infrastructure needs of the ORs and translate them into operational plans including concrete implementing measures and funding allocations. In this respect, it is to be noted that ICT is one of the limited sub-set of four thematic objectives targetted by the ERDF thematic concentration provisions (see comment on point 3.2).

As regards research and development, under Challenge 6 of Horizon 2020, some tools have been set-up to "close the Innovation divide". Among those, the support to research networks.

 For example, COST, a bottom-up, open networking mechanism, encourages international exchanges and co-operation of

researchers within Europe and beyond. Joint activities such as conferences, short-term scientific exchanges and publications are supported.

- Within Horizon 2020, COST should further bring together "pockets of excellence" and play a mobilising role for the less participating countries.
- COST could make a significant contribution to the development of a 'staircase to excellence' for research organisations across Europe.

As regards mobility, with the opening of Erasmus to the world under the future programme Erasmus +, the ORs will have the possibility to support exchanges of students and higher education staff with third countries, including countries nearby. It is to be recalled that Member States also play a key role in the mobility of their citizens. Measures have to be complementary.

2.3 "For more than twenty years, the EESC has also supported the efforts of civil society in the ORs to bring themselves closer to the EU and to be listened to and consulted more fully. In that respect, it is particularly worth highlighting the negative effects that its trade policy could have on the ORs, particularly as a result of free-trade agreements and EPA agreements with the ORs' neighbours. It is regrettable that the European Commission makes no mention of this issue in its Communication and has not taken on board the recommendations in the EESC's opinion of 17 February 2010 (rapporteur: Mr Coupeau), particularly in relation to flanking measures".

See comment on point 1.11.

2.4 "Another weakness of the Communication is that there is a major political fact whose consequences it fails

The Commission does not understand why the EESC states that the Communication fails to address the consequences of the fact that the ORs are part of the

to address, namely that the ORs are part of the European Union. The hearing on Réunion showed that civil society is committed to European integration, which it has never called into question. In the EESC's opinion, the EU's strategy in relation to the ORs should focus on improving their integration into Europe as a whole, while taking their situation into account".

EU. On the contrary, the ORs are fully part of the EU and the consequences thereof are precisely the fact that EU policies are in principle to be fully applied in these regions, which have to seize the opportunities offered to them. Where appropriate, their permanent constraints, as referred to in Article 349 TFEU, must be taken into account and, to this end, the Commission will continue to propose specific measures.

See also comment on point 1.1.

3.1 "Simplification and speed in selection procedures and the allocation of funds have become a pressing need in relation to the implementation of cohesion policy. Excessive delays are often primarily the fault of the EU and the national authorities. These delays seriously harm the EU's credibility. This issue must be addressed urgently before the future financial perspectives are considered".

The Commission will address this issue with Member States, which are the ones ultimately responsible for the implementation of cohesion Funds. This does not only concern the ORs. One of the main pillars of the Commission's proposals for the new period is the setting up of a number of simplification and reduction actions for administrative burden, in particular for beneficiaries. The draft Common Provisions Regulation provides for the obligation for Member States to set out in their partnership agreements/ operational programmes a number of actions (including timetables) to achieve a reduction in the administrative burden for beneficiaries.

3.2 "Another essential requirement for future EU programmes is to ensure that European support is more visible and more concentrated. The fact that funds are spread too thinly at present both contributes to inefficiency and leads to criticism. As stated in Mr Coupeau's opinion, mentioned above, the EESC recommends that the focus at this stage should be on three key priorities. The first of these is education and training to enhance the employability of young people, including support in the form of basic infrastructure, since of course the greatest wealth of these regions lies in the talent and entrepreneurial spirit of Thematic concentration is one of the key principles in the future EU programmes under the European and Structural Investment (ESI) Funds. All support granted from the ESI Funds has to contribute to two or more of the 11 thematic objectives set out in Article 9 of the CPR. Specific objectives or types of actions that do not contribute to any of these thematic objectives (and in the case of ERDF, the ESF and the Cohesion Fund – to investment priorities set out in Fund specific regulations) cannot be supported. The ORs and their Member States, in respect of the regulatory requirements as regards thematic concentration, will decide on the concrete allocations of the funds. Areas such as education and training, SMEs, ICTs, transport, waste, water or energy are covered by the thematic objectives set out the men and women who live there. The second is support for the private sector's role of job- and wealth-creation, in areas such as SMEs/SMIs, tourism, services to the factors of production, agriculture, forestry and fisheries. The third priority is investment in major networks such as ICTs, transport, waste, water and energy, to ensure that the public has fair access to services of general economic interest that contribute to the competitiveness of these regions".

in the future.

Moreover, the EU institutions have recently decided to increase their efforts in tackling youth unemployment by adopting the Youth Employment Initiative (see comment on point 1.7.).

The co-legislators agreed that 23.1% of the overall amount of cohesion policy resources (once the transfer of EUR10bn from the Cohesion Fund to the Connecting Europe Facility and the allocation for the Fund for European Aid for most deprived people are deducted) should be allocated to financing sectors with a great potential of creating jobs such as the "green" economy, health related services and ICT.

3.3 "Sustainable development is a major issue, but it needs to be broadened to cover many areas other than just the environment. For example, sustainable development in relation to tourism includes respect for local identities, regional know-how, preservation of traditional ways of life, language, and typical local products. The issues of accessibility for all, demographic change and dealing with dependence are particularly important in the ORs and are not adequately developed by the European Commission in its communication".

Sustainable development, as a key component of the EU2020 strategy, is already embedded into the principles according to which the ESI Funds are to be used. Its coverage goes beyond the area of environment.

On the other hand, in the Communication and/or in the Staff Working document⁵ accompanying it, the Commission has dealt with issues such as accessibility for all, demographic change and dependence. It is not clear what the EESC means by "not adequately developed".

3.4 "The EESC encourages the Commission to look into the possibility of reflecting the situation of the ORs in the public procurement rules. The specific circumstances in the ORs justify taking into account not only local employment, but also the need to

See comment on point 1.6.

As regards the prevention of social dumping from neighbouring countries, it is for the Member States to ensure that labour legislation is fully applied so that all workers are employed according to the rules in force in the ORs.

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⁵ SWD(2012)170 final, of 20/06/2012.

prevent social dumping from neighbouring countries with much lower wage costs, as well as aggressive pricecutting practices by some economic players which first eliminate all local competition and then, acting as monopolists, charge high prices".

As for aggressive price-cutting practices by some economic players to eliminate all local competition and then act as monopolists, competition rules have to be fully applied, particularly those intended to avoid any abuse of a dominant position.

"As far as 3.5 relations with neighbouring third countries are concerned, the EESC regrets that the Commission's communication lacks a clear vision such as the one proposed in Mr Coupeau's opinion. The EESC highlights the importance of cooperation between the ORs and neighbouring countries, particularly ACP countries, in the form of joint cooperation projects using EDF, ERDF, ESF, EAFRD and EMFF funds. Many studies have been carried out in this field, but in the absence of operational rules, concrete cooperation projects have been implemented. However, there are many opportunities for cooperation in the fields of transport, tourism, education, health. fisheries and agriculture, development, research and environmental protection. Equally, the issue in relation to the EU's trade policy has not been addressed. The current or prospective free-trade agreements and EPAs pose a genuine threat to the fragile economies of some ORs. The draft EU strategy in favour of the ORs is pointless if their very real interests in EU trade policy are not taken into account".

The Commission does not agree that the current or prospective free-trade agreements and the EPAs pose a threat to the economies of some ORs. The EPAs in contain tailor-made particular provisions safeguarding ORs interests. And Free Trade Agreements in Latin America also take the interests of the ORs into account (e.g. through appropriate quotas for sensitive products). Concerning agricultural products, it should be noted that the ORs currently have the option under the POSEI scheme to import products from third countries with the exemption of import duties. In reality, this option is rarely used.

3.6 "Finally, it is regrettable that this communication pays so little attention to creating a partnership with civil society in the ORs so as to establish structured consultation of civil society on the

The Communication states that "Member States should ensure that OR representatives are fully involved in the preparation and monitoring of the [partnership] agreement". This has to be interpreted in the context of the code of conduct proposed by the

implementation of cohesion activities and develop projects that would help strengthen their inhabitants' sense of European identity through information campaigns, European citizenship and mobility programmes. The EESC would refer to its opinion on the European Code of Conduct on Partnership (CCP)". Commission for the ESI Funds.

See also comment on point 1.10.

4.1.1 "A careful assessment should be made of the way this programme is applied. Alongside the major resources lavished by the POSEI on two OR products (sugar and bananas) account should be taken of a range of other local products whose export could be promoted (e.g. vanilla, fruit and vegetables, fisheries products)".

As foreseen in Article 35 of Regulation of the Council and the Parliament No 228/2013 the Commission has a responsibility to review the effectiveness of the POSEI scheme in view of the new CAP policy framework. The comments of the European Economic and Social Committee have been noted, and the recommendations will be given due consideration during that review process.

4.1.2 "Funding for the POSEI agriculture programmes should not only be maintained but strengthened so that production for export as well as for the local market can continue to be developed, while at the same time guaranteeing the supply of raw materials and basic products".

There are currently no proposals to change the envelope for POSEI support to the ORs. The Commission recognises the importance of supporting agriculture in the ORs but, as the Committee itself acknowledges, the current budgetary situation is extremely tight, and a balance has to be found.

4.2.1 "The EESC welcomes the European Council's decision to continue to offer the ORs special treatment so that they can make the best use of the funds available, proposing a cofinancing rate of 85% regardless of their income levels. Nevertheless, it regrets that the co-financing rate for the specific allocation to offset the additional costs of remoteness remains set at 50% and urges the Commission to exercise sufficient flexibility to ensure that it is fully effective".

The co-financing rate of 85% for the ORs regardless of their income levels was the original proposal from the Commission, which the European Council did not modify in the conclusions they adopted in February 2013 on the multi-annual financial framework for 2014-2020. Co-legislators have not reached a formal agreement on this provision yet. The European Council has not modified either the co-financing rate of 50% for the specific allocation, which was also originally proposed by Commission. This 50%-rate should not be underestimated since the ORs are the only EU regions where the ERDF may co-finance operating aid, which may offset 100% of the additional costs.

4.2.2 "Lastly, the EESC is concerned that the Commission's proposals for territorial cooperation do not offer concrete answers to the ORs' indispensable need for regional integration".

The Commission does not agree with this statement. Territorial cooperation financed under the ERDF involving the ORs, will be financially reinforced and facilitated for the next period. Specific provisions for the benefit of ORs include the possibility of spending 30%, of the total amount allocated under cooperation programmes involving ORs on operations outside the EU; the OR should receive not less than 150% of the ERDF support they receive in the current period plus an additional allocation of EUR 50 million. In addition. coordination mechanisms will established in order to make the most of the synergies between the ERDF and the European Development Fund. Finally, on the 150 km rule in particular, co-legislators have agreed a specific provision for the outermost regions facilitating crossborder cooperation beyond the 150 km limitation.

4.3 "Mobility programmes: the EU needs to guarantee equal access to these employment or study programmes for citizens living in the ORs. There is a clear and unacceptable contradiction, for example, between the desire to allow young people and academics from the ORs to reap the full benefit of mobility programmes such as "Erasmus for all" and the refusal to take account of their geographical situation by not paying the travel costs incurred as a result of their remoteness by students coming to the ORs travelling to other or countries".

In the current Lifelong Learning Programme, National Agencies have the possibility to increase the level of the student grants to take into account long travel distance. It should be noted, however, that this possibility is not implemented evenly across the ORs. When implementing "Erasmus +", the Commission will take into account the constraints imposed by the remoteness of the ORs.

4.3.1 "A further inconsistency is that "Erasmus for all" does not take account of third countries that are neighbours of the ORs. These inconsistencies must be removed. There should be a specific Erasmus Mundus programme for the ORs, allowing exchanges to be arranged for young people with neighbouring

What is proposed under « Erasmus + » is to open Erasmus to third countries, which would allow students from the ORs to receive, within the available budget, a grant to be mobile towards any participating country or any third country, whether it is close or not. Therefore, "Erasmus +" will support exchanges for young people and academics between the ORs and third counties, including countries

countries, thereby using these European outposts to promote European identity and culture".

nearby. As a consequence, it is not intended to create a specific Erasmus Mundus for ORs, as full possibilities will be offered under the higher education part of "Erasmus +".

4.4.1 "The EESC, together with the European Parliament, highlights the need to establish an ad hoc framework for transport and ICT so that the ORs can address the problem of territorial separation and the digital divide".

The Commission will examine with the OR and their Member States how the opportunities under the cohesion policy funds can best be used in each case. In the field of transport, the EU will take into account the OR dimension in the implementation and development of the trans-European networks. In this area, projects of common interest involving ORs and focused on Motorways of the Sea would be eligible for financial support from the proposed Connecting Europe Facility.

On ICT, substantial support to the development of next generation networks providing advanced electronic communication services may come from an adequate policy and regulatory framework. The European Commission has proposed new rules to cut by 30% the cost of rolling out high-speed Internet: it continues working on the implementation of the radio spectrum policy programme and has recently released a draft Recommendation on discrimination obligations and costing methodology for regulated wholesale network access. The ORs have a particular interest in ensuring that these and other initiatives translate rapidly locally in the best possible policy and regulatory environment for broadband and ICT development.

This been said, although investments in electronic communication networks will primarily come from commercial investors, when market fails to provide sufficient broadband coverage or the access conditions are not adequate, public funding may be required. Within the framework set by the recent EU guidelines on broadband State aid, the EU budget will continue to support broadband roll-out, notably through its ESI Funds, but it is essential that national and regional strategies include among their priorities ensuring high speed broadband connectivity for its people and enterprises and carry out the necessary

	analysis to substantiate their public investment needs. Infrastructure strategies will however need to be complemented by an adequate digital growth strategy.
4.5.1 "The ORs should be automatically eligible for cross-border cooperation, despite the requirements for maritime borders to be no more than 150 km apart".	On the 150 km rule, co-legislators have agreed a specific provision for the outermost regions facilitating cross-border cooperation beyond the 150 km limitation.
4.5.2 "The effective regional integration of the ORs calls for measures to be adopted to improve their connectivity with neighbouring third countries and to foster the internationalisation that is essential to their SMEs".	SMEs in the ORs can call upon the 600 Enterprise Europe Network organisations that are present in most of these regions to help them internationalise and become more competitive. The priority of the Network lies in the EU common market, but also with third countries that can be the ORs' neighbouring countries.
4.5.3 "It is essential that the European Union carry out impact assessments when concluding trade or fisheries agreements with the neighbouring countries of the ORs and that it keep the political authorities and civil society in the ORs informed of the negotiations and involve them on matters that directly affect them".	The Commission assesses potential impacts on the ORs of the trade and fisheries agreements where necessary, using the sustainability impact assessments where this is possible.
4.5.4 "There is also interest in professional and legal circles in the ORs in the security of investments in their local environment. In that respect, the EESC supports the creation of a bar association of the ORs and all other such initiatives, including, inter alia, the Atlantic arbitration centre".	The Commission would support cooperation projects under the ERDF aiming at creating the appropriate legal environment. Increasing legal security is likely to have a positive effect in trade flows, particularly with neighbouring countries. This could be another element of reinforcing regional integration.
4.5.5 "In a number of areas, such as transport or waste management, regional integration would make it possible to achieve economies of scale, provided	See comments on points 1.9., 2.2 and 4.3.1.

that the EU shows more clearly than it has done so far that it intends to make the ORs into outposts of Europe".

TFEU

4.6.1

inadequate

coming period".

"Article 107(3)(a)represents real conceptual progress, the Commission to take allowing account of the different economic situation of the ORs in the state aid framework for regional aid, as well as of the manifest deficiencies in relation to state aid for other purposes (such as research, innovation, transport and the environment). The EESC highlights the currently contradiction that exists between the priorities of the Europe 2020 strategy and the fact that the state aid frameworks for research innovation and the environment are

for

the

contradiction must be corrected for the

ORs.

That

See comment on point 1.6 on regional State aid.

framework on the State transport, Commission is working on the possibility of granting State aid in maritime transport for third countries, as is the case for the guidelines on air transport.

On the State aid frameworks for research and innovation and the environment, the Commission is examining the need and the possibilities of taking into account the specificities of the ORs.

4.6.2 "At a time when the European state aid framework is under review, the ORs are concerned as to whether the existing framework will be maintained. They call for the most favourable treatment possible to be maintained, for consistent treatment of state aid for the full range of different purposes (with increased aid intensities for investment in businesses and operating aid that is not gradually reduced and not limited in time, to compensate for the additional costs associated with the outermost areas, in line with Article 349 TFEU) and a search for simple, flexible procedures".

In line with the Treaty, the specific situation of the OR is reflected in the regional aid guidelines. The current regional aid guidelines and the ones that will be applicable for 2014-2020 allow for operating aid that is aimed to compensate for the additional costs that companies located in the OR have to bear due to the circumstances mentioned in Article 349 TFEU. The currently applicable principle that this aid does not have to be temporary or degressive will be maintained.

The Commission also proposes in the draft general block exemption Regulation (GBER), to exempt from the notification obligation (and therefore to move to the block-exemption regulation) certain operating aid schemes in favour of companies located in the OR:

aid to compensate the additional transport costs of goods produced in an OR or in a sparsely populated area;

	 aid to compensate other additional costs, up to 10 % of the annual sales revenues or 10 % of the annual net turnover of each beneficiary in an OR. As a result, aid of several billions of euros per year granted to companies located in the OR could be block-exempted in the future.
4.6.3 "The ORs have a substantial need for jobs, to put a stop to structural unemployment affecting all strata of the population. Businesses in the ORs are by definition small and medium-sized enterprises, often operating in geographically limited markets: these are very different characteristics from those that exist in mainland Europe. It must remain possible, as in 2007-2013, for aid to businesses to be granted to all types of firm".	All types of firms (including large enterprises) located in the ORs will remain eligible for all regional aid (operating aid and investment aid).
4.6.4 "Investment aid intensities in the ORs appear to have stabilised at the level applied in 2007-2013, with both the thresholds and the principle of a "bonus" for the ORs being maintained in the future. The EESC emphasises that this has no effect on intra-EU trade, particularly because the markets of the ORs have very little appeal to foreign investors. The EESC therefore calls for operating aid that is not gradually reduced and is not limited in time to continue to be allowed".	The regional aid guidelines for 2014-2020 maintain the aid intensity bonuses for regional investment aid in the OR, as well as the non-temporary and non-degressive character of regional operating aid schemes.
4.6.5 "Public support, including European support, and investment by businesses in the ORs in innovation, the digital agenda and the search for partnerships in their local areas should be treated as priorities".	The ORs and their Member States may use all the possibilities offered by the EU funds to invest on the areas mentioned. Likewise, national public support may also be allocated to promote these priorities in the framework of the future State aid instruments.
4.6.6 "Due to the particular structure of the ORs, their business fabric is made up	The Commission is strongly committed to implementing the SBA and the Think Small First

almost entirely of very small businesses. The Commission's strategy should emphasise effective implementation of the European Small Business Act and application of the "Think Small First" principle, particularly in relation to procedures and monitoring. The competition rules should be closely monitored in the ORs, to protect the interests of small and medium-sized enterprises".

principle. To ensure and monitor the effective implementation at European and national level the SBA Review, adopted in February 2011, introduced a reinforced governance system (Network of SME Envoy, annual SME Assembly). This complements the existing monitoring tools such as the SME Performance

Review (http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/performance-review/index_en.htm).

In particular emphasis is being put on micro enterprises to ensure that the forthcoming Commission proposals take into account their specificities

(http://ec.europa.eu/enterprise/policies/sme/small-business-act/think-small-first/index_en.htm)

4.7.1 "The geography of the ORs makes them highly vulnerable and means that they need to meet the energy challenge in a different way from mainland Europe. The EU should help the ORs to secure their energy supply in complex surroundings and circumstances which significantly raise prices and restrict competitiveness".

The ORs can benefit from improved energy security resulting from improved energy efficiency and use of local renewable energy sources. This requires a coordinated approach by public authorities in which power generating companies, Distribution System Operators, Regulators as well as users are appropriately engaged through national regulatory frameworks.

Furthermore, it is proposed that major financial support be provided through future Cohesion policy funds, mainly the ERDF, which could offer good opportunities to enhance the necessary institutional capacity so as to improve regional-level energy programming in these regions. The Commission will examine with the ORs and their Member States how funding for renewable energy and energy efficiency under the cohesion policy funds can best be deployed to meet the specific needs and capacities of the ORs.

4.7.2 "It is critical for the ORs to obtain and use their own energy resources, whether in the form of energy derived from oil or gas or low-carbon forms such as wind, thermal, solar, hydropower and marine (tidal, wave, marine current and thermal) energy".

See comment on point 4.7.1

4.7.3 "The EESC proposes that research into renewable energies be promoted in these regions and that energy projects in the ORs be supported through EU financial instruments, taking their specific characteristics into account".

See comment on point 4.7.1

4.8.1 "The fundamental importance of agriculture in the ORs is clear. It contributes to employment, provides influence and helps protect traditional environments and ways of life. Besides sugar and bananas, the EU should continue to work towards diversification and self-sufficiency in food for the ORs. There is also a need to maintain the current balance between agricultural production for export and for local markets".

The need to establish a balance between production for the local needs and production for exportation is important, and the Commission considers that Member States and the ORs are best placed to determine where that balance lies for these regions. Nevertheless, the comments of the European Economic and Social Committee have been noted, and the recommendations will be given due consideration during the POSEI review process.

The Commission proposals for the Rural Development regulation takes into account the importance of diversification in the agricultural sector. Three of the six priorities for rural development offer opportunities to include measures connected with this objective, with a particular focus on the following groups of actions:

- 2.a: facilitating restructuring of farms facing major structural problems, notably farms with a low degree of market participation, market-oriented farms in particular sectors and farms in need of agricultural diversification;
- 3a: better integrating primary producers into the food chain through quality schemes, promotion in local markets and short supply circuits, producer groups and inter-branch organisations;
- 6a: facilitating diversification, creation of new small enterprises and job creation;
- 6b: fostering local development in rural areas.

It is for the Member States to propose the combination of measures they consider to be appropriate to address the needs of the regions, taking into account their particular geographical situation. 4.8.2 "The procedures related to European aid sometimes favour large organisations and the use of intermediaries. That tendency leads to a disregard of the interests of small independent producers, who are in a large majority in the ORs, and should be changed. EU support should also serve to improve the functioning of the food chain and to promote the participation of farmers and their organisations".

The Commission proposals for the Rural Development regulation pay particular attention to the needs of small producers. Two rural development priorities offer the possibility of giving support to small producers and/or better integrating primary producers in the food chain, in particular through the following actions:

- 2.a: facilitating restructuring of farms facing major structural problems, notably farms with a low degree of market participation, marketoriented farms in particular sectors and farms in need of agricultural diversification;
- 3a: better integrating primary producers into the food chain through quality schemes, promotion in local markets and short supply circuits, producer groups and inter-branch organisations;

Article 20 of the Commission proposals for the Rural Development regulation also mentions — amongst others — the establishment aid for the development of small producers, and the annual payments available for farmers participating in the small farmers scheme (established by title V of Commission proposal for the Direct Payments Regulation) who permanently transfer their holding to another farmer.

Furthermore, Member States have the possibility to propose a specific sub-programme for small farmers, with higher rates of co-financing.

4.9.1 "The EESC welcomes the Commission's intention to ensure more regional decision-making in this field by focusing on regional maritime zones, taking account of local stock and putting in place an advisory council for the ORs. However, that advisory council must be organised according to the sea basin to which each OR belongs, to take better account of their specific situation, given that there are great differences between the fisheries of the various ORs".

An ad hoc advisory council for the ORs will be created.

4.9.2 "The fisheries policy reform proposal does not satisfactorily address the situation of the ORs, for example in relation to aid to fishing fleets (as construction/purchase regards and modernisation, management of fishing effort and the impact on the ORs of fisheries agreements between the EU and third countries), as well as the lack of developments in relation to fisheries POSEIs, the content of which would benefit from a conceptual review on the model of the current approach for agricultural POSEIs. The Committee also reiterates the ideas set out in its own-initiative opinion of 27 October 2011 on The development of regional areas for the management of fish stocks and the control of fishing (rapporteur: Mr Burns)".

The Common Fisheries Policy reform proposals take into account ORs' specificities (e.g. aid intensity, access rights, small-scale fisheries, compensation scheme...). The Commission proposal includes measures to modernise fishing vessels in order to improve safety and hygiene on board.

As regards the fisheries POSEI⁶, the Commission has proposed to integrate it into the EMFF to simplify its implementation by the Member States and to increase efficiency.

4.10.1 "The potential for growing sustainable specialist tropical and subtropical hardwoods is an opportunity that should be considered in the Outermost Regions and the Overseas Countries and Territories. Their special relationship with Europe would allow them direct access due to their ability to provide certified wood that can be guaranteed not to breach any of the Forest Stewardship Council (FSC) certification rules".

Under the second pillar of the Common Agricultural Policy, the Rural Development Programmes offer some potential support measures for forestry. The Commission considers that this issue should rather be explored by the national or local authorities.

Within the current agricultural POSEI programme, however, Member States have the possibility to include all or any agricultural productions listed in Annex I of the Treaty, as long as the expenditure remains within the envelope allocated to them. The Commission does not currently have any plans to propose other POSEI programmes for non-agricultural products, as is the case of wood.

4.10.2 "Wood for special historical restoration projects is a specific market

See comment on point 4.10.1.

⁶ There is no such a regime formally called "Fisheries POSEI". The specific funding scheme for the ORs is contained in Regulation (EC) No 791/2007 to compensate for the additional costs incurred in the marketing of certain fishery products from the outermost regions of Azores, Madeira, the Canary Islands, French Guiana and Réunion.

that should be considered, as many of the original types of wood are on endangered lists and therefore extremely difficult to source legally. Mahogany, Ipe, Virola, Padauk, Greenheart, Ramin, Apitong, or Wenge is only a small list of woods that are required for restoration projects". See comment on point 4.10.1. 4.10.3 "In addition to wood, tropical and subtropical forests provide an ideal On rare plants for use in medicine and cosmetics, environment for growing rare plants for these may fall under products included in Annex I to use in medicine and cosmetics. Wood the Treaty and, threfore, they could be introducted from tropical and subtropical forestry is into the agricultural POSEI. Some Member States not a get-rich-quick-scheme, but it does already provide incentives for their production. The offer a huge long term opportunity for Commission considers that this issue should rather these regions to capitalise on highly be explored by the national or local authorities. profitable markets that require access to these rare wood and plants". 4.11.1 "The EESC supports It is not clear what the European environment the continuation of the European programme the EESC refers to. environment programme and the The potential European biodiversity found in the action plan (80%) biodiversity of ORs is 70%. potential European biodiversity is to be found in the ORs) and believes that future programmes under the 2020 strategy, particularly those concerning renewable energy, sustainable development and marine science, should take better account of the potential of the ORs". Apart from the possibilities offered by the ESI 4.11.2 "The European Commission is not developing the ORs' potential Funds, the European Commission is supporting the sufficiently in this area". BEST Preparatory Action which promotes the conservation of biodiversity and sustainable use of ecosystem services in the ORs and in the OCTs. 4.12.1 "The EESC is pleased that the See comment on point 1.7., particularly on the new Commission is focusing on the social Youth Employment Initiative. aspect of the European model in relation to the Europe 2020 strategy. That focus

should not just be a matter of good intentions, but must take the form of concrete commitments. No European citizen should be excluded or left behind by the process of development. That is the very meaning of European solidarity. The EESC supports the proposal by the President of the Region of the Canary Islands to put in place an emergency plan to combat mass unemployment, which is growing exceptionally quickly".

When needed, essential basic needs will be addressed on a case by case basis during the ESI Funds programming process. In this respect, it is to be noted that not all the ORs are in the same situation.

4.12.2.1 "Essential basic needs, such as water for all (both individuals and businesses), sustainable energy, treatment of waste water and waste disposal, are issues of huge importance for these regions. In this respect, the Commission does not give sufficient emphasis to the need for well-functioning network services in the ORs".

4.12.2.2 "A European tourism strategy is essential for the ORs; such a strategy must incorporate sustainable development and respect for identity as key pillars of the development of this sector, to avoid falling into the trap of cultural homogenisation or concreting over of coastal areas. In this context, the **EESC** attention draws to the Commission's Communication on Blue Growth and to the opinion currently being drawn up by the Committee".

4.12.2.3 "The European Commission's strategy should give more attention to the cultural dimension. The ORs are an outstanding asset for the EU in that respect. The EESC therefore calls for

By the end of 2013, the Commission intends to adopt a Communication on 'Maritime and Coastal tourism' that will aim at promoting the sustainable economic growth of the coastal and maritime tourism sector and to enhance its overall competitiveness. It will address current governance shortcomings and create a framework for cooperation among public authorities and public-private partnerships. In light of the specificities of each sea basin, concrete actions need to be developed, addressing business investments, seasonality, product diversification and innovation, connectivity, accessibility, improved infrastructure, skills development and marine environment protection.

The Commission is convinced that culture in general as well as the cultural and creative industries in particular have a clear role to play in achieving the objectives of the EU 2020 Strategy. With regard to Cohesion Policy and its investment priorities, the

the cultural strand of the action plans implementing the Europe 2020 strategy to be substantially strengthened".

cultural and creative sectors should be integrated into regional and local development strategies in line with the newly coined concept of "smart specialisation". The "protection, promotion and development of cultural heritage" has been included as part of the thematic objective "preserving, protecting the environment and promoting resource efficiency" under the ERDF regulation proposal.

In addition, the "Elements for a Common Strategic Framework 2014 to 2020", adopted by the Commission on 14 March 2012, illustrate different opportunities for the cultural heritage in the context of cohesion policy.

(Communication);

COM(2012) 494 final; CESE 2274/2012; March 2013 Rapporteur: Mr POLYZOGOPOULOS (Work./EL);

DG MARE; Commissioner DAMANAKI

DG MARE; Commissioner DAMANAKI			
Main points of the EESC Opinion	Commission Position		
1. Conclusions and recommendations			
1.1. The EESC sees the communication under discussion as the necessary logical continuation of efforts to implement an Integrated Maritime Policy (IMP) in the European Union.	The Commission agrees with the Committee that the Communication has to be seen as driving forward the Integrated Maritime Policy. As part of the further implementation and development of the EU's Integrated Maritime Policy, the Commission intends to complement the Communication on blue growth with initiatives concerning the focus areas.		
1.2. The EESC regards the communication generally as an apt contribution to the EU's Integrated Maritime Policy in the context of the Europe 2020 strategy, with the aim of economic recovery in Europe drawing on the potential of the maritime economy to create jobs, strengthen competitiveness and promote social cohesion.	The Commission welcomes the Committee's recognition of the Communication as an important element of the Europe 2020 strategy. Blue growth is the contribution of the EU's Integrated Maritime Policy to achieving the goals of the Europe 2020 strategy for smart, sustainable and inclusive growth.		

1.3. From this point of view, the EESC welcomes the communication, particularly in the current economic crisis, which has created a difficult economic landscape in Europe, with negative effects also for sectors of the maritime economy.

The Commission welcomes the Committee's support and endorsement of the Communication as part of the Union's actions and initiatives to bring back economic growth in sectors that are relevant for the maritime economy.

1.4. If the communication is to give fresh impetus to the IMP as intended, the EESC believes that there must be consistent use and development of good existing initiatives and measures alongside the proposed new framework so that the EU does not miss the opportunity to frame a cutting-edge IMP based on high standards.

The Commission agrees that blue growth sectors will fully realise their potential provided synergies are created between existing policies and the development of new initiatives and instruments.

1.5. The EESC believes that continuity and consistency are essential to the achievement of blue growth, and it must therefore be made clear that the five Focus Areas identified on the basis of the study *Blue Growth*. *Scenarios and drivers for Sustainable Growth* (2012) complement rather than replace the existing traditional spheres of action (https://webgate.ec.europa.eu/maritimeforum/content/2946).

The five sectors identified in the Blue Growth Communication (Blue energy, aquaculture, sea-bed mining, blue biotechnologies and maritime coastal and cruise tourism) should not be considered exhaustive. The Commission will continue to pay close attention to the development of established and mature sectors in the maritime economy.

1.6. The Committee emphasises that seeing the blue economy as an inexhaustible source of unexploited resources and insistently invoking blue growth as a panacea for the problems Europe's economy faces might increase the many different types of stress already being placed on the EU's coasts and seas; the Committee therefore recommends constant vigilance to ensure that a balance is maintained between economic objectives and the principles of sustainable development.

The Commission agrees that blue growth initiatives need to be sustainable and take into account potential environmental concerns.

1.7. The EESC has addressed the importance of the human factor in the maritime economy extensively, recommending that due attention be paid to the social dimension when seeking a balance between economic, social and environmental factors for a sustainable IMP.

The Commission agrees with the Committee on the importance of the human factor and on the need to strike the necessary balance between the three pillars of sustainable development. The IMP seeks to ensure that the sectoral policies of the Treaty on the Functioning of the European Union (TFEU) that have a bearing on the maritime space are implemented in a coherent way so as to achieve multiple concurrent objectives of an economic, social and environmental nature.

1.9. With reference to key points it has made on marine and maritime research⁷, the EESC underlines the central importance of research and innovation in establishing a strong competitive position for Europe, especially in new emerging sectors, with the emphasis on basic and advanced research geared towards leading-edge applications and optimum methods so as to support cooperation between industry and academia.

The Commission agrees with the Committee on the importance of research and the industry. Cooperation between industry and academia will be a priority of the EU's Horizon 2020 research programme.

1.10. The EESC considers education to be particularly important, and urges the Commission to design appropriate an innovative education framework attracting highly-qualified students to a career path in the marine sector.

The Commission, while sharing the view of the Committee on the importance of education, would like to underline that, in the field of education, the responsibility lies with Member States.

1.11. Since the consolidation of blue growth is a particularly ambitious and complex undertaking of enormous scope, the EESC points to the need for greater detail in the area of implementation; in this opinion it identifies certain key and other specific issues that must be addressed so as to avoid there being a gap between expectations and what can actually be achieved.

Sea basin strategies will aim to implement the blue growth strategy in a way that takes advantage of local climatic, oceanographic, economic and cultural characteristics.

3. General comments

3.1. The EESC has in previous opinions⁸ made important comments, taking a position on a number of issues relating to blue growth and applauding the way in which the Commission has been implementing the Integrated Maritime Policy since its inception in 2007⁹, with the aim of ensuring sustainable development of the maritime economy and improving protection of the marine environment.

The Commission welcomes the support of the Committee and of its endorsement of the implementation by the Commission of the IMP.

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⁷ OJ C 306, 16.12.2009, p. 46.

⁸ OJ C 299, 4.10.2012, p. 133; OJ C 255, 22.9.2010, p. 103; OJ C 267, 1.10.2010, p. 39; OJ C 306, 16.12.2009, p. 46; OJ C 211, 19.8.2008, p. 31; OJ C 172, 5.7.2008, p. 34; OJ C 168, 20.7.2007, p. 50; OJ C 146, 30.6.2007, p. 19; OJ C 206, 29.8.2006, p. 5; OJ C 185, 8.8.2006, p. 20; OJ C 157, 28.6.2005, p. 141.

⁹ COM(2007) 575 final.

3.2. The **EESC** the sees proposed consolidation of blue growth as a complex and difficult undertaking on a massive scale embracing: (1) six sea basins (the Baltic Sea, Mediterranean, North Sea. North-East Atlantic Ocean, Arctic Ocean, Black Sea and the outermost regions of Europe) with their particular economic, social, environmental, geographical, climate and institutional characteristics and needs, (2) many sectors various activities levels at development, of varying importance and with characteristics, particular and (3) development strategies that build on the advantages and address the weaknesses of each maritime region and each sector.

The Commission is fully aware of the challenges facing the blue growth initiative, in particular because of the number and diversity of geographical areas and of the sectors and stakeholders involved. The Commission looks forward to cooperating with the Committee when developing further initiatives to face the aforementioned challenges.

3.5. The EESC recommends strengthening maritime clusters and promoting joint projects that can boost innovation and develop new business concepts. Regional groupings that bring together the public and private sectors, NGOs, as well as regional maritime agreements and targeted studies of sea basins, can counter the fragmentation of the maritime economy based on cross-border cooperation and European programmes.

The Commission agrees with Committee on the importance of creating regional and crossborder maritime clusters. Member States, regional authorities and relevant stakeholders have a key role to play in the creation of such groupings, across sectors and regions.

3.6. As far as the local communities of coastal regions, islands and outermost regions **EESC** concerned, the advocates discouraging "one-size-fits-all" approaches and encouraging adapted local strategies and with cooperation local and regional authorities, local communities and local civil society organisations with the aim of safeguarding the cultural heritage forms traditional of production and employment and protecting natural resources.

The Commission agrees with the Committee that blue growth has to take into account the specificities of local communities in coastal regions, islands and outermost regions. Furthermore blue growth will only work if there is engagement not only from EU institutions but from all the stakeholders.

3.7. In the EESC's view it should be made explicit that promoting blue growth under the IMP is not an exclusively EU matter, since marine ecosystems and maritime economies borders. transcend national Serious challenges can only be successfully addressed through international cooperation and coordinated action. This applies both to global challenges like the sustainable use of marine resources, climate change, loss of biodiversity, fair competition in the shipping and shipbuilding sectors, and promoting conditions for decent jobs in these spheres, and to issues that are more a matter for the regional level, e.g. environmental protection

in the Mediterranean or Baltic Sea regions.

3.8. The EESC urges the Commission to make the seven outermost regions (the autonomous Spanish community of the Canary Islands, the Portuguese autonomous regions of Madeira and the Azores, and the French overseas departments Guadeloupe, French Guiana, Martinique and Réunion) – as outposts of the EU in their regions 10 – central to the external dimension of the IMP, taking into account the priorities for a stronger partnership¹¹, and to present regional blue growth strategies for these regions, since they give the EU the largest Exclusive Economic Zone in the world and can play an important role.

The Commission agrees with the Committee that maritime economies and marine ecosystems transcend national borders and therefore the promotion of blue growth is not limited to the EU. The Galway Statement on Atlantic Cooperation signed on 24 May by Commissioners Geoghegan-Quinn Damanaki together with Edward Fast, the Canadian Minister of Trade and Dr. Kerri-Anne Jones, US Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs is a step towards a more global approach of the IMP.

In its Communication "The outermost regions of the European Union: towards a partnership for smart, sustainable and inclusive growth", [COM(2012)287 final of 20.6. 2012], the Commission did set out a strategy to work in partnership with the Outermost Regions for smart, sustainable and inclusive growth. In the context of this strategy, the Commission indicated that "Their geostrategic locations mean they serve as ambassadors for the EU in the Atlantic, the Caribbean and the Indian Ocean, with the potential to benefit the EU through their relations with their neighbours and to spread EU influence in their regions".

As regards blue growth, outermost regions can build on various EU instruments, including the different funds, to develop and implement their own strategies to promote such growth. Outermost regions can also develop "Smart Specialisation" strategies that take into account their maritime advantages in a way that can develop the blue economy, in a sustainable manner.

¹⁰ COM(2004) 343

¹¹ OJ C 294, 25.11.2005, p. 21.

3.9. The EESC welcomes the mention in the communication of employment, training and skills, but believes that the social dimension which they signal must be incorporated into policies introduced with the new agenda for the marine and maritime sectors adopted on 8 October 2012 to back the Europe 2020 strategy, with targeted measures to improve living, working and training conditions and with involvement of the social partners.

The Commission is fully aware of the issues raised by the Committee as regards the social dimension. In its Communication on "Developing a Maritime Strategy for the Atlantic Ocean Area" [COM(2011)782 of 21.112011], the Commission identify to socially inclusive growth as one of the themes where the Atlantic area is facing challenges and opportunities. In this context the Commission pointed to the need to continue the dialogue with social partners on working conditions for fishermen seafarers. The improvement of maritime safety and security, including of seafarers and coastal populations, has been identified as a specific objective, under "Priority 2: Protect, secure and develop the potential of the Atlantic marine and coastal environment" of the "Action Plan for a Maritime Strategy in the Atlantic area" [COM(2013)279 of 13.5.2013]".

3.10. Since the communication identifies the skills shortage as a major obstacle in the area of blue growth, the EESC considers it essential to ensure not only a minimum level of training of seafarers¹², but also the development of professional skills and experience to meet the needs of emerging sectors for new high-level skills. It therefore recommends that existing policies and measures be fleshed out and broadened given that maritime training focuses mainly on existing mature activities (fishing, shipping).

The Commission agrees with the Committee that skills shortage is a major obstacle for blue growth to maximise the benefits associated with blue growth. One of the priorities Commission's of the Communication on an Action Plan for a Maritime Strategy in the Atlantic [COM(2013)279 of 15.5.2013] is "improving skills in traditional Atlantic industries, such as shipbuilding, aquaculture and fisheries, as well as in the emerging sectors of the blue economy"

4. Economic dimension

4.2. Based on value chains, growth prospects for the blue economy are considerable in gross value added and employment terms: by 2020, employment could increase to 7 million jobs and total annual gross value added to EUR 600 billion.

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4.6. However, the EESC notes that the communication does not seem to take sufficient account of the general and specific impact of the ongoing economic crisis, which is making it more difficult to address short-and long-term challenges at European and global level.

The Commission believes growth in the blue economy offers new and innovative ways to help steer the EU out of its current economic crisis.

4.7. In inherently risky new markets, the competitiveness of European businesses depends on access to adequate financing in an environment that is conducive to investment under transparent conditions. Access to venture capital is of vital importance to SMEs and attention must be paid to micro-businesses, which have the potential to become a lever for blue growth.

In its Communication on blue growth the Commission has identified the lack access to finance as one of the factors that is blocking growth in nearly all economic sectors, thus including those relevant to the blue economy, and has highlighted the role that European Investment Bank, can play in unlocking the potential of the blue economy.

4.9. Finally, the EESC believes that in order to avoid a gap between expectations and reality, the current difficult climate and generally unfavourable forecasts for the European and world economy must be seriously considered as part of a realistic approach to the need to further enhance blue growth.

The Commission is aware of the current economic climate and of the difficulties concerning the future evolution of the European and world economy. It is because of their potential over the long term that the Commission has identified five value chains areas were additional effort at EU level could stimulate long-term growth and jobs in the blue economy, and help steer the EU out of its current economic crisis.

5. Governance and issues relating to the regulatory framework

5.1. The communication contains references to existing policies and strategic investments of the Member States and the EU in the blue economy. However, the EESC feels that these initiatives and measures by the Member States do not measure up to the ambitious goals of blue growth and do not yet provide the necessary critical mass.

The Commission would like to underline that the Communication marks the beginning of a process that will span over the medium and long term. Different measures and initiatives that will materialise over the coming months and years, such as sea-basin strategies, aim to build that critical mass.

5.3. It points out that developing functional governance mechanisms means addressing regulatory bottlenecks and administrative constraints, which were also pointed up during the consultative process.

The Commission agrees with this view. As example the Commission's an Communication on "Strategic Guidelines for sustainable development of aquaculture guidelines on aquaculture" [COM(2013)229 of 29.4.2013] specifically addresses administrative bottlenecks in this sector.

5.4. Since new methods of using marine resources are being developed, it is important for the Member States to establish solid regulatory and planning systems that encourage long-term investment, cross-border cohesion and synergies through joint projects focused on innovation.

The Commission believes that it is at this stage not appropriate to reply to the Committees opinion in detail on issues relating to the proposed MSP/ICM directive due to the early stages of the co-decision process.

5.5. The EU lacks in particular a coherent policy for emerging sectors, such as marine biotechnology, and this must rectified in good time, as European endeavours are fragmented and based on national rather than common European priorities, resulting in a competitive disadvantage.

The Commission intends to analyse this issue more carefully and propose a strategy for moving ahead.

5.6. It is consequently of vital importance in the EESC's view to address promptly the regulatory deficits and obstacles resulting from a complex and erratic legal framework characterised by regulatory uncertainty about the post-2020 period (offshore wind energy) or inadequate EU regulation for certain activities (use of seabed resources, offshore aquaculture and offshore wind energy).

Reducing regulatory burden is at the top of the Commission's agenda. For instance, in its review of the Small Business Act [COM(2011)78 of 23.2.20111. the Commission invited Member states implement the recommendation to reduce the time needed to get licences and permits (including environmental permits) to take up and perform the specific activity of an enterprise to one month, by the end of 2013.

5.7. The EESC notes in particular the need for a systematic effort to address key issues such as the lack of integrated maritime spatial planning, especially in relation to aquaculture floating offshore wind, and tortuous licensing/approval procedures (offshore wind, blue biotechnology), obstacles to setting up and financing experimental farms, as well as tensions, for instance, between maritime shipping and ocean renewable energy farms (production of tidal energy, ocean thermal energy conversion (OTEC) and wave energy).

The Commission believes that it is at this stage not appropriate to reply to the Committees opinion in detail on issues relating to the proposed MSP/ICM directive due to the early stages of the co-decision process.

6. Environmental dimension

6.1. The EESC urges recognition of the Marine Strategy Framework Directive (MSFD)¹³ as the basis for sustainable development, as this is the environmental pillar of the IMP and sets out a cohesive policy based on continuing the protection and preservation of the marine environment and preventing its deterioration.

The Commission welcomes the Committee's views on this issue. The Marine Strategy Framework Directive (MSFD) provides a mechanism to ensure that offshore and coastal economic activities are sustainable.

6.2. The EESC believes it is right to include in the Limassol Declaration and future policy documents the objective of achieving or maintaining good environmental status of EU marine waters by 2020 and the precautionary principle as pillars of the IMP and blue growth.

The Commission welcomes the endorsement by the Committee of the objective of achieving or maintaining good environmental status of EU marine waters by 2020 and the precautionary principle as pillars of the IMP and blue growth. In its proposal for a Directive establishing a framework for maritime spatial planning and integrated coastal management [COM(2013)133 of 12.3.2013] the Commission has included the objective of ensuring the preservation, protection and improvement of environment as well as the prudent and rational use of natural resources as a key aim to achieve good environmental status.

6.4. The EESC notes that although marine resources are significant, they are not inexhaustible, and points out that repeating the serious mistakes of overexploitation and overdevelopment that have characterised earlier development initiatives could undermine the sustainability of blue growth and place further stress on the environment.

The Commission agrees with the Committee that marine resources are exhaustible, must be protected and used in a sustainable manner. The Commission has taken a number of initiatives to ensure that these resources are managed and exploited responsibly without jeopardising their future. An example of such initiatives is the proposed reform of the Common Fisheries Policy, which aims at the sustainable exploitation of fish resources.

¹³

6.5. While the communication recognises the environmental challenge, it seems overlook the fact that over the past few decades Europe's seas and oceans have been deteriorating as a result of land, marine and atmospheric pollution, acidification of the overexploitation oceans, of resources. destructive fishing practices and climate change. Degradation of marine and coastline ecosystems and loss of biodiversity can be observed in the Baltic Sea, the Black Sea, the Mediterranean, the North-East Atlantic and the Arctic, according to recent studies on the limits to blue growth. (Limits to Blue Growth, 2012. http://www.seas-atrisk.org/news_n2.php?page=539). A recent pioneering study of Stockholm the Environment Institute (SEI) calculates that marine pollution - which is often ignored when policies are framed – will have serious long-term costs unless measures are taken to reduce greenhouse emissions gas (http://www.sei-

Whilst this may have been true some years ago, the Commission believes the tide has turned. Nitrate input from rivers has reduced, fewer fish stocks are over-exploited. The objective is to achieve Good Environmental Status of European waters by 2020.

international.org/publications?pid=2064).

6.6. Maritime economic activities that entail a high risk to sustainability are offshore oil and natural gas installations, aquaculture, coastal tourism and cruise tourism, carbon capture and storage, coastal shipping, as well as offshore extraction of fossil fuels, which is incompatible with any concept of sustainable development.

The Commission believes that current rules on environmental impact assessment can ensure that any new activity is sustainable.

The 6.7. scale and extent of the environmental impact are still unclear, especially in relation to blue renewable marine energy, mineral resources. aquaculture and blue biotechnology, while the available data do not explain the complex interdependencies at play in the oceans and deep seas.

The EU's Framework Programme for research has funded a number of projects in this area. The Horizon 2020 research programme from 2014 can investigate any remaining issues.

6.8. The EESC believes that Maritime Spatial Planning (MSP) and Integrated Coastal Zone Management (ICZM), which are being promoted by the Commission as the main instruments for marine spatial and resource management, must be combined with other policy instruments (e.g. the Strategic Environmental Assessment, designation of internalisation protected areas, environmental costs) in a management approach based on ecosystems and problemfree co-existence of the various intensive and competing types of activity.

The Commission believes that it is at this stage not appropriate to reply to the Committees opinion in detail on issues relating to the proposed MSP/ICM directive due to the early stages of the co-decision process.

6.9. The EESC recommends that the Commission be more vigilant regarding compliance with European environmental standards, and health and quality standards, especially for aquaculture products imported from outside the EU, so as to protect EU consumers and shield companies in the sector from any unfair competition.

Imports of fishery products into the European Union are subject to official certification, which is based on the recognition of the competent authority of the non-EU country by the European Commission. This formal recognition of the reliability of the competent authority is a pre-requisite for the country to be eligible and authorized to export to the European Union. Public authorities with the necessary legal powers and resources must ensure credible inspection and controls throughout the production chain, which cover all relevant aspects of hygiene, public health and, in the case of aquaculture products, also animal health.

7. Specific comments

7.1. The Committee notes that despite mentioning the importance of research in consolidating blue growth, especially for growth-stage and emerging sectors, the communication remains vague overall and its scope limited mainly to references to the forthcoming Horizon 2020 programme.

The Commission's proposal for Horizon 2020 includes many openings for research into priority areas for blue growth. Because of the number of sectors involved and of the very dynamic nature of the blue economy, it is likely that new areas for research will emerge. The inclusion of a detailed list of areas, on which research should be carried out, could limit the possibilities for the scientific community to propose new topics for which funding would be needed.

7.2. Europe is going through a period of public spending cuts, which means that the best possible results have to be achieved with limited means. The subsequent reduction in public funding for research, combined with lack of venture capital, is likely to undermine the vital role that SMEs play in the marine economy in developing new products and technologies.

The Commission adopted, in December 2011, "An action plan to improve access to finance for SMEs" [COM(2011)870 of 7.12.2011] to facilitate access to finance for Europe's 23 million SMEs and, on the basis of a Commission proposal [COM(2011)8760 of 7.12.2011] the European Parliament and the Council adopted Regulation (EU) No 345/2013 on European venture capital funds.

7.3. The EESC points out that despite its strong knowledge base and research lead in new and traditional forms of energy and aquaculture, Europe lags behind in terms of actual innovations or commercialisation in new emerging sectors where European operators have so far been unable to compete against the innovative strength of other international players (as shown by the difference in the number of patents held compared with Asia and the USA in desalination, coastal protection, algae aquaculture and blue biotechnology).

The new "Horizon 2020" research framework will put more emphasis on technology transfer to industry. With regard Commission's aquaculture the Communication on "Strategic Guidelines for sustainable development aquaculture guidelines on aquaculture" [COM(2013)229 of 29.4.2013] indicates that "Member States should foster synergy between national research programmes and promote the participation of industry in research and innovation activities including in particular implement theEuropean Aquaculture Technology Innovation Platform's Strategic Research Agenda and the Blue Growth strategy"

7.4. The EESC therefore recommends tackling as soon as possible the problem posed by the lack of targeted research and weak research profile, which are due in part to the broad mesh of research fields and activities relating to marine biotechnology and other new spheres.

The Commission does not believe that the EU has a weak research profile.

7.7. It is urgently necessary in the EESC's view to do something about the fragmentary nature of marine data, which is scattered over hundreds of different bodies in Europe, making it difficult to access, use and aggregate. The Committee Commission to work with the Member States to make this knowledge available and to determine the financial and other resources needed to create a favourable environment for pooling information, best practice and data with the aim of strengthening research and innovation and improving environmental protection.

The Commission has finished analysing the outcome of the "marine knowledge 2020" consultation and is carrying out an impact assessment to analyse options for pooling information, best practice and data with the aim of strengthening research and innovation and improving environmental protection.

7.8. The new digital seabed map of European waters must be interoperable and there should be no restrictions on its use; it must support research with data on the impact of human activities and with oceanographic forecasts so that the Member States can maximise the potential of their local marine observation, sampling and surveying programmes.

The Commission agrees with the Committee that access to a digital seabed map of European waters should be as wide as possible and that it should accompanied by associated data on human activities, by their impact on the sea and by oceanographic forecasts.

21. Proposal for a Regulation amending Regulation (EC) No 1224/2009 established a Community control system for ensuring compliance with the rules of the Common Fisheries Policy; COM(2013) 9 final 2013/0007 (COD); EESC 2013/0007 – April 2013; Rapporteur M. SARRÓ IPARRAGUIRRE (ES);

DG MARE - Commissioner DAMANAKI

Main points of the EESC Opinion

The Committee endorses generally the Commission proposal for the amendment of the fisheries control Regulation (EC) No 1224/2009 to bring it in line with the TFEU. However, it believes that a number of essential aspects should be adopted by implementing acts and not by delegated acts as the general approach of the TFEU was that essential aspects of legislation shall be adopted by implementing acts, while nonessential aspects should be adopted by delegated acts.

Commission Position

The Commission welcomes the EESC's general support for the proposal. The Commission would, however, like to stress that the essential character of an element is not a defining criterion for the distinction between delegated acts and implementing acts as, according to Article 290(1) of TFEU, essential elements are reserved for the legislative act itself. The provisions for which the EESC recommends implementing acts instead of delegated acts are either supplementing amending or Regulation (EC) No 1224/2009 on nonessential elements. According to Article 290(1) of TFEU they must therefore be qualified as delegated acts for legal reasons.

22. Proposal for a regulation of the European Parliament and of the Council on establishing a Union programme to support specific activities in the field of financial reporting and auditing for the period of 2014-2020; COM (2012) 782 fin-2012/0364; EESC 1031/2013 fin; March 2013; Rapporteur Mr PEZZINI (Empl./IT); DG MARKT; Commissioner BARNIER

Points of the EESC opinion considered essential

Commission position

1. The Committee approves the essence of the programme but it does not have sufficient information to gauge the appropriateness of the amounts allocated to the functioning of each programme, and is unable to form its own opinion on the adequacy of the "output" of each institution vis-à-vis the needs of users, although the latter seem to take a wholly positive view.

The amounts proposed under the support programme for the period of 2014-2020 are based directly on the amounts provided to the beneficiaries in the previous financing programme (between 2010-2013) and indexed to the expected inflation rate. As regards the IFRS Foundation, the EU co-financing ratio is linked to the EU's weight in the global economy.

The final amounts of grants under the programme are based on the annual programmes and ex-post annual reports that the beneficiaries submit for the review of the Commission. In this respect, it is ensured that the funding is adequate and does not exceed what is necessary to achieve the objectives of the programme.

2. The financial crisis, with which the market is still grappling, has revealed an increased need for more accurate information and increasingly effective auditing standards; however, such tools will serve no purpose if their "users" are unable to make full use of them. Hence the need to train high-level experts in the public and private sectors: a task to which the EU, the Member States and businesses must apply themselves fully, with an adequate commitment of funds.

One of the reasons for establishing the programme to support specific activities in the field of financial reporting and auditing has been indeed to address the need for more accurate information in those areas. The pre-requisite for such information are sound, high quality financial reporting and auditing standards applied internationally to ensure their comparability across different constituencies.

Although the current programme does not involve as such the support for training of high-level experts in the public and private sectors, the Commission also views the dissemination of technical knowledge on

financial reporting and auditing as one of the crucial issues in ensuring effective applications of the rules in the EU.

3. In its previous opinion issued in 2009 upon the launch of the programme, the Committee recommended taking particular care to prevent undue influence or interference in the securities market governed by IASCF and EFRAG rules. The new proposal for a regulation makes no reference to this important and delicate aspect; the Committee call on the Commission to confirm its full confidence in the independence of these bodies. The same goes for the PIOB.

The prevention of undue influence and the issue of independence of the beneficiaries under the programme have been constantly considered of great importance by the Commission. One of the main objectives of the EU funding under the programme is to significantly reduce the reliance of the beneficiary organisations on voluntary funding from private parties with vested interests in accounting/auditing standards.

As far as the IFRS Foundations is concerned, following the review its Constitution in 2010, the transparency and accountability of the organisation were significantly improved. Consequently, the EU has been monitoring its governance through its participation in the IFRS Monitoring Board.

As regards the governance of EFRAG, this is currently under review of Mr Maystadt, who was recently appointed as a special adviser to Commissioner Barnier in order to evaluate the current system of adoption of the IFRS in the EU.

As regards the PIOB the Commission confirms its independence. Among other things the Monitoring Group, of which the Commission is a member, nominates the PIOB members (two out of ten nominated by the Commission) and approves its budget.

4. The IFRS establish mark-to-market accounting for businesses. During the financial crisis it was noted that the standards could have a pro-cyclical, short term effect. The Committee suggests that a cost/benefit analysis of the standards

The Commission fully appreciates the relevance of this issue and to this end is planning to launch an evaluation of the IAS Regulation of 2002, which requires the use of IFRS for companies listed in the EU when drawing up their consolidated

could be carried out, for example as part of the programme under discussion.

financial reports. Furthermore, Mr Maystadt was appointed as a special adviser to Commissioner Barnier in order to evaluate the current system of adoption of the IFRS in the EU with a view to enhancing European contribution in advocating global, high quality accounting standards.

The recommendations of Mr Maystadt are expected in November this year, however, the review exercise of the IAS Regulation will not be finished until mid-2014. Consequently, while looking for potential improvements in the overall system, it is necessary to ensure the continuity of the current financing programme, which expires at the end of 2013. Any potential suspension in the EU's contributions would seriously affect the functioning/existence of the beneficiary organisations and could result in difficulties for the preparers and users of financial statements.

23. Livre vert: un marché intégré de la livraison de colis pour soutenir la croissance du commerce électronique dans l'UE;

COM(2012) 698 final; CESE 1121/2013 fin; mars 2013;

Rapporteur: Mme RONDINELLI (Trav./IT);

DG MARKT - Commissaire BARNIER

Points de l'avis du CESE estimés essentiels

Position de la Commission

recourir à un dialogue structuré entre les représentants de la société civile organisée sur un code de conduite:

créer un réseau européen de centres nationaux de résolution de problèmes liés à la livraison de produits du commerce électronique ainsi qu'un observatoire européen de suivi et de surveillance des problèmes se posant au secteur; La Commission est en cours de réflexion sur le suivi à donner au livre vert et annoncera ses décisions à l'automne 2013. Les conclusions du CESE font partie des options en cours d'examen dans ce cadre.

établir un système d'alerte rapide pour les

livraisons dans le cadre du commerce électronique;	
estime nécessaire, pour parvenir à un marché intégré de la livraison de colis, de développer des emplois de qualité, avec une dimension sociale forte et cohérente.	La Commission partage cet objectif général.

25. Promoting cultural and creative sectors for growth and jobs in the EU

(Communication);

COM(2012)537; CESE 2377/2012; April 2013;

Rapporteur: Mr PEZZINI (Empl./IT);

Co-rapporteur: Mr KONSTANTINOU (Work./EL);

DG EAC – Commissioner VASSILIOU

Points of the EESC opinion considered essential

Commission position

The EESC calls on the Commission to carry out a detailed review of the application of the Community acquis to the CCS.

The Commission's Communication, in setting out the long-term strategic ambition to place the cultural and creative industries at the heart of the Europe 2020 strategy, calls on the Member States - which have primary responsibility in this domain - to develop multi-layered strategies to boost the potential of culture and creativity. At the same time it also explores how EU programmes and policies can support this effort.

[...] proposes that the Commission look into possibilities and arrangements for holding a broad creative and cultural stakeholders forum in order to better identify all those operating in the field and set out the key points of a medium-to-long-term strategic action plan.

The Work Plan for Culture 2011-2014 places dialogue with stakeholders very high on the Commission's agenda. Together with the Open Method of Coordination, they are the two key instruments for EU-cooperation in the field of culture. The Platform on the Potential of Cultural and Creative Industries, created in 2008, is a forum more than 40 organisations representing a wide range of cultural creative sectors and Commissions pays great attention to the policy recommendations it issues. The structural dialogue with stakeholders currently is being assessed by an external evaluator. In the light of this assessment, the Commission may envisage reinforced cooperation with stakeholders, as proposed in the EESC

opinion.

[...] calls for specific initiatives to be launched forthwith to combat precarious forms of work in the CCS, to ensure fair working conditions for all workers in the sector, particularly those carrying out freelance or atypical subcontracted activities, especially intermittent work, and to secure safe and equal access to digital networks for all.

A Pilot project initiated by the European Parliament and aiming at encouraging conversion of precarious work into work associated with rights was implemented by the Commission in 2011-2012. In that framework, a study on precarious work and social rights covering 12 Member States was carried out 14. As regards the media and cultural work, the study found that these are sectors where temporary contracts and subcontracted work are widespread.

The best way forward should be to develop and encourage the exchange of information and best practices on the working conditions of workers in the cultural and creative sectors, notably in the context of social dialogue, including between the EU-level social partners, without prejudice to the proper application of EU labour law legislation by Member States¹⁵.

[...] draws the Commission's attention to the need to adapt the regulatory framework to the specific needs of the CCS, particularly in the area of intellectual property, cutting red tape in the fields of administration and taxation, and equal VAT treatment of print and digital communications, especially for the sector's small businesses. The Commission agrees that creating a favourable regulatory framework is necessary to create conditions for CCS to unveil their potential. The Communication also focuses on the regulatory framework for CCSs, pointing to the on-going and planned regulatory initiatives at EU level. A coordination mechanism has been put in place inside the Commission to streamline activities having an impact on cultural and creative sectors.

¹⁴ <u>http://ec.europa.eu/social/main.jsp?catId=157&langId=en</u> (see under "Related Documents")

¹⁵ For example: Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008 on temporary agency work; Council Directive 1999/70/EC of 28 June 1999 concerning the framework agreement on fixed-term work concluded by ETUC, UNICE and CEEP; Council Directive 97/81/EC of 15 December 1997 concerning the framework agreement on part-time work concluded by UNICE, CEEP and the ETUC.

The EESC calls for reflection on the need to put in place citizen-centred structures for dialogue with civil society, taking advantage of the European Year of Citizens.

In order to improve its policy making and better mainstream culture and creativity into its policies, the Commission maintains a continued structured dialogue with the cultural and sectors. The bi-annual creative stakeholder forum (European Forum Culture), whose next edition scheduled for 4-6 November 2013, brings together representatives of civil society and offers them an open space for discussion.

29. Social protection in European Union development cooperation (Communication);

COM (2012)446 final; CESE 2319/2012 fin; March 2013; Rapporteur: Mr ZUFIAUR NARVAIZA (Work./ES);

DG DEVCO – Commissioner PIEBALGS

Points of the EESC opinion considered essential

Commission position

1.2. It voices its concern that, given the limit of a maximum of three sectors in EU development cooperation (DC) programming, social protection may be neglected in both programming and in its actual implementation. It therefore calls on the Commission and the Member States to take the necessary steps to ensure that social protection is effectively included in DC programming and its actual implementation

The Commission acknowledges the remark of the EESC on this matter. The limitation of the number of focal sectors in EU bilateral development cooperation is a requisite of the Agenda for Change, which aims to "focus its offer to partner countries where it can impact". greater Commission notes the EESC's concern that the concentration on a limited number of sectors in country programmes may crowd out support for social protection, as also is the case with the 20 per cent minimum for social sectors, where Social Protection must compete with other sectors such as, for example, health and education.

1.4. It supports the International Labour Organisation's (ILO) recommendation 202

The European Commission fully agrees with this remark and also supports the

regarding social protection floors (SPFs), which includes decent work, of which social protection forms one of the basic pillars. The principles of SPFs should be considered as a minimum threshold, intended to bring about improvement towards developing systems in the future that comply with the rules set out in ILO Convention 102.

concept of nationally-defined social protection floors, as expressed in the Communication, although it does not insist on this approach or terminology since, but rather prefers to emphasise national ownership, universality, sustainability and systematisation.

1.11. The EESC calls for the gender dimension to be a cross-cutting approach given priority in the EU's development policy with a view to allowing women greater access to social protection, which would help combat individual and family poverty.

The Commission takes note of the recommendation of the EESC calling for the gender dimension to be a crosscutting approach in the EU's development policy. To this end, the Communication stresses the need to ensure that gender-related concerns are addressed in social protection policy and programme design.

3.1.6. The level of poverty and inequality in the most developed countries of the Organisation for Economic Cooperation and Development is roughly half of what is to be expected where there are no social protection systems.

The Commission fully shares the opinion of the Committee that the setting-up of efficient social protection systems is crucial in the fight against inequality and poverty, both in developed and developing countries.

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the EU.

16. Personal services industries: trends and consequences; 4ème Own-initiative opinion; CESE 1396-2012 - December 2012; trim. Rapporteur: Mr PEZZINI (Empl./IT); DG EMPL - Commissioner ANDOR		
Key Points of the avis	Position of the Commission	
1.5 In view of the sector's importance in terms of its contribution to EU gross domestic product, the significant employment prospects it offers in terms of job and new-business creation, as well as its capacity to deliver innovative, quality responses to the structural changes and needs in European society, and to the Lisbon Treaty objectives in this field, the EESC calls on the Commission, the Council and the European Parliament to: • launch a fully-fledged strategy on innovative and "smart" social and health services in Europe, involving the optimisation of human resources, lifelong training, the definition of quality principles, the introduction of appropriate technologies to support service recipients and providers, the development of a European area of integrated services, and support policies; • promote greater efficiency in the use of financial and human resources; effective management governed by collective bargaining; adequate involvement of the private and voluntary sectors; and prudent assessments of services' efficiency and cost-effectiveness; and • calls specifically on the Commission to establish a common basic framework on personal services, with a regulatory framework and principles on quality, together with well-defined curricular requirements, in order to make easy professional mobility a reality across	The Commission in connection with and our institutional partners (a network called ASISP, the LSE, OECD) conducted an in-depth reflection on efficiency of health systems. A health Review was conducted on on-going Member States' Health Reforms at SPC level in autumn 2012 and further work on efficiency of health systems is considered in 2014 with OECD and the European Observatory of Health systems. Important work has also been done at High Level Group on Public Health, steered by the Commission.	

1.6 At EU level, the EESC thinks that a The Commission will take into account

proportion of the various Structural Funds should be earmarked in a coordinated way for developing social infrastructure and health services where shortcomings exist, and for local employment initiatives in the sector. In particular, there should be a funding line for rural areas. The same applies to the Horizon 2020 and Culture programmes lifelong and learning measures that relate to new technologies applied to health and social Moreover, research into optimising the results of services should be encouraged, as well as the documenting and exchange of success stories.

the remarks of the Committee when implementing its various programmes and strategies, in full respect of the various programmes objectives and constraints.

1.7 The EESC considers it important to establish a constructive and well-structured social dialogue between all levels (local, national and European) in all sectors of the personal services industries. This social dialogue should play a crucial role in:

analysing the sector's economic and social significance;

studying development paths for the sector;

preparing projects to allow for upward harmonisation of regulation for the sector;

fighting irregular employment;

improving professional standards and career opportunities in the sector;

improving working conditions and salaries in the sector;

improving the sector's attractiveness and image; and

monitoring the application of collective agreements and regulation in this sector.

The European Commission and the

The Commission is currently financing exploring studies in coordination with the social partners acting in the existing social dialogue committees for the "local and regional governments", "central administrations", "Hospitals and healthcare" and "education" sectors, mainly with EPSU/ETUCE.

So far, the prerequisites for creating a formal social dialogue in this sector (*i.e.*: establishing a social dialogue committee in social services) are not met for the following reasons:

- only 11 countries have been studied
- in many countries, the employer's side is not structured at all, and there are no social partners
- the employer's side is difficult to identify due to co-existing status (Private, Public entities, NGO's, regional and local authorities, households, ...)
- the employee's side is weakly unionised due to the level of precarious labour contracts, interim, fixed terms, shadow economy...)
- the perimeter of the sector is still to be clarified so as to avoid overlaps with the existing social dialogue committees.

Member States should provide concrete and active support to set up and develop this social dialogue and to organise its work. At first, this support could take the form of studies on these sectors and European-level conferences for the sector's social partners.

Lastly, the Commission can only invite the EU social partners with a view of creating a committee in a given sector, if they are, themselves, composed of national affiliate members who are recognised as social partners in their country (i.e. able to engage and sign collective bargaining/ agreements) and are given a specific mandate (by their members) to do so, at EU level.

5. Growth Driver Technical Textiles;

Own initiative opinion; EESC 1966/2012 final – April 2013;

Rapporteur: Ms BUTAUD-STUBBS (Empl./FR);

DG ENTR - Vice-President TAJANI

DG ENTR – Vice-President TAJANI	
Points of the EESC opinion considered essential	Commission position
Put in place at national and EU levels simple and efficient means aiming at encouraging and financing technological and non-technological innovation (Section 1.3)	Under the programme for the Competitiveness of enterprises and SMEs (COSME) (2014-2020), a multiannual operation is foreseen to promote the competitiveness of consumer goods industries, such as textile-clothing, footwear, leather and leather products, accessories and other fashion products as well as furniture and home decoration, by integrating new business models, competences and skills, such as design content.
Include in relevant EU R&D programmes a textile component (Section 1.3)	HORIZON 2020 (2014-2020) will support research and innovation; cooperative projects; societal challenges and industrial leadership.
Take into account the effect of any increase of energy cost on the companies in the non-woven and composites manufacturing (Section 1.3)	Energy and climate change and policies have a direct or indirectly (via the carbon price) impact on the cost of energy.
Access to finance (Section 4.3)	COSME will focus on improving

	access to finance for SMEs in the form of equity and debt. First, an equity facility for growth-phase investment will provide SMEs with commercially-oriented reimbursable equity financing primarily in the form of venture capital through financial intermediaries. Second, a loan facility will provide SMEs with direct or other risk-sharing arrangements with financial intermediaries to cover loans.
Protection of Intellectual Property Rights inside and outside the EU (Section 4.4)	 a) The European IPR Helpdesk provides offering free of charge support on IPR matters to EU SMEs. The IPR Helpdesk is sponsored by DG Enterprise and Industry and managed by the European Commission's Executive Agency for Competitiveness and Innovation (EACI). b) Vice-President Tajani, together with Commissioner Barnier, is promoting an anti-counterfeiting campaign, in collaboration and with the support of national authorities.
Access to third markets (Section 4.6)	COSME also aims to improve access to markets inside the Union and globally: Growth-oriented business support services will be provided via the Enterprise Europe Network to facilitate business expansion in the Single Market. COSME will also provide SME business support outside the EU. There will also be support for international industrial cooperation, particularly to reduce differences in regulatory and business environments between the EU and its main trading partners.

9. Employee involvement and participation as a pillar of sound business management and balanced approaches to overcoming the crisis (own-initiative opinion);

EESC 2096/2012; March 2013;

Rapporteur: Mr GREIF (Work./AT); DG EMPL - Commissioner ANDOR

Points of the EESC opinion considered essential

All stakeholders should be involved to overcome the crisis. It is in line with European democracy and makes economic sense to strengthen the role/voice of employees in accordance with the concept of the "sustainable company", and the principle of "fair relationship" among actors.

The EESC calls to build upon the internal market's tried and tested legal structures and practices of employee involvement based on information, consultation and, where applicable, on co-determination.

It proposes to improve the legal framework, in particular to better implement the current basic European right to employee involvement in national law and to formulate it more effectively in European law.

Serious consideration should be given to the extent to which consolidation in a single European framework directive of existing EU directives on I&C of workers at both national and transnational levels could at least ensure greater standardisation of the various definitions of information and consultation and, where

Commission position

The Commission carried out a fitness check of three directives on information and consultation of workers at national level¹⁶. Its results are expected to be published soon.

The evidence that has been gathered suggests that the three directives are broadly fit for purpose. They are generally relevant, effective, coherent and mutually reinforcing. The benefits they generate are likely to compensate the compliance costs.

In particular, the Fitness Check has shown that the I&C directives can ensure the fundamental social right of workers to be informed and consulted at the workplace. They can increase trust between management and labour, involve workers in decisions affecting them, protect workers, solve work contribute problems, to increased adaptability and employability, improve staff and company performance, and ensure a more level playing field among companies.

These findings have been supported by the different stakeholders, including representatives of governments and social partners that were consulted on the Fitness Check exercise, and by an

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¹⁶ In particular, Directives 98/59/EC on collective redundancies, 2001/23/EC on transfers of undertakings and 2002/14/EC on a general framework relating to information and consultation of workers.

applicable, participation in company boardrooms as well. Directives 2009/38/EC and 2002/14/EC should serve as benchmarks.

external study complementing it.

At the same time, the evaluation has also brought to light a number of issues relating to gaps and shortcomings, in particular as regards effectiveness, in the scope and operation of the Directives.

In view of the concerns expressed by stakeholders including the EESC, in respect of different definitions included in the Directives, and their wish for greater consistency, the consolidation or simplification of the Directives by means of a recast is one option to be considered in due course.

With regard to restructuring, a new integrated approach covering several policy areas (e.g. employment, education, innovation and industrial policy) is required, on the basis of the concept of the "sustainable company" and of EU law on workers' involvement.

Following the EP Resolution (known as the Cercas Report) on information and consultation of workers. anticipation management and restructuring of 15 January 2013, the Commission working Communication establishing a Quality Framework for restructuring anticipation of change.

This Communication would frame the current EU legislation and initiatives in this field and would present best practices. The Commission will keep under review the implementation of the proposed quality framework.

The proposed action cuts across different Commission's policies: employment, social dialogue, education and training, structural policy, industrial and enterprise policy, internal market and better regulation.

With regard to EU company law, the EESC indicates that it must not bring about a move away from board-level participation. There are good reasons for a general introduction of obligatory employee participation as a standard feature in

Employee participation is an important element in the Commission's work on company law. In this respect, employee participation features for instance in the Directives for the European Company European company law, although the diversity of national company laws must be respected.

(SE)¹⁷ and the European Cooperative Society (SCE)¹⁸. It will as well be taken in account in possible future proposals. Due to the nature of these rights and the specificities of company law, it seems appropriate to identify the most effective tools to enhance employee participation on an ad hoc basis in future company law proposals.

Furthermore, the Commission has included the issue of employee share ownership in the Action plan on corporate governance and company law, published in December 2012. A study on common principles and best practices on transnational employee share ownership is being tendered out. Once this study has been finalized, issues like an Information sharing strategy and other possible policy initiatives will be assessed.

11. Abuse of the status of self-employed;

Own initiative opinion; CESE 2063/2012 – March 2013;

Rapporteur: Mr SIECKER (Work./NL); DG EMPL – Commissioner ANDOR

Points of the EESC opinion considered essential

Commission position

The opinion describes recent trends in the evolution of self-employment in the EU and focuses on the risks of abuse of the status of self-employed, especially in the form of "sham self-employment". This corresponds to a situation of disguised

The Commission welcomes the Committee's opinion. It confirms the absence of an EU-wide definition of self-employment and the difficulty to distinguish genuine self-employment from "sham" or "bogus" self-

 17 Directive 2001/86/CE of 8.10.2001 supplementing the Statute for a European company with regard to the involvement of employees

 18 Council Directive 2003/72/EC of 22 July 2003 supplementing the Statute for a European Cooperative Society with regard to the involvement of employees

employment, or "bogus selfemployment", where persons who are employees are classified as other than employees so as to hide their true legal status and to avoid costs that may include taxes and social security contributions.

The opinion stresses the links between bogus self-employment, economically dependent work and undeclared work. It notably points to the case of businesses that switch to contracts under which selfemployed persons do the same work that was previously carried out by employees.

It refers to the fact that certain Member States (e.g. Malta) have endeavoured to clearly differentiate between employees and the self-employed by defining the boundaries of the notion of "employment relationship" on the basis of a set of criteria.

However, at EU level there is neither a uniform definition of the notion of self-employment nor a clear distinction being made between *bona fide* self-employed people and the "sham self-employed". The opinion stresses that this lack of clarity creates major problems, notably in cross-border situations.

The opinion formulates several suggestions and recommendations, but none of them is explicitly addressed to the Commission (underlining added):

1.4 "Several Member States have already attempted to come up with a precise definition of the difference between employees and self-employed people, based on a set of criteria laid down in advance. The complex variety of people's

employment.

The Commission has been gathering information in relation to this issue, which had already been examined in a report on "Characteristics of the employment relationship" drawn up by the European Labour Law Network at the request of the Commission in 2009 and in a study on" Self-employed workers: industrial relations and working conditions" published by Eurofound in the same year.

In particular, the Commission agrees that the divergences between Member States in the extent of the notion of self-employment may be a source of difficulties when it comes to cross-border situations, as for instance in the case of the posting of workers.

In the Commission's view, the best way forward should be to develop and encourage the exchange of information and best practices on this topic, notably in the context of social dialogue, including between the EU-level social partners, who have already been tackling the issue.

The Commission is organising a Conference on Labour law in the Autumn 2013, where this topic will be discussed.

In relation to the recommendations formulated by the Committee in its 2010 opinion on "New trends in self-employed work: the specific case of economically dependent self-employed work", the Commission underlines that, regrettably, obtaining statistical data on this phenomenon could prove to be difficult, especially in the majority of

actual situations means that, in practice, it has often proven difficult to produce such a definition. The EESC is aware of this issue, and therefore suggests evaluating the different experiences of the Member States with a view to drawing conclusions and making recommendations for a more effective approach."

- 2.2 "In recent decades, major shifts have taken place in the composition of the category of self-employed people, next to the "classical" type of independents and small entrepreneurs. In the present period, it has become necessary to assess whether the operating environment offers sufficient protection to self-employed. The EESC recalls its previous opinion in which it recommended:
- a) data gathering on so-called "economically dependent self-employed work" in the EU;
- b) identifying aspects common to definitions of employed persons in different EU Member States; and
- c) promoting studies permitting a detailed analysis of national experiences particularly in cross-border areas."
- 4.9 "The EESC recommends that tackling the specific problem of the self-employed be discussed in the social dialogue at both European and national level and that organisations representing their interests be allowed to take part in the social dialogue."

Member States where it is not legally recognised

As to the other recommendations (referred to under b) and c) in the present document), the Commission welcomes these useful suggestions and is committed to fostering the gathering and updating of information in order to gain a better knowledge of the current regulations and practices in the different Member States, including in relation to cross-border situations.

Prevention and reduction of food waste; EESC 1918/2012 final; Own initiative opinion; March 2013; Rapporteur: Mr SOMVILLE (Var. Int./NL); DG SANCO and DG ENV; Commissioners BORG and POTOČNIK	
Points of EESC Opinion considered essential	Position of the Commission
1.2 The EESC underscores the need for a definition and common EU methodologies to quantify food losses and food waste.	The Commission considers the development of an EU definition and harmonised methodologies to quantify food losses and food waste a priority. The EU funded project FUSIONS (2012-2016) is working on it.
1.2 However, the EESC considers that in view of the current situation and the objectives set, steps need to be taken without waiting to see the results of programmes currently underway.	The Commission shares this view and because of the environmental, socio-economic and ethical impacts is actively taking steps ¹⁹ to reduce food waste without compromising food safety, and without waiting for the complete outcome of results of on-going programmes.
1.3 The EESC is in favour of developing platforms for exchanging experience on combating food waste in EU regions and Member States in order to make the best use of the resources devoted to these programmes and to promote initiatives which prove effective.	The Commission fully agrees that involving a large range of stakeholders to exchange information, ideas, concerns and best practises is a key step in addressing food waste. The Commission therefore set up a Working Group on Food Losses/Waste under the Advisory Group on the Food Chain, Animal and Plant Health involving all relevant stakeholders. In addition, a multi-stakeholder platform has been set up in the context of the FP7 project FUSIONS.
1.4 The EESC draws particular attention to the need for the distribution and food service sectors to channel the greatest possible number of products still fit for consumption to them. Steps must be taken to disseminate initiatives in place in some Member States in the areas of taxation, discharge of liability for donors or adapting certain administrative constraints to make donating easier while	The Commission gives high priority to the facilitation of exchange of good practices, including in the area of food redistribution.

¹⁹ See the Commission's food waste website: http://ec.europa.eu/food/food/sustainability/index_en.htm

guaranteeing food safety.	
1.6 The EESC considers that communication with consumers is essential and that it needs to be based on accurate analysis of the causes of waste.	The Commission agrees that there is a need to communicate effectively to empower consumers and has started to do so. However, consumers should not be the only focus.
1.7 The EESC considers that research needs to prioritise this issue, as every link in the food chain is concerned.	The Commission agrees that research and innovation are important aspects in a food waste reduction strategy. Opportunities to fund innovative food waste projects via Horizon 2020 and the EU Innovation Partnership on Agricultural Productivity and Sustainability will be considered.
3.1.1 The EESC underlines that the concepts of food loss and food waste need to be analysed holistically, from production to consumption, including the intermediary stages of processing and distribution and without overlooking food services outside the home.	The Commission fully agrees, as food losses and food waste occur at all levels of the food chain.
5.7 The EESC emphasises that efforts to reduce food losses and food waste must respect a waste hierarchy.	The Commission shares the view that respecting the food waste hierarchy ²⁰ , should be the priority, and is analysing with stakeholders how to encourage this and investigating factors that are disturbing its implementation.

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²⁰ Prevention first; Re-use for human consumption (e.g. donation to food banks); Re-convert for human consumption; Recover for animal feed where possible; Recover for industrial use (biobased economy); Recover for fertilisers; Recover for energy; Incineration; Landfill.

5.18 The EESC estimates that more accurate data on the amount of food lost owing to each cause is needed. The various studies quantifying food losses and food waste at the various stages are clearly crucial to improving our understanding of this issue and introducing prevention measures based on valid, verifiable arguments.

The Commission fully agrees – the FP7 project FUSIONS will deliver these data by the end of 2016.

24.	The citizen at the heart of an inclusive digital internal market: action plan
	for success;

Own-initiative opinion; EESC 273/2012; March 2013;

Rapporteur: Ms DARMANIN (Work./MT); DG CONNECT – Vice-President KROES

DG CONNECT – Vice-President KROES		
Points of the EESC opinion considered essential	Commission position	
3.1.1 Every EU citizen should be able to have <i>the same access capability</i> to the network ²¹ .	The Digital Agenda for Europe, launched by the Commission in May 2010, proposes an Action Plan for the deployment of the digital economy and especially Internet coverage targets.	
	According to the latest Digital Agenda Scoreboard, published on 12 June 2013, the coverage of fixed broadband networks was stable in 2012 at 95.5% of the European population. Urban citizens in all Member states are well covered, but rural fixed coverage still stands below 80% in 10 member states, pointing to a gap in the use of structural funds, although it rises to above 90% in all but three (Slovakia, the Czech Republic and Estonia) if mobile coverage in rural areas is included. Including also satellite technology, coverage is almost complete at above 99.9%, but satellite take-up is not yet widespread in the rural areas.	
	The Telecoms package reform of 2009 brought a set of guarantees for Internet Services users, regarding contractual terms: on information, on any conditions limiting access to the services, details of prices and tariffs and especially the minimum service quality levels offered, which meant increased protection of the consumers.	
3.1.1.1 According to BEREC (Body of European Regulators for	The Commission is aware of discrepancies in some cases between advertised and actual access	

The Digital Agenda already sets out the three main broadband capacity targets: 100% of EU citizens should be reached by a 2 Mbps connection by 2013 and, by the end of 2020, 100% of EU citizens should be reached by a 30 Mbps connection and 50% of European households should have subscriptions above 100 Mbps.

Electronic Communications), the majority of national regulatory authorities have received complaints from consumers concerning the discrepancy between advertised and actual access speeds for internet connections. A real digital internal market can brought into be existence only if all EU network operators are under strict public control in order to guarantee the nominal bandwidth in accordance with the Digital Agenda for Europe (DAE) broadband-related pillar.

speeds for Internet connections. It is important to guarantee the transparency of the conditions of the Internet access and that consumers are fully aware of the speed they can expect. The "BEREC Guidelines on Transparency in the scope of Net Neutrality: Best practices and recommended approaches" published in December 2011 refers as well to the new Regulatory Framework: "the new provisions (Article 20 of Directive 2002/22/EC, the Universal Service Directive), which require providers to specify the 'minimum service quality levels offered' in the end users' contracts, could help to reduce the gap between the bandwidth offered in the contractual terms and the actual speeds experienced by the end user when connecting to the network and using the service.

3.1.1.2 The current heterogeneity of mobile internet access is one of the greatest barriers to a real digital internal market, especially because the rapid spread of smartphones and tablet devices is increasing the economic importance of mobile, internet-based activities to the public (e-commerce, e-health, etc.). In this context, DAE Action 101 clearly indicates that the difference between roaming and national tariffs should approach zero by 2015.

The objective of the new Roaming Regulation (531/2012) is to introduce competition in the roaming market, so that roaming prices are set by the workings of the market, just like for domestic mobile communications services. The new roaming rules require the Commission to come up with new proposals if this does not happen. Building on the pro-competitive measures of the 2012 Roaming Regulation the Commission is considering further measures to incentivise operators to provide roaming at domestic price levels within the upcoming legislative package on telecommunications Single Market.

3.1.4 Although internet access and a universal broadband network are recognised to be of the utmost importance, the Commission has pointed out²² that there is no

The Universal service Directive revised in 2009 establishes the rights of end-users and the corresponding obligations of undertakings providing publicly available electronic communications networks and services. Universal

Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - Universal service in e-communications: report on the outcome of the public consultation and the third periodic review of the scope in accordance with Article 15 of Directive 2002/22/EC (23.11.2011).

consensus about the future role of universal service obligations ("USOs") in furthering Europe's broadband objectives.

3.1.5 To date, Finland, Spain and Malta have adopted legislation to include broadband in national USOs. On 5 July 2011, the European Parliament adopted a resolution²³ underlining the importance of USOs as a safety net for social inclusion.

service is defined as the minimum set of services of specified quality to which all end-users are to have access, at an affordable price in the light of specific national conditions without distorting competition.

The universal service rules under the revised EU regulatory framework remain a minimum safety net to tackle the risk of social exclusion in the event that market forces alone are not able to do so. They are not an industrial policy tool to drive the roll-out of new communications infrastructure.

3.2.5 On the contrary, the net neutrality principle implies that no provider can prioritise traffic on the net for economic reasons. Instead, every user should be served with the providers' best effort.

The words "net neutrality" are totally absent from the European Commission's DAE Communication, but the Committee underlines that the principle of net neutrality should be unambiguously defined and enshrined in European law as an endorsement of citizens' rights as defined in the EU Charter of Fundamental Rights.

The Commission is committed to maintain the open and neutral character of the Internet. A common EU position is needed on this issue in order to avoid the fragmentation of the Digital Single Market and to provide regulatory certainty for all stakeholders. The results of the BEREC's 2012 traffic management investigation revealed that more than 21% of Internet subscribers on fixed networks more than 36% on mobile networks are subject to restrictions, such as blocking of VoIP or restrictions in peer-to-peer traffic. These results show that there is a problem regarding open Internet in Europe. In order to ensure the functioning of the Digital Single Market, the Commission is examining the possibility to propose measures to ensure, amongst other things, the responsible use of traffic management tools. Consumers should be able to access and run applications and services of their choice. No discriminatory blocking and throttling would be allowed, but companies would be allowed to differentiate their offers and compete on enhanced quality of service, provided that this is done in a non-discriminatory manner.

3.7.1 Trust is a key issue in ensuring that the potential of the

The Commission, together with the High Representative of the Union for Foreign Affairs

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Resolution (P7_TA(2011)0306).

Internet is maximised within the internal market. To this end, people must be sure that adequate systems are in place to ensure prevention of personal or community harm; an adequate level of protection; the prosecution of cyber criminals, similar to physical crime, as well as proper regulation of the internet and its enforcement.

and Security Policy, has published in February 2013 a cyber-security strategy alongside a Commission proposed directive on network and information security (NIS).

The cyber security strategy – "An Open, Safe and Secure Cyberspace" - represents the EU's comprehensive vision on how best to prevent and respond to cyber disruptions and attacks. This is to further European values of freedom and democracy and ensure the digital economy can safely grow. Specific actions are aimed at enhancing cyber resilience of information systems, reducing cybercrime and strengthening EU international cyber-security policy and cyber defence.

The EU has made key advances in better protecting citizens from online crimes, including establishing a European Cybercrime Centre in January 2013, proposing legislation on attacks against information systems and the launch of a Global Alliance to fight child sexual abuse online. The Strategy also aims at developing and funding a network of national Cybercrime Centres of Excellence to facilitate training and capacity building.

3.8.3 More responsibility, e.g. in line with the Charter of Fundamental Rights, could be assumed by internet providers self-regulation, through as successfully practised in such sectors as advertising. This option, which would remedy the current deregulation, implies regular assessment and monitoring by the legislator as well sanctions.

The ePrivacy Directive sets out data protection obligations for telecoms providers. This Directive was revised in 2009 as part of the telecoms reform, to enhance privacy and security in the sector.

To ensure, for example, that the new ePrivacy provision on requiring informed consent for cookies and other devices can be applied in practice, the Commission is supporting two self-regulation initiatives: i) On-line Behavioural Advertising ("OBA"), where the Commission has facilitated stakeholder dialogue; and ii) "Do Not Track", led by the standardisation body W3C.

3.9.2 Identity theft is one of the major concerns of users. It is

In addition to its policy proposals on the data protection reform and the cyber security strategy,

therefore recommended that research be undertaken to guarantee personal data protection on the Internet the Commission is funding several research projects in the area of online trust, for example:

- ABC4TRUST: this project aims to deepen the understanding of Attribute-based Credentials (ABC) technologies and enable their efficient and effective deployment in practice.
- FutureID: this project aims to build a comprehensible, flexible, privacy-aware identity management infrastructure for Europe, allowing application and service providers to easily integrate their existing services with the FutureID infrastructure.

3.11.1 The EESC calls on the Commission to establish a "Charter of Digital Rights" of the citizen²⁴; this will be a means of ensuring that the citizen is truly protected and would enhance trust within the digital internal market

The Commission has taken recent action regarding digital rights in the EU. As part of the Digital Agenda for Europe (DAE Action 16), the Code of EU online rights was published in December 2012.

The Code compiles the key online rights existing under EU legislation which are related to the digital environment. Whilst the Code does not create new rights, it summarises and explains in an accessible format and language the main existing online rights of citizens in the EU. Although the Code is not enforceable in itself, the particular rights and principles are directly enforceable under the national legislation transposing the EU legal instrument from which they derive.

These rights and principles in the EU are now available in single publication and dedicated internet websites enabling citizens to find a summary and explanations of their legal rights and obligations, set out in a transparent and understandable way while keeping its legal accuracy. These basic rights under EU law protect citizens and consumers for instance when using online services, buying goods online, and in case

See footnote 1.

of conflict with their providers of these services.

Following the publication of the Code, the Commission is committed to the promotion of online rights amongst EU citizens. A dedicated site of the Code of EU online rights is available in the Digital Agenda for Europe website with summaries of the Code and the full version available in all languages easy to download online and a simplified version of the Code has been published in the Your Europe-Citizens portal through a new section on Online rights.

4.1.2 Full e-Government services are desirable, however, for the sake of such benefits as cost and red tape reduction and efficiency. Member States should all opt for digital services as a contribution to facilitating citizens' mobility.

The eGovernment Action Plan 2011-2015, the ongoing Large Scale Pilots ttp://www.buildconnectgrow.eu/ and the future CEF Digital Services Infrastructures aim to strengthen mobility in the Digital Single Market.

26. Job creation through apprenticeships and lifelong vocational training:

the role of business in education in the EU;

Own-initiative opinion; CESE 2308/2012; April 2013;

Rapporteur: Mr DRBALOVÁ (Empl./CZ); DG EAC – Commissioner VASSILIOU

General comments on the opinion

- The Commission welcomes this own-initiative opinion which underlines the importance of partnership and cooperation with business and employers in education;
- Business and employers specifically play an important role in cooperation to develop curricula and syllabuses for vocational training needed to close skills gaps. The "Sector Skills Alliances" action of the proposed successor programme to the Life Long Learning should play an important part in supporting this cooperation;
- Under the European Alliance for Apprenticeships, the engagement of business and employers will be crucial in order to strengthen the supply and quality of apprenticeships.
- The Commission welcomes further dialogue and cooperation with the European Economic and Social Committee on this issue.

27. The internal market and state aid for the regions; Own-initiative opinion; CESE 1849/2012; March 2013; Rapporteur: Mr IOZIA (Work.IT);

DG COMP – Vice-President ALMUNIA

Points of the EESC opinion considered essential

Commission position

A geographical map which rigidly establishes disadvantaged areas for the whole programming period (seven years) is not appropriate and too rigid.

The Commission will do a mid-term review in 2016 to better capture the effects of the economic crisis.

In June 2016 the Commission will establish whether any additional area that has not been defined as an 'a' area at the time of adoption, has a GDP per capita below 75 % of the EU-28 average and whether these identified areas may become eligible as an 'a' area.

In addition, Member States (MS) may amend up to half of their 'c' areas (swapping regions in and out) as from 1 January 2017 to 31 December 2020.

Instead of maps the Commission should allow MS to define 'c' areas on the basis of "units of interventions".

uses The proposal units of intervention selected on the basis of priorities, needs, the territorial configuration of economic inefficiencies and social exclusion traps, and the institutional context, irrespective of administrative boundaries.

The rules aim to strike the right balance between EU and MS priorities:

-predictability and legal certainty could be achieved only by identifying beforehand the regions most in need; only a predictable framework attracts and maintains investments to these regions;

- for regional policy to be effective it requires a development strategy to be maintained over a number of years and not temporary reactions to conjectural problems;
- too much flexibility in the design of maps bears the risk that MS will direct subsidies to ever smaller areas benefitting specific companies rather than the region as such, increasing the risks of distortions of competition and thus of a non-level playing field in the Internal Market and of diminishing the contribution to regional development.

Alongside per capita GDP (currently the sole parameter, and not indicative of the true state of a regional economy), other parameters should be used such as: unemployment rate, ratio of job losses to total number employed, and others that could fit better with the real situation.

The new RAG will continue to use GDP per capita for designating 'a' areas because of difficulties in comparing regional unemployment figures between MS (due to differences in labour market policies), which is in line with the definition of the ERDF category of less developed regions (regions below 75% of EU GDP/head).

GDP data reflects the economic situation of a MS and indirectly reflects also the effects of changes in growth patterns on unemployment.

Alongside GDP/head, the method for allocating the non-predefined 'c' coverage among MS relies also on unemployment (both in the EU and national contexts) to determine the relative level of EU and national disparities which determine how much non-predefined 'c' coverage each MS receives.

Using other indicators would be much more complex and would not necessarily better reflect regional disparities. GDP and unemployment capture differences in growth potential quite well.

It should remain possible to grant regional aid to large companies in Article 107(3)(c) areas under the conditions laid down in the existing guidelines.

Evidence shows that large companies' decisions to invest in a given region are prompted by factors such as the cost and availability of production factors (workforce, land, capital, etc.) and the general economic context (taxes, business environment), rather than by state aid. Granting aid in such a context, where a large company would have invested in any event, amounts to handing out "free money" that merely reduces the company's ordinary operation costs which its (local) competitors have to meet without aid. This leads to a waste of taxpayers' money and to competition distortions in the Single Market with damaging effects on growth. Therefore, aid to large enterprises in these areas will only be allowed for investments that bring new economic activity or for initial investments for the diversification of existing establishments into new products or new process innovations, because it is more likely that these investments are carried out thanks to the subsidy.

Safeguards to avoid relocations:

- Regional state aid must be fine-tuned to ensure it does not encourage businesses to move or relocate, in "subsidy races" caused by high differentials in aid in neighbouring and bordering regions which fragment the single market.
- Large enterprises should be obliged to maintain - or only in conformity with an agreement of social partners reduce - the employment in those MS where they have not requested aid under 107(a).

The new RAG will continue to provide for that investments must be maintained in the regions where they receive aid for at least 5 years (or 3 years for SMEs). This also applies to jobs created through such investments, which must be maintained for 5 years from the date each post was first filled.

In addition two new provisions regarding relocation are added:

First, if a company has closed down a similar productive activity in Europe in the two years before the aid is granted or intends to close down an activity two years after the project is completed, the regional aid to that company will have to be notified, regardless of the aid mount;

Second, if a beneficiary relocates an activity to the target area and there is a causal link between regional aid and this relocation, the aid will most likely not be approved.

These provisions are also in line with the negative approach towards relocation under the Structural Funds. In this respect the RAG should help to ensure a consistent application of Structural Funds rules.

The level of aid in 'a' regions should be maintained and not reduced to 35% and 25% because the attractiveness of foreign investments in these regions would be lost.

The reduction of aid intensities should occur gradually and balanced.

In order to avoid subsidy races between MS in times of tight budgetary constraints, the aid intensities in all areas except the worst-off will be reduced by 5 pp. compared to the current level. For the least advantaged regions, i.e. those with a GDP/head below 45% of the EU average the current aid intensity of 50% will be maintained.

The current practice shows that the (high) maximum aid intensities were not used by all MS and that the aid amount was often capped to the notification threshold. Also the ex post evaluation study of the current rules recommends to reconsider the level of aid intensities especially in view of discrepant budgetary means of the MS.

28.	Social dialogue in the Eastern Partnership countries;
	Own initiative opinion; CESE 774/2012; March 2013;
	Rapporteur M. MITOV (Work./BG);
	DG DEVCO – Commissioner FÜLE

Points of the EESC opinion considered essential

Commission position

2.5 The EaP, an initiative the Committee has welcomed from the beginning²⁵, has now been in existence for four years and has supported a range of extremely useful reforms relating to the economy, trade, energy and free movement of persons. However, with regard to civil society's contribution to the EaP, in particular through the Civil Society Forum (CSF), the Committee regrets the increasingly feeble involvement of civil society representatives from the EU Member States in the activities of the CSF and calls for a debate to be launched. within both the CSF and the European Commission, on measures and incentives for correcting this imbalance. In an opinion dated 16 June 2011²⁶, the Committee also regretted that employers, trade unions and other socioeconomic organisations (such as farmers, consumers and representatives of SMEs) at national level are involved little if at all in the activities of the CSF.

Starting with the 2012 annual meeting of the Civil Society Forum, the European Commission is also supporting financially the participation of civil society representatives from EU Member States in the annual meetings of the Forum. This had been indicated in the past as an impediment for civil society from the EU to participate in the annual meetings of the Forum.

4.6 In 2010, the CSF supported a research project on the state of social dialogue in the various countries, proposed by the Eurasia Partnership Foundation (EPF). The Committee draws attention to the value of this project,

36.

The mapping of civil society organisations which will be carried out under the Civil Society Facility will look at different levels of civil society (from grass-roots level to platforms and

EESC opinion on Involvement of civil society in the Eastern Partnership, OJ C 277, 17.11.2009 pp. 30-

EESC opinion on the contribution of civil society to the Eastern Partnership, <u>OJ C 248, 25.8.2001, pp.</u> 37-42.

which complements the Civil Society Facility project mapping the organisations comprising civil society in the various countries. The initial project, in which representatives of the social partners should be closely involved, ought to be integrated into this research on civil society. It should address all the various levels of social dialogue (national, regional, local; tripartite, bipartite) and its key objective should be to identify the barriers and impediments to implementing genuine social dialogue in the various countries. The Committee calls for this project to be included in the priorities of the programmes to which the CSF should be given access.

networks) and will use a broad definition of civil society, to include, among others, also trade unions, cooperatives, professional and business associations.

6.5 The inclusion of social and employment policy amongst the EaPs priorities would need to be matched by adequate funding and tailor-made programmes for implementing these priorities. In this regard, the Commission could draw on the example of the Initiative for Social Cohesion programme set up several years ago in connection with the Stability Pact for South Eastern Europe. The aim of this programme was to, "better incorporate the social dimension in economic development and reconstruction efforts in the region" and, to this end, to "build on best European practice" to support reforms in the social sector.

The European Commission promotes enhanced policy dialogue and bilateral cooperation in the field of regional development in the EaP countries, including through "pilot regional development programmes" (PRDPs). The goal is to share experience and key elements of the EU cohesion policy EaP with each partner country, especially on how to reduce socioeconomic disparities and promote more balanced and inclusive development among regions within the same country.

6.6 The Committee welcomes the decision taken by the Commission and the EEAS, to create a Civil Society Facility and a European Endowment for Democracy, which should help to strengthen civil society, OSCs and their capacity for action. However, reiterating what it said in 2003²⁷ and 2011²⁸, the EESC calls on

All the calls for proposals launched under the Civil Society Facility, both by EU Delegations and by DEVCO HQ, used a very broad definition of civil society, to include non-governmental organisations,

²⁷

the Commission "to learn from the experience gained with the Civil Society Facility for the Western Balkans in order to avoid some shortcomings" and, in particular, to take better account of the specific characteristics of the social partners and the other economic and social organisations in connection with access to sources of funding.

organisations representing indigenous organisations peoples, representing national and/or ethnic minorities, local traders' associations and citizens' trade unions. groups, cooperatives, organisations representing economic organisations social interests, fighting corruption and fraud and promoting good governance, civil rights organisations and organisations combating discrimination, consumer organisations, women's and youth organisations, teaching, cultural, research and scientific organisations, universities, think tanks, the media and any non-governmental associations and independent foundations, including independent political foundations.

Some of the projects receiving EU funding address also social partners, such as for example the project "Strengthening the independent democratic trade union movement in Belarus" or "Improving the capacity of journalists' trade unions in South Caucasus".

6.7 Lastly, the Committee urges the organisations already taking part in the Eastern Partnership to better account of the social dimension. It also calls on the Council of Europe to incorporate, in future reports and recommendations, assessments of the social rights situation in relation to the principles set out in the European Social Charter and the articles that have and have not been ratified by the States concerned. Given its status as a tripartite organisation and the fact that it is

The European Commission is also addressing the social dimension (employment, social inclusion, socioeconomic development, etc) through a range of programmes, such as:

- bilateral budget support programmes on regional development (already mentioned above)
- bilateral budget support programmes on vocational education and training

EESC opinion on The contribution of civil society to the Eastern Partnership, OJ C 248, 25.8.2011, p. 37-

extremely active in the countries concerned it would also like to see the ILO involved more closely, in future, in the work of the EaP.

(VET) support the EaP governments to implement their national strategies on employment and poverty reduction and reform the vocational education and training (VET) system. Modernised VET system could train more qualified employees, which in a long-term could reduce the high unemployment and boost job creation.

- bilateral budget support programmes on agriculture and rural development stimulate development of job creation, human resources development and economic potential in rural areas
- EaP flagship initiative on SME development supports the SME sector and hence promote employability and economic growth;
- Thematic programmes, such as nonstate actors and Local authorities (NSA/LA) programme supports actions aiming at poverty alleviation and sustainable development, as well as promoting democratic governance at local level.

The situation of social policy and labour rights, and the degree of ratification of ILO conventions are assessed in the context of the annual reports on the progress of implementation of the European Neighbourhood Policy.

30. EU Arctic Policy to address globally emerging interests in the region –

a view of civil society;

Own initiative opinion; CESE2179-2012; April 2013; Rapporteur: Filip HAMRO-DROTZ (Empl./FI);

EEAS – Vice-President ASHTON

Points of the EESC opinion considered essential

Commission position

1.2 The EESC calls on the EU to provide a clear Arctic strategy and a credible commitment to cooperation with the Arctic states. The Arctic is of huge importance to the EU and the EU has a lot to contribute to Arctic cooperation. The Committee calls for investment in responsible economic activity based on cold climate expertise and for development of infrastructure. It also calls for cooperation to continue on research into climate change and for a determined effort to protect the region's fragile environment.

The Commission and High Representative consider that the joint Communication of 2012 (JOIN (2012) 19) together with the dialogue and consultations being undertaken with Arctic stakeholders, including EESC, will assist the EU in further refining its policy stance towards the Arctic. As outlined in the joint Communication the EU action is currently being strengthened supporting research and channelling knowledge to address the challenges of environmental and climate changes in the Arctic; acting with responsibility to contribute to ensuring economic development in the Arctic is based on sustainable use of resources and environmental expertise; intensifying the EU's constructive engagement with Arctic States, indigenous peoples and other partners.

2.4 The EU should have a stronger position in the Council, because this would allow it to better contribute to the Council's work and to boost the Council's influence through its participation. The EU has a lot to contribute to cooperation. One possible way to strengthen EU's position is to become an observer entity and the Arctic EU member States should take into account also EU views in the Council.

The EEAS and Commission services will continue to participate actively in the work of the Arctic Council. On 15 May 2013 the Arctic Council has received affirmatively EU's application for observer status but deferred the implementation of its decision until the outstanding issue with Canada, concerning the implementation of the exemption to the Regulation (EC) No 1007/2009 of the European Parliament

	and of the Council of 16 September 2009, is solved.
2.5.2 Arctic research should be given more emphasis in the EU's research programmes and a separate appropriation should be earmarked for it in the EU's financial framework for 2014-2020.	The Horizon 2020 research programme will follow the Seventh Framework Programme in devoting considerable resources to Arctic research. This will be reinforced by working together with partner countries. The research alliance signed on 24 May 2013 in Galway with the United States and Canada includes collaboration on the Arctic.
2.8 The EESC strongly supports the dialogue launched by the EU with Sami and other indigenous peoples and with interest groups in the Arctic region. There should be a determined effort to sustain and strengthen this dialogue.	The EEAS and Commission services will continue to engage with Arctic indigenous groups during regular dialogue meetings to deepen our mutual understanding and to find ways to work together in a number of practical areas. The next meeting of the EU Arctic indigenous dialogue will take place in Brussels on 18 October.
2.8.1 Civil society needs to be broadly and regularly involved in Arctic work alongside indigenous peoples. Various social stakeholders, including business, employees and environmental conservationists, should be involved in both multilateral and EU activities relating to the Arctic. Dialogue, round-table discussions and hearings should be arranged with various civil society groups.	The EEAS and Commission services remain in contact with representatives of various civil society groups. The views of stakeholders are normally taken into account during consultation processes related to particular policy fields. Moreover the EU is enhancing its outreach to Arctic nongovernmental organisations, for instance the Arctic NGO Forum is a new initiative that aims to provide a consistent way for non-governmental organisations concerned with Arctic environmental issues to get together, exchange ideas and perspectives and provide advice to the global Arctic community. The upcoming meeting in Brussels on 16-18 October will address

the issue of the Arctic Marine

Transportation and Shipping.

2.9 The EESC agrees with the view that much more transparency and information on the Arctic and cooperation in the region is needed. The EU should therefore call effective for an communications strategy for Arctic cooperation. To this end, the EESC fully supports the proposal put forward by the Commission in 2008 and noted by the Council of Ministers in 2009 and later by the European Parliament, to set up an EU Arctic Information Centre.

The Commission has launched in February 2013 a preparatory action, approved by the Budgetary Authority with a budget of €1 million, for a strategic assessment of the impact of development of the Arctic. The project will also act as a 'test bed' to explore further the feasibility and sustainability of creating an EU Arctic Information Centre.

PARTIE C : Avis exploratoires sur demande de la Commission

1. Needs and methods of public involvement in the energy policy field; Exploratory opinion requested by the Commission; CESE 2366/2012; March 2013;

Rapporteur: ADAMS (Var. Int./UK); DG ENER – Commissioner OETTINGER

Points of the EESC opinion considered	
essential	

Commission position

On the European Energy Dialogue (EED)

1.3

- The programme will be ambitious and professional, sponsored and funded by stakeholders in the energy chain, linking with existing initiatives and gaining recognition as a trustworthy "social brand" responsive to public needs and concerns
- The EESC recommends financial support to sustain the EED's work in the coming EU financing period (2014 20).

The Commission recommends that the financing of the European Energy Dialogue (EED) should be further clarified before the first practical steps are being taken. This refers to both the sponsoring of the EED by stakeholders and to possible institutional support through the multi-annual financial framework.

2.1

Whilst it is likely that the development of a European approach will result in lower costs and a more secure supply compared to diffuse, unilateral national schemes much of the public debate continues to centre on the ever-increasing rise in consumer prices and the increasing impact of infrastructure and production methods. The Commission agrees with this analysis and is already addressing these issues in its current work. Heads of State or Government addressed prices, infrastructure and indigenous resources of energy during the May European Council and provided guidance which is in line with the Commission's views on these matters.

3.2

EU policy-making on the energy transition [....] does not engage with citizens in terms of explaining trade-offs and preferences.

... The three pillars of energy policy – security of supply, competitiveness and

The Commission fully subscribes to the need of engaging citizens in terms of explaining trade-offs and preferences when it comes to EU policy-making in the field of energy. It also acknowledges that public participation is essential in the process of shaping

sustainability – should be joined by a fourth – participation.

Europe's energy future and that a holistic approach to the subject is needed.

3.5

Citizens need to be more efficiently involved in the strategic direction of major policy choices – beyond their role as energy consumers – because preparing the energy transition goes beyond the important market issues.

The Commission supports this point of view but wishes to emphasise that the processes and the tools for this type of public involvement need to be clearly defined in order to ensure a balanced participation of all stakeholders.

4.1

Since 1997 a number of energy forums have been established to discuss regulatory, technical, consumer and policy issues: three regulatory forums (Florence electricity forum, Madrid gas forum, London citizens' energy forum) as well as the Berlin fossil fuels forum, the Bucharest sustainable energy forum and the European nuclear energy forum. While these are all designed to improve the functioning of the internal market in energy none have the broad remit of the type of energy dialogue proposed in this opinion.

The Commission acknowledges the fact that these energy forums are, to some degree inevitably, of a technical nature. It will take the necessary steps to examine whether citizens can be more involved in these forums or look for other ways to involve citizens more efficiently in discussions and decisions on the strategic direction of major policy choices.

7.3

- Establishing links between the EED and the existing forums where possible and appropriate, including with the Energy Community (south-east Europe) and the Eastern Partnership.
- A presentation and debate about the EED as part of the Citizens' Energy Forum in November 2013 and at other energy forums and events, as appropriate.

The Commission confirms its willingness to facilitate establishing links between the EED and existing forums. The Commission intends to include a presentation and debate about the EED during this year's Citizens' Energy Forum.

15. Single European Sky II+;

Exploratory opinion requested by the Commission; EESC 12504/2012 – **April 2013**;

Rapporteur: Mr KRAWCZYK (Empl./PL);
DC MOVE - Vice President KALLAS

DG MOVE - Vice President KALLAS	
Essential EESC's points	Commission's position
The EESC considers that the revision of the present SES legislative framework should not only focus on institutional developments and on improving legal clarity, but also on strengthening the following elements:	
top down components to complement the bottom-up approach;	The Commission agrees and has provided a mix of top-down and bottom-up elements in the SES2+ proposal, so that performance targets are set centrally, but industry is given additional freedom to devise the solutions for meeting those general targets. Some top-down elements are included where necessary, for example in centralised network management and in ensuring the involvement of airspace users in service providers governance.
• better enforcement of timely and substantial SES implementation through penalties for non-compliance;	The Commission agrees, and believes that improved follow-up of implementation – as proposed – is crucial to this.
A more top-down approach should be used for FABs, with Network manager proposing and implementing specific projects	The Commission considers that a more top-down approach — albeit theoretically most efficient — would be unacceptable to States and air navigation service providers. Commission also believes that FABs should be made more flexible tools of driving performance, with the main emphasis on achieving performance targets.
unbundling of ancillary ATM services, opening them up to greater competition and market forces. EESC	Commission agrees and that forms part of the SES2+ proposal. As regards the deadline, the complexity and political

also regrets the missed deadline for proposing more market measures for these services.	difficulty of the matter made it impossible to propose a report (communication) and measures before now.
More consideration of Eurocontrols proposal for centralised services	The Commission agrees on the principle of centralised services. As the detailed cost-benefit analyses have not been completed by Eurocontrol yet, specific proposals could not be done in the SES2+ initiative. However the legislative text allows for including them through implementing measures or delegated acts once the appropriate business cases have been completed.
The "Virtual centre" concept should have been addressed.	The Commission agrees this is an interesting concept and has ensured it is possible under the SES rules.
A common steering body should be established for standardisation within and between FABs.	The Commission has considered the proposal and believes the Network manager (on operational issues) and EASA (On technical regulatory matters) can ensure the required coordination.
Tasking EASA with co-ordination of technical regulation is supported, but with a caveat on possible overburdening of the agency. Instead co-ordination should continue to take place between Eurocontrol, EASA and Commission without changes.	The establishment of a single consultation and drafting process as well as single rule structure will make the work of all involved parties easier. This will build on the current EASA processes whereby the Agency already involved all those organisations mentioned by EESC.
A revision of Eurocontrol convention is required	The Commission agrees, but as Eurocontrol is an intergovernmental organisation, a revision of its convention cannot form part of EU law.
Sufficient funding should be ensured for SESAR	The Commission agrees, but notes that this proposal forms part of a separate set of initiatives.
EESC opposes the introduction of price modulation (congestion)	The Commission has not included that proposal in SES 2+, but considers it

charging) for certain routes	worthwhile of additional study and possible introduction later if appropriate.
 defining objectives that target service quality and enhancing efficiency in equal measure; 	The Commission agrees, but believes that is possible already under the current framework, so it is more a question of implementation than new legislative proposals.
greater involvement of airspace users.	The Commission agrees and has proposed to improve the involvement of airspace users in governance of service providers and in approving their strategic investment plans.
Social dialogue should, as a consequence, be strengthened and look beyond the pure ATM sector and be opened to the participation of other social partners than only Air Navigation Service Provider (ANSP) representatives, and should extend its scope to discussing the social consequences for workers in ATM, airlines, airports, and ways of safeguarding jobs in the wider EU aviation industry.	As such the Commission is positively inclined towards this proposal, but it has not been part of the current proposal as it is believed that ample consultation possibilities exist already.
Member States, including those being slow on SES implementation, should present their strategies towards the future development of their air transport sector.	The Commission agrees and believes this can be accomplished as part of the closer co-operation of national authorities at EU level.
The EESC believes that the high level of safety achieved by EU aviation should remain of the utmost importance. It is vital to ensure that the necessary action to reach the economic goals further support the development of the safety level	The Commission agrees and considers that a key solution for this problem is to task the European Aviation Safety Agency with co-ordinating the drafting and oversight of all technical legislation.

PARTIE D: Avis exploratoires sur demande du Conseil ou du Parlement européen

3. The economic effects from electricity systems created by increased and intermittent supply from renewable sources;
Exploratory opinion requested by the Irish presidency; CESE/25/2012;
April 2013; Rapporteur Mr WOLF (Var. int./DE);
DG ENER – Commissioner OETTINGER

Points de l'avis du CESE estimés essentiels

Position de la Commission

The Opinion finds that Member States are free to determine their share of renewable energy to achieve their GHG emissions reductions, and that carbon pricing should replace renewable energy support schemes.

It is important to recall that Member States committed to legally binding 2020 targets for the share of renewable energy and did so for multiple reasons of diversifying and securing supplies, driving innovation and industrial and economic growth as well as for reducing emissions. As the Commission's recent progress report²⁹ notes, most Member States are on track towards their targets, but will require further measures for the growth to continue and for the targets to be reached.

As regards the question of relying on carbon pricing alone to achieve these multiple policy objectives was discussed extensively when preparing the 2008 energy and climate package and it was concluded that multiple instruments, including renewable energy support schemes, were appropriate. The recent strong growth in the share of renewable energy (rising from 8.5% in 2005 to 13.4% in 2011) suggests that current support schemes have been effective; more recently, the Commission has undertaken to help Member States to ensure such schemes are as cost effective as possible. With the recently Paper³⁰, launched Green Commission has started a public discussion of what will be the right mix of instruments and objectives beyond

²⁹ COM(2013)175

³⁰ GREEN PAPER "A 2030 framework for climate and energy policies" [COM(2013) 169]

the current 2020 framework.

The opinion calls for greater emphasis on demand response, storage and grid infrastructure investment.

The EESC opinion rightly flags the importance of strengthening electricity system's demand response and storage capabilities as well as infrastructure. Flexibility in the electricity market and in electricity system operation will be crucial in a low carbon energy sector. In fact, important measures to speed up infrastructure development in particular have now been agreed upon at EU level (infrastructure package including Connecting Europe Facility). The EU is also providing significant means to accelerate research in and market uptake of storage technologies (through the 7th Framework Programme). In addition, with new Energy Efficiency the Directive³¹ important regulatory conditions for stronger market participation of demand response have recently been created.

The opinion further finds that the costs of variable renewables are clearly raising electricity prices and that variable renewables threaten electricity grid stability.

Regarding the assessment of the direct and indirect costs of renewable energy, in particular wind and solar power, it is useful to recall the Commission's Energy Roadmap 2050. The Roadmap found that in the medium term, energy costs would rise under any scenario, as current infrastructure and generation assets reach the end of their life cycle and must be replaced and fossil fuel import costs are incurred. Further analysis is needed, as the opinion notes, but it is clear that recent electricity price rises are driven by a number of factors, including fossil fuel prices and tax increases apart from costs of particular energy policy decisions. Fossil fuels still form 53% of Europe's electricity supplies. The Roadmap also showed that as the generation mix changes towards renewable energy, the balance

³¹ Directive 2012/27/EU

expenditure changes from expenditure on fuel imports to greater expenditure on capital costs.

As regards the costs of renewable energy support, the Commission plans to produce guidance in mid-2013 with a view to increase cost-effectiveness of such policies.

The Commission believes that a flexible electricity system with stronger demand response and storage options as well as smarter, more modern infrastructure and system management will improve the security of the system while allowing to integrate a larger share of renewables.

The EESC is of the opinion that the Commission should launch an economic study assessing the impact of the Roadmap 2050 on the EU economy and its global competitiveness, before making final decisions with long term impacts.

The Council has asked the Commission to assess the implications of decarbonising our economy, which the Commission did with its Roadmap 2050.

The roadmap confirms that our lowcarbon goal is economically feasible. All the scenarios reach it with no major differences in overall costs or security of supply implications.

The EESC was consulted on the impact assessment for the 2050 Roadmap (the IA can be found under the following link:

http://ec.europa.eu/energy/energy2020/ roadmap/doc/roadmap2050_ia_201204 30_en.pdf)

Any new proposal for a future energy policy framework shall be accompanied by an Impact Assessment.

13.	Establishing a European Social Mark;
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1er Exploratory opinion requested by the European Parliament; CESE

bimestriel 1820/2012; January 2013;

Rapporteur: Ms RODERT (Act. Div./SE);
DG MARKT – assoc. DG EMPL/ ENTR;

Commissioners BARNIER - assoc. ANDOR/TAJANI

Points of the EESC opinion considered essential

Commission position

1.2 In principle, the EESC supports the idea of boosting the social dimension in Europe and agrees that corporate social responsibility (CSR) should be recognised and encouraged. It is important, however, to stress that CSR must not under any circumstances be used as a substitute for social rights guaranteed in legal or international instruments, in which social dialogue has a central role.

The Commission agrees with this view.

1.5 Account also needs to be taken of parallel initiatives such as social labelling in the field of social entrepreneurship (as referred to in the Social Business Initiative) to avoid confusion. In this connection, the EESC recommends waiting for the results of, and learning lessons from, the Commission's forthcoming exercise to map social labelling in the field of social enterprise. Other overlapping initiatives such as the new CSR awards, social considerations in procurement, etc, should also be taken into account in relation to this proposal.

The Commission agrees with this view. The mapping study currently under way will provide more clarity on the existing labelling systems in the field of social entrepreneurship. The final results of the study are due in early 2014. The link with social considerations is not clear at this stage. In addition the future revised public procurement directives (as they result from the tentative political agreement) exclude requirements not related to the process of producing the products, works or services covered by the procurement, general corporate responsibility requirements covering the whole operation of the contractor. Contracting authorities may however require that works, supplies or services bear specific labels certifying environmental. social or other characteristics, provided that they accept also equivalent labels. This applies for instance to European or (multi-)national

eco-labels or labels certifying that a product is free of child-labour. A specific label may be required provided that all of the following conditions are fulfilled: the label requirements only concern criteria which are linked to the subject-matter of the contract and are appropriate to define characteristics of the works, supplies or services that are the subject-matter of the contract; they are based on objectively verifiable and non-discriminatory criteria; the labels are established in an open and which transparent procedure in relevant stakeholders, including government bodies, consumers, social partners manufacturers, distributors and non-governmental organisations, participate; the labels are accessible to all interested parties; finally, the requirements are set by a third party which is independent from over which the economic operator applying for the label cannot exercise a decisive influence.

1.7 Awareness should also be raised of the systems that already exist and of the businesses that use them, and other businesses should be encouraged to use them, instead of creating an additional system for consumers and businesses to deal with. In addition, a European communication action on the European labels should be considered, at least in the medium term, to build awareness among consumers and citizens.

The Commission cannot commit to work on these suggestions in the near future.

3.5 The idea of social labelling has been mentioned previously in connection with the Commission's work on social enterprise, with which the EESC has engaged actively in a number of opinions . The communication Towards a Single Market Act refers to social labelling in

This study has been launched. First results are expected early 2014.

relation to social entrepreneurship and social enterprise. This was later followed up as a key action in the Commission's communication on the Social Business Initiative, which aims to improve social enterprises' opportunities to operate, compete and grow under the same conditions as other enterprises. One of the proposals in this initiative was to create a public database of labels and certifications to raise understanding among stakeholders of and comparability between different forms of labelling of social enterprise within the EU. The Commission also intends, in the near future, to launch a study on social enterprise, mapping where social labels for social enterprises are in place and what form they take, as well as other specific features, rules and models for this type of enterprise.

3.7 The EESC would stress that it is important to make a clear distinction between the Employment Committee's proposal (relating to corporate social responsibility) and the Social Business Initiative: they have different objectives and must therefore be treated differently. The EESC therefore urges the Employment Committee to consider using a different term in its proposal, in order to avoid further confusion in terminology. This suggestion is given further weight by the existence of recognised players within the social enterprise field who are already certified to use such a term as a label for social enterprise, as with the "Social Enterprise Mark".

The Commission supports this view. Social enterprise policy and CSR support are distinct, albeit connected streams of work, mostly due to the fact that social enterprises are supposed to have a high degree of corporate social responsibility. But confusion should be avoided.