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I

(Resolutions, recommendations and opinions)

RESOLUTIONS

COMMITTEE OF THE REGIONS

120TH PLENARY SESSION, 7 AND 8 DECEMBER 2016

Resolution of the European Committee of the Regions — The European Commission work programme for 2017

(2017/C 185/01)

THE EUROPEAN COMMITTEE OF THE REGIONS,

Having regard to:

- the European Commission communication on its work programme for 2017 of 25 October 2016;
 - its resolutions of 4 June 2015 on its priorities for 2015-2020 and of 15 June 2016 on the contribution to the European Commission work programme for 2017;
 - the Protocol of cooperation with the European Commission of February 2012;
1. notes with concern that, 60 years after it was founded, the European Union is in the midst of a deep crisis, with continuing low levels of confidence in the European project and needs to reform; at the same time highlights that, year after year, the local and regional levels are considered by EU citizens to be the most trustworthy of all levels of governance in the EU. The CoR is therefore engaging in citizens' dialogues, with the active participation of local and regional leaders, on topics arising from local needs and characteristics, and is thus contributing to the reflection on Europe;
 2. agrees with the Commission that the general challenges facing the EU are:
 - the need to translate the economic recovery into the creation of sustainable jobs and the reduction of inequality,
 - delivering European solidarity mechanisms, particularly with regard to the management of migration,
 - delivering peace and stability in an increasingly turbulent world and ensuring that the Union is prepared to deal with a heightened terrorist threat,
 - the need to fulfil its commitments under the Paris Agreement and ensure ambitious and balanced climate change adaptation and mitigation policies, and
 - uncertainty regarding the consequences of the UK referendum;
 3. while sharing the Commission's conviction that these challenges require a bottom-up, citizen-led and multilevel governance approach, underlines that EU action must focus on empowering citizens;

4. stresses the need to involve local and regional government in the preparations for the **White Paper on the Future of Europe** and urges the Commission to consider the CoR opinions on this topic and to involve the CoR in the consultation phase;

Jobs, growth, investment and cohesion policy

5. regrets that the work programme pays scant attention to the essential role played by the **European Structural and Investment Funds (ESIF)** in reaching all citizens and regions in Europe, strengthening cohesion, promoting innovation and expressing genuine European solidarity for the harmonious development of the EU as a whole. Calls on the Commission to prepare the future of cohesion policy beyond 2020 as this is the EU's main investment policy and must be based on a place-based approach and an updated territorial vision; in parallel, the CoR encourages the Commission to continue its efforts to improve and simplify ESIF procedures in order to cut red tape and help increase absorption;

6. reiterates its request not to consider public spending by Member States and local and national bodies arising from co-financing under the European Structural and Investment (ESI) Funds as part of structural expenditure defined by the Stability and Growth Pact, since investments of this kind contribute to European priorities, with an additional leverage effect on economic growth in Europe;

7. welcomes the proposed extension of the **European Fund for Strategic Investments (EFSI)** in terms of both duration and financial capacity, but notes that this announcement has been made without a comprehensive impact assessment or an independent evaluation prior to the Commission's proposal; underlines the need to continue building on synergies between EFSI and other EU funds, in particular ESIF, and simplifying procedures so as to cut red-tape and help increase the absorption of EU funds; stresses that the third pillar of the Investment Plan should also be strengthened; calls on the Commission and the European Investment Bank to step up their efforts to raise awareness on the ground, to address the geographical imbalances of EFSI in order to optimise investment integration and synergy with a view to single programming of cohesion policy interventions, and to make more detailed information publicly available regarding EFSI-financed projects, specifically highlighting their additionality;

8. undertakes to contribute at an early stage to the discussion on the proposal for the future **Multiannual Financial Framework beyond 2020**, including the reform of own resources;

9. calls for the speedy adoption of the '**Omnibus Regulation**', with a view to boosting the impact and ensuring improved use of ESIF programmes already included in the current programming period;

10. stresses the need to follow up on the implementation of the **Urban Agenda for the EU** and underlines the importance of mainstreaming the urban dimension into other EU policies; in this regard, reiterates its request for a White Paper on the Urban Agenda for the EU;

11. reiterates its call for setting a European agenda on housing, which would address in a horizontal manner the up until now fragmented approach towards housing through sectoral policies such as the Urban Agenda, sustainable development, cohesion policy, competition policy or social initiatives such as the European Pillar on Social Rights;

12. underlines the need for a code of conduct for local and regional authority involvement in the **2017 European Semester** and calls for the Annual Growth Survey to be complemented by a territorial analysis, including a specific territorial chapter in the country reports, and for guidelines to be issued for Member States on the involvement of local and regional authorities in the National Reform Programmes;

13. supports the Commission's continued focus on investment, particularly by identifying measures to boost investment in the European Semester; in this respect, points to the **Committee's Bratislava Declaration 'Invest and Connect'**, which emphasises that local and regional growth driven by investment must be grounded in territorial development strategies, and stresses the importance of ensuring that public budgets supporting quality investments act in synergy with other financial sources at regional, local, national and European level;

14. welcomes the Commission's intention to continue working to deliver on the **Sustainable Development Goals** and stresses that Europe needs a long-term strategy to ensure smart, sustainable and inclusive growth providing direction for the European Semester; such a strategy should be built on the mid-term review of the Europe 2020 strategy;

15. welcomes the Commission's focus on youth unemployment through the strengthening of the **EU Youth Guarantee** and the **Youth Employment Initiative** and the launch of a **European Solidarity Corps** which should benefit from early, pro-active and credible involvement of local and regional authorities, youth organisations and civil society in general;

16. is disappointed by the lack of initiatives to tackle long-term unemployment, including assessing forms of European-level unemployment insurance to supplement national systems in the event of an economic downturn and prevent an asymmetrical shock from turning into a structural handicap for the whole of Europe;

17. asks that local and regional strengths and challenges, including divergent local and regional labour market needs, be taken into consideration in the new **Skills Agenda for Europe** and looks forward to working on a quality framework for apprenticeships and a proposal on increased mobility for apprentices;

18. awaits the Commission's proposal to better address the challenges of work-life balance, particularly in relation to the participation of women in the labour market;

19. in the run up to the **European Year of Cultural Heritage in 2018**, intends to focus on culture and cultural heritage as well as on the EU's international cultural relations, which are crucial components for strengthening European identity and promoting Europe's fundamental values, social inclusion, innovation and intercultural dialogue as well as cultural and heritage tourism;

20. underlines the need to see the **Horizon 2020 mid-term review** and the forthcoming consultation on the next Framework Programme for Research and Innovation as one organic process, which needs to address the innovation divide in Europe; announces that the CoR will be making a timely contribution to the revision of the **bio-economy action plan** scheduled for 2017;

Economic and Monetary Union

21. notes that the **White Paper on the Future of Europe** will also include proposals on the future of EMU and would welcome reforms that enhance the democratic legitimacy of EMU governance;

22. stresses that, in order to improve the **social dimension of EMU**, it is crucial to tackle social and also regional disparities; welcomes the Commission's intention to propose a European Pillar of Social Rights setting out principles for a Union which is built on social justice and upholds the principles of subsidiarity and proportionality;

23. welcomes the proposed **review of the Stability and Growth Pact**, but urges the Commission to take into account the need to make the Pact more growth-friendly, particularly with regard to investments conducive to growth; reiterates its earlier call for a full assessment of the territorial impact of the **European statistical rules** on public investment;

Energy Union and climate policy

24. welcomes the Commission's commitment to promote **energy efficiency** and **renewable energy** within the framework of a comprehensive Energy Union policy, in conjunction with sound **governance rules**, appropriate innovation support measures and a review of electricity market design and further improvement of energy infrastructure in order to ensure interregional and cross-border connections and support for the decentralisation of energy systems as a step towards a sustainable and flexible internal market for energy;

25. specifically recommends that EU policies in the area of electricity market design and renewable energy should be coordinated and balanced, paying due attention to local and regional concerns such as access to the grid for small-scale energy providers at the level of distribution grids;

26. supports the implementation of the **Paris Agreement** and points out that bridging the gap between national commitments and the effort needed to limit global warming to well below 2 °C will require integrating the efforts of cities and regions into national commitments, as well as both horizontal and vertical coordination, including at EU and UNFCCC levels. The CoR therefore asks the Commission to support the CoR's request to include this aspect in the Nationally Determined Commitments, to improve institutionalisation of NAZCA and the work of Climate Champions within the UNFCCC Secretariat, and to facilitate the sharing of experiences at local and regional level. The CoR also calls on the Commission to encourage research projects on cities, regions and climate change to contribute to the future work of the Intergovernmental Panel on Climate Change;

27. calls on the European Commission to work with the CoR to develop the concept of Regionally and Locally Determined Contributions to encourage action at the local and regional level to achieve targets agreed at COP21 in Paris;

28. calls on the Commission to update its **climate and energy objectives** to reach a 50 % reduction of greenhouse gas emissions by 2030 compared to 1990 levels, and to mainstream adaptation into policies and financing at all levels. The Commission should support voluntary initiatives promoting low carbon and resilient transition in cities and across regions. A clarification regarding the empowerment of regions and cities is needed in the Commission's evaluation report on the **EU Strategy on adaptation to climate change**;

Sustainable development

29. encourages the Commission to support the implementation of **disaster risk reduction strategies** in cities and regions, particularly in cross-border regions, and to ensure that EU investments uphold disaster risk reduction standards;

30. welcomes the launch of the **EU Platform for food waste and losses** and calls on the Commission to take action in the field of food waste by setting an ambitious target for reducing food waste; this should be embedded into an EU-wide sustainable food systems strategy, including biodiversity protection, the environment, health, trade, resource and land management aspects, as well as the social and cultural values of food;

31. calls on the Commission to take into consideration the CoR's recommendations when implementing the **Action Plan for a Circular Economy**, and to present early in 2017 the planned revision of the **Drinking Water Directive**, the proposal for a regulation on minimum quality requirements for reused water, and the strategy on the use, reuse and recycling of plastic, which should set clear and ambitious targets for plastic littering and leaching; calls on the Commission to propose additional initiatives relating to the construction and demolition sector, eco-design provisions and the use of secondary raw materials, substances and components;

32. is ready and willing to step up its cooperation with the Commission on the long-awaited actions on priority objective 4 of the **European Union 7th Environment Action Programme (EAP) 2014-2020** through the Technical Platform for Cooperation on the Environment; regrets that the initiatives planned for 2017 are non-legislative, and reiterates its calls for a proposal for an EU directive that would establish compliance assurance provisions across the EU environmental *acquis*, and for a new directive on access to justice in environment matters;

33. in line with the recent Cork 2.0 declaration, reiterates its request for a **White Paper on rural areas** to serve as a starting point for a post-2020 rural development policy, and calls for practical measures for the 'rural proofing' of EU policies given that rural areas are often neglected and disconnected from main policy developments;

34. in the context of the preparations of the CAP beyond 2020, highlights the strong interconnection between rural development and agriculture, and calls therefore for supportive measures for family farms, in particular to tackle price volatility of agricultural products;

35. will continue to work towards **sustainable ocean governance** for the benefit of European coastal and maritime regions and their marine and maritime economies; with the aim of inducing blue growth and jobs, the CoR will work closely with the regions and all stakeholders regarding governance and capacity building, meeting challenges in the food production chain, reducing pressure on the environment caused by illegal fishing practices and pollution, and marine knowledge, science and innovation;

36. regrets that the Commission work programme for 2017 pays insufficient attention to **health**, when the Commission should support the Member States and their regions in their efforts to increase prevention, reform and optimise their health systems, particularly through **eHealth solutions**, and develop comprehensive strategies on demography;

Single Market Strategy, SMEs, industry, competition and the Digital Single Market

37. welcomes the Commission's intention to bring forward measures to strengthen the **Single Market in goods**, particularly concerning mutual recognition and non-compliant products, and underlines the need to continue work on completing the single market for services, which is rightly an important focus of the Single Market Strategy;

38. reiterates its call for the Single Market pillar to be included in the European Semester with a system of regular monitoring and evaluation;

39. notes the Commission's intention to stand up for Europe's industry and highlights that **European industrial competitiveness** also depends on a competitive supply chain and that trade policy plays an important role in that regard;

40. underlines the importance of creating smart regulation and reducing the administrative burden on SMEs, notably by further strengthening the **REFIT programme** and ensuring that the impact on SMEs is systematically taken into account when new rules are shaped;

41. expresses its support for the establishment of a '**Forum of collaborative economy cities**' with the CoR as a key interested party; by the same token, notes with regret the lack of any proposal to safeguard the rights in new forms of employment resulting from digitalisation;

42. highlights the need for a review of the **Decision and Framework on Services of General Economic Interest (SGEI)** and calls on the Commission to launch a public consultation in 2017 in order to enable regional and local authorities to present their point of view on the difficulties they face with State aid control when financing SGEI;

43. stresses the key role played by an efficient procurement system in terms of the capacity of regional and local authorities to deliver on EU investment objectives and calls on the Commission to provide assistance to ensure full implementation of the **Public Procurement Directives**, and to assess the difficulties that regional and local authorities face when applying the Public Procurement Directives;

44. reiterates its call for a renewed **European tourism strategy** under a dedicated budget line for tourism in the EU and urges both the Commission and the Member States to facilitate access to funding for small and medium-sized tourism enterprises;

45. welcomes the Commission's efforts to complete the implementation of the Digital Single Market Strategy, including through e-Procurement, and will provide its input through the newly established joint **Participatory Broadband Platform**; stresses the need for all European areas to benefit from the Digital Single Market, by having access to high-speed broadband connections;

Justice, security, fundamental rights and migration

46. emphasises that **migration** is a complex, multilevel process, in which the countries, regions and cities of destination and of origin play important roles. It is important to promote enhanced dialogue and closer cooperation between the Member States and the institutions of both the EU and of the countries of origin and transit of migrants and their respective regional and local levels;

47. therefore calls on the Commission to take into account the CoR's recommendations on protecting refugees in their countries of origin and on the new framework for partnership agreements;

48. calls for local and regional authorities to be supported when implementing the **reform of the Common European Asylum System** and the other EU instruments developed on the basis of the **European Agenda on Migration**, such as the revised provisions on legal migration and the action plan on integration; asks the Commission to include the CoR recommendations on integrating migrants in its mid-term review of the European Agenda on Migration; recalls that integration is a process based on both rights and duties;

49. is concerned by the difficulties involved in monitoring the presence of **unaccompanied minors** and the risk of their falling prey to trafficking and exploitation; calls strongly for the implementation of inclusion and training programmes, both for the minors themselves and for the local and regional administrations dealing with their reception, and for the communities of origin of minors already established in the host country to be involved in ensuring that minors are able to live temporarily with host families or in properly equipped facilities where their social, emotional, and cognitive development can be supported;

50. calls on the Commission to provide local and regional authorities with specific and practical information on funding possibilities for the **reception and integration of migrants** and reiterates its call for the promotion of direct access by local and regional authorities to relevant EU financing instruments;

51. calls on the Commission to support local and regional authorities in developing prevention **strategies to counter radicalisation**, to continue to collect and publicise best practices on how to prevent radicalisation through policy-making at regional and local level, and to support city-to-city cooperation in addressing radicalisation;

EU trade policy

52. notes that the Commission intends to continue trade negotiations with the **US, Japan, Mercosur, Mexico, Tunisia and the ASEAN** countries as well as to seek new mandates to open negotiations with Turkey, Australia, New Zealand and Chile, but considers that the Commission should make further efforts to demonstrate their added value;

53. reiterates, specifically in view of the ambitious **future trade agenda**, that the Commission should accompany every significant initiative in the field of trade policy with territorial impact assessments;

Stability and cooperation outside the European Union

54. welcomes the fact that the **EU Global Strategy** explicitly calls for renewed external partnerships and states that the EU will support different paths to resilience in its neighbourhood, targeting the most acute cases of governmental, economic, societal and climate/energy fragility, as well as developing more effective migration policies for Europe and its partners;

55. stresses the CoR's contribution, through its **joint consultative committees** and **working groups** and the organisation of Enlargement Days with partners from the accession countries, to the Commission's enlargement policy goal of fostering shared stability and prosperity with candidate and potential candidate countries;

56. underlines that the **European Neighbourhood Policy (ENP)** can only have an enduring impact if it brings practical benefits to all beneficiaries, and emphasises that a balance must be maintained between the eastern and the southern neighbourhood; emphasises the role of local and regional authorities in entrenching democracy and the rule of law in society, urging that more support be provided for decentralisation reforms in the neighbourhood countries;

57. emphasises that regional cooperation makes a significant contribution to global stability and urges the Commission to step up cooperation with the **Euro-Mediterranean Regional and Local Assembly (ARLEM)**, the **Conference of Regional and Local Authorities for the Eastern Partnership (CORLEAP)** and the CoR's Ukraine Task Force, especially when implementing regional programmes and new initiatives;

58. stresses the need, when implementing the reviewed ENP, to give high priority to initiatives supporting decentralisation processes, twinning and administrative capacity building at sub-national level; draws attention to the Nicosia Initiative launched by the CoR in support of Libyan cities, and which has helped match needs with technical support to restore the capacity of Libyan municipalities as service providers; calls on the Commission to further support such forms of bottom-up cooperation and provide sufficient administrative and financial resources; reiterates the need to roll out new tools for capacity building in the accession and ENP countries to replace the former **Local Administration Facility**;

59. supports the recent developments following the merger between the **EU Covenant of Mayors for Climate and Energy** and the **Compact of Mayors** to create the largest coalition of cities committed to climate action, and is prepared to use its international channels, contacts, counterparts and partnerships (ARLEM for Covenant South and Covenant Africa, CORLEAP for Covenant East, ICLEI and EU-China Urbanisation partnership for North America and South-East Asia, etc.) to further amplify efforts towards mitigation, adaptation and resilience to climate change and sustainable development challenges;

60. asks the Commission to cooperate closely with the CoR in order to promote the specific concerns, experience and contributions of European cities in the new governance structure of the Global Covenant;

61. welcomes the proposed **New Partnership Framework** with third countries and the new European External Investment Plan and calls for regional and local authorities to be involved in this process;

62. urges the Commission to promote the active involvement of local and regional authorities in development cooperation during the negotiations on the reviewed **European Consensus on Development and the implementation of the UN Sustainable Development Goals** and on the **post-Cotonou Agreement**, which will be the focus of the CoR's Assises of Decentralised Cooperation in March 2017;

Citizenship, governance and better law-making

63. calls on the Commission to revise the **European Citizens' Initiative** (ECI) regulation in order to simplify and improve the legal framework of this tool;

64. welcomes the Commission's REFIT initiative and in particular the proposal to assess transparency and democratic control of the procedures for delegated and implementing acts and for certain secondary acts;

65. reiterates its call to include **Territorial Impact Assessments** in the impact assessment stage of new EU legislation where appropriate; suggests closer cooperation between the CoR and the Joint Research Centre's newly-established Competence Centre of Territorial Policies when assessing the implementation of EU legislation;

66. calls for increased transparency, cooperation and efficiency by the EU institutions and welcomes their shared commitment under the **Interinstitutional Agreement on Better Law-making** to jointly set out broad objectives and priorities, particularly for legislative proposals; calls for the CoR to be included in all stages of the legislative process in order to fully harness its potential in the legislative cycle;

67. expects ever closer cooperation with the Commission and the European Parliament in monitoring **subsidiarity** and on its 2017 Subsidiarity Conference;

68. instructs its president to forward this resolution to the European Commission, the European Parliament, the Slovak Presidency of the Council of the EU and the President of the European Council.

Brussels, 8 December 2016.

*The President
of the European Committee of the Regions*
Markku MARKKULA

OPINIONS

COMMITTEE OF THE REGIONS

120TH PLENARY SESSION, 7 AND 8 DECEMBER 2016

Opinion of the European Committee of the Regions — The REFIT Programme: the local and regional perspective

(2017/C 185/02)

Rapporteur: François DECOSTER (FR/ALDE)

Vice-President of Nord-Pas-de-Calais-Picardie Regional Council

Reference document: Letter from the European Commission of 13 January 2016**POLICY RECOMMENDATIONS**

THE EUROPEAN COMMITTEE OF THE REGIONS,

1. supports the European Commission's efforts to ensure that European policies better reflect the concerns of national, regional and local governments and reiterates that this must be a joint responsibility of all levels of governance;
2. supports the view that better regulation is not simply about having less legislation at EU level, but also about determining the level where the intended objectives can be best achieved, and stresses that the effective application of the principle of subsidiarity is a key element of better regulation;
3. stresses that all regulation has to strike a balance between equally valid concerns and expectations for 'security' on the one hand (individual, legal, administrative, financial) and for 'effectiveness', 'freedom' or flexibility on the other hand; to balance these concerns in concrete contexts is the task of the democratic process and it is the responsibility of democratically elected representatives at all levels to explain the inevitable trade-offs and compromises to the citizens;
4. is mindful of the work of the High Level Group on Administrative Burdens (Stoiber Group), its final report and dissenting opinions;
5. takes note of the signature of the Interinstitutional Agreement on Better Law-Making by the Council, the Commission and the Parliament on 13 April 2016 and hopes that this new agreement will contribute to improving EU decision-making at all stages — planning, drafting, adoption, implementation and evaluation; is concerned, however, that the specific roles of democratically elected representatives of the local and regional levels, and of the CoR are not mentioned in the IIA on Better Law-Making in any context other than that of 'stakeholders', despite the weight and mandate conferred on them by the Treaty of Lisbon;
6. wishes to be involved in further initiatives on the interpretation and implementation of the new agreement so that its potential as an advisory body in the legislative cycle can be fully used; points out that many CoR members play a role in applying EU policies;
7. welcomes the request from the European Commission for a 'broader outlook opinion' that provides 'additional suggestions on the requirements imposed by EU regulation and simpler ways to achieve the same or even better results';

8. welcomes the European Commission's policy-specific requests for the Committee's outlook opinions in areas such as, but not only, the environment, energy, financial services and agriculture, where local and regional authorities can identify burdens and give suggestions for improvement corresponding to their needs;
9. notes that this broader outlook opinion is an overview of the effects of regulation on local and regional authorities and encourages specific policy and sector-oriented analysis to identify bottlenecks and burdens;
10. welcomes the general approach of involving specifically regional and local actors in consultation related to better regulation; in this regard, welcomes, among other things, the 'Dutch provinces for better EU regulation' report and draws attention to the bottlenecks that are identified and the specific solutions suggested;
11. welcomes, in this context, the adoption of the Pact of Amsterdam with a view to the concrete implementation of the Urban Agenda for the EU, as better regulation plays an important role in the thematic partnerships. It was in this context that the report entitled *Bridge! Better EU regulation for local and regional authorities* was drawn up, which contained examples of specific situations where local or regional practices collide with European regulation;
12. urges the European Commission to examine the proposed solutions related to sectoral regulations, proportionality, cross-border bottlenecks, state aid and audit pressure and to take them into account when developing new regulations;
13. recognises the specific role played by local and regional authorities in a range of areas affected substantially by EU regulation and their role as authorities that implement EU legislation in practice and manage EU funds and stresses that their specific responsibilities provide them with good opportunities to evaluate which areas of regulatory frameworks are problematic and should be changed if necessary;
14. believes that all levels of governance must ensure that legislation is appropriate, effective and efficient and does not create unnecessary costs and burdens, while also protecting citizens, consumers, sustainability and the environment;
15. understands that the EU institutions must demonstrate the value of regulatory frameworks as well as the added value of EU legislation to all citizens while respecting the principles of subsidiarity and proportionality;
16. recognises that the recent economic difficulties have created a climate in which additional costs caused by over-regulation have, for many local and regional authorities, exacerbated budgetary cuts. This in a situation where there has been a reduction in available resources. This has proved burdensome and led to greater pressure on those authorities to try to reduce administrative costs at the same time as being faced with increased demand for action. The CoR reiterates its view that there needs to be a simplification in and reduction of red tape, where this impacts on key tasks that local and regional authorities are required to undertake;
17. appreciates that the reports and opinions previously adopted by the European Parliament, the EESC and the CoR have confirmed the importance of coordinated action by the EU in a spirit of partnership with national and EU institutions as well as local and regional authorities;
18. emphasises that local and regional authorities have a key role to play in supporting citizens to overcome distress caused by long-standing economic problems, not least by making use of EU programmes, and points out that legal certainty and straightforward access to EU programmes, while recognising the need for structural reforms, are key conditions for ensuring that they are able to fulfil this role;
19. notes that EU funding is important for many local and regional authorities to implement EU laws, and in particular to implement cohesion policy that is differentiated according to economic strength;

20. recognises that the accessibility of EU programmes and the required regulatory regimes can cause significant difficulties in relation to interpretation of legal frameworks, rules of implementation, auditing and reporting and highlights that audit arrangements in particular often cause problems for project sponsors in connection with long-term record keeping, as pointed out in the CoR opinion on simplifying the ESIF;

21. welcomes the European Parliament Resolution on Regulatory Fitness and Performance Programme (REFIT): State of Play and Outlook ⁽¹⁾ in which the important role played by the CoR as a political institution was endorsed and agrees that the REFIT Programme must not be used to undermine standards;

22. while supporting the aim of cutting red tape and removing unnecessary regulatory burdens, stresses that REFIT must not be taken as a pretext for lowering the level of ambition, in particular in fields such as the environment, food safety, health and consumer rights;

23. supports the goal of implementing EU legislation at national level 'as is' wherever possible, only exceeding the standards set out in EU provisions when required to do so for objective and technical reasons. Nonetheless, the Member States and regions must continue to be able to decide what is necessary for proper implementation on a case-by-case basis. The Commission's proposal that each instance of 'gold-plating' should be justified could help to increase transparency. However, increased accountability requirements in terms of national and regional implementation must not lead to interference in domestic administrative organisation and domestic administrative procedures;

24. stresses the importance of taking into account, when evaluating legislation, both costs, benefits and drawbacks — societal, environmental and others — for citizens and the economy, as well as the so-called 'cost of non-Europe' ⁽²⁾, i.e. the cost entailed by the absence of common action at European level in a given sector;

25. in this context, reiterates its call on the European Commission to elaborate an EU wide standard definition of gold-plating for the purpose of legal certainty in the implementation and application of the EU law and for limiting excessive red tape ⁽³⁾;

Specific recommendations

26. urges the Commission and Member States to promote the development of digital methods and ICT tools, including under the EU eGovernment Action Plan, to provide a common format and process for collecting the data required for monitoring and reporting needs, so as to reduce administrative red tape in the form of reporting to both national and EU databases;

27. highlights the importance of 'fitness checks' that can identify overlaps and inconsistencies that have arisen over time from a range of objectives and new policy initiatives, in particular as regards reporting and compliance requirements;

28. underlines the need for a better understanding of the range of reporting obligations introduced to comply with EU law; proposes that reporting requirements for local and regional authorities be listed and standardised as much as possible and that the reporting methodologies used should aim at reducing the administrative burden for citizens and SMEs as well as for local and regional authorities;

Communication, consultation and language

29. recognises that language and its use can be either a barrier or an invitation to participation; easily accessible and comprehensible language is a key component of legislative and regulatory change;

30. believes that inclusivity demands simple and clear language, structures and regulations to ensure that the EU, its purpose, programmes, policies, legislation and practical help are accessible to all;

⁽¹⁾ P8_TA(2016)0104.

⁽²⁾ European Parliament's study on Mapping the Cost of Non-Europe, 2014-19.

⁽³⁾ Opinion on EU Regulatory Fitness (REFIT) 2013.

31. urges the European Commission to therefore simplify the language it uses, making it widely understandable, and suggests that the use of technical language be kept to a minimum, in compliance with legal requirements;

32. believes that a more 'user friendly' and consistent interpretation of EU rules and regulations including, for example, proportional audit requirements, more use of fixed rates, simplified applications, claims and reporting, and clearer interpretation of regulations (for example state aid and procurement legislation) is required;

33. understands that the EU needs to devote appropriate attention to an active communication strategy designed to engage partners, sustain activity, and attract investment;

34. highlights the role being developed by both local and regional authorities in providing training and information on EU policies and programmes in order to bring them closer to local people;

35. highlights the role of the EDICs in informing local people about EU legislation and programmes using content and language that is accessible to them;

36. notes that knowledge centres, such as Europa Decentraal in the Netherlands, play an important role in facilitating the correct implementation and interpretation of EU legislation. Their experts play an important role in providing free information and advice to local and regional authorities and their associations. On the other hand the high demand for the work of knowledge centres proves the need for simplification of EU legislation;

37. appreciates that current practice invites citizens to participate in consultations. However contributions by individual citizens are rare as most of the consultations are limited due to language accessibility and use of technical terms and contexts, and are therefore largely unwelcoming. As such, they are closed off from all but a few citizens with the skills and language that enable them to take part. It is important to ensure that all relevant parties, and above all civil society, have equal access to the texts of the consultations, which must be translated into all the official EU languages and be drawn up in the simplest, clearest and most comprehensible way possible, so as to provide maximum information about the regulations advocated;

38. is of the view that citizen-based consultations should complement, not replace, structured public consultation, nor should they diminish the role of the relevant institutional bodies that are recognised in the Lisbon Treaty;

39. reiterates the importance of holding a specific consultation with regional and local legislative assemblies during the legislative initiative stage, to take place through the CoR, as these bodies — which represent the territories — democratically embody the real needs of the people, including those who are not individually able to make their voices heard;

40. regional and local authorities must therefore be considered to have priority over private corporations, both due to the role that they are recognised as playing by the Lisbon Treaty, and because they are an expression of democracy and political representation;

Programmes and funding: technical assistance, advice and reporting

41. calls on the Commission to create a 'one-stop-shop' for advice on regulation to ensure that applicants for EU funds are given timely, appropriate, unambiguous and clear advice;

42. suggests that the views of practitioners should be sought during the course of a programme period, so that improvements to the legislative and regulatory framework can be based on practical experience;

43. proposes a specific mechanism to use technical assistance funding to establish programme related legal teams to which all applicants would have free access and that can provide robust and consistent advice based on adopted, uniform interpretation of legal regulations as advised by the European Commission, and based on existing practice regarding EU funding regulations so as to remove much of the uncertainty and liability currently placed on the final beneficiary;

44. proposes that management arrangements must create a clear separation between programme administration and project/programme delivery so as to avoid potential conflicts of interest and appraisal bias;

45. suggests maximising the size of ‘funding pots’, within the current budget ceiling, allowing for a programme-based approach to delivery, whereby a number of related projects are combined and success is measured by headline outcomes rather than individual project outputs — in areas such as energy, to take just one potential example;

46. proposes exploring opportunities to develop and improve financial engineering models, including specialist VC funds for key sectors, more effective alignment of grant funding with JESSICA to stimulate the property investment market, and the possibility of a JASMINE-based microcredit scheme to support start-ups and small businesses;

47. suggests enhancing opportunities for match funding, in particular from the private sector, to ensure that financing is available to enable local and regional authorities to address local needs;

48. asks the Commission to propose a mechanism whereby unused and de-committed funding is returned to the EU budget as allocated to the appropriate Member State, as assigned revenue, in order to guarantee that these funds will be allocated and spent to support the sectoral policies within that Member State, for which they had been earmarked by means of a vote;

49. at present, failure to make use of available funding is due, in particular, to a poor, complex and overly defined implementation system, together with inadequate definition of priorities. It is essential to ensure proper communication with local and regional authorities as well as national bodies to redefine and clarify priorities, so that beneficiaries are not disadvantaged;

50. it is vital therefore to ensure that multi-annual funded programmes in particular, have planning security and reliability in-built to achieve their goals. Greater flexibility in the multi-annual financial framework therefore must not lead to funds being redeployed or new political initiatives being financed at the expense of programmes that have already been approved;

51. proposes clearly assigning roles for partners in reporting and monitoring EU-funded programmes within the municipality or region, including a review of spending and outcomes and design of remedial action and calls on the Commission to provide assistance, including funding, for local and regional authorities in cases where simplification, whether legislative or non-legislative, involves an increase in the public cost of providing their services;

Cohesion policy

52. asks the European Commission to take further steps to simplify cohesion policy by taking into account the proposals of local and regional authorities as expressed in its opinion on *Simplification of ESIF from the perspective of Local and Regional Authorities*, rapporteur: Petr Osvald (CZ/PES) ⁽⁴⁾;

53. recalls that the European Structural and Investment Funds (ESIF) are the EU's main tools for promoting economic, social and territorial cohesion in all Member States and that their simplification is fundamental to achieving the policy objectives; immediate improvements in the current programming period, as well as long-term simplification potentially leading to a substantial revision of the existing delivery mechanism and legislation, should be envisaged;

54. draws particular attention to the necessity of simplification, including legislative and non-legislative changes, in areas relating to auditing, reporting requirements and guidance, state aid, public procurement and gold-plating;

⁽⁴⁾ CDR 8/2016.

55. notes that simplification efforts require targeted cooperation between all relevant Commission services, notably DG REGIO, DG EMPL, DG COMP and DG GROW;

56. urges the European Commission to provide more information on and support for training regional and local authorities on the synergies between European Structural and Investment (ESI) Funds and the European Fund for Strategic Investments (EFSI);

Research and innovation

57. calls for simplification of application and reporting processes for the research and innovation funds, including through greater use of standard costs, in particular as regards auditing;

Common Agricultural Policy and rural development

58. stresses the recommendations of its opinion on *The simplification of the Common Agricultural Policy (CAP)* adopted in October 2015 ⁽⁵⁾;

59. reiterates the need to strengthen the principle of trust towards the final recipients, by easing the requirement to produce documentary evidence of expenditure during the final reporting stage and intervening in the audit stage, focusing on the results of the funded projects;

60. is concerned that, in spite of the stated aims of the new CAP to reduce EU-level legislation, the Commission's regulatory output via delegated legislation has increased;

61. reiterates its call for more consistency and complementarity between the CAP and other EU policies, such as the environmental policy (and funds); greater consistency is most needed between the Rural Development Fund and the rest of the European Structural and Investment Funds jointly delivering a Common Strategic Framework based on the broad policy objectives of the Europe 2020 strategy;

62. believes that the CAP should be made consistent with the goal of territorial cohesion enshrined in the Treaty of Lisbon, and a situation should be avoided whereby EU measures increase territorial imbalances or, for example, put public services in rural areas at risk;

Simplification for SMEs

63. considers it to be very important to fully take the actual needs of actors in the regional and local business environment into account in the ongoing working process on better regulation for SMEs;

64. points out that the REFIT Platform should also pay sufficient attention to the burden of regulation on public authorities. It is important to prevent the regulatory burden being passed from the private sector to public authorities and back again;

65. notes that following a consultation of the winners of its 'European Entrepreneurial Region' scheme, priority areas for simplification, or areas where the degree of simplification introduced through existing regulation is not yet sufficient, include the participation of SMEs in ERDF-funded projects, SMEs' access to public procurement, consumer rights and REACH. Reporting requirements for trade statistics (Intrastat) have also been identified as a priority for further action;

66. believes that action is needed in the area of administrative simplification for SMEs, especially concerning VAT;

67. calls for measures to be adopted to simplify access to public procurement for SMEs; is apprehensive that the degree of simplification that will be introduced through the new directives and the European Single Procurement Document may not yet be sufficient to ensure SME-friendly procurement rules;

⁽⁵⁾ CDR 2798/2015.

68. warns that the simplification measures mentioned should not undermine local and regional authorities' ability to adopt more stringent standards to suit their specific circumstances and the needs of local people, particularly in areas such as equality and social, industrial or environmental policy;

69. emphasises that EU law governing state aid in relation to services of general economic interest (SGEIs) has become too detailed and too complex because of the multiplicity of secondary legislation and 'soft law' texts relating to state aid. Further simplification will increase legal certainty, speed up the implementation of investment projects, ensure the timely provision of SGEIs, and boost growth and employment;

70. stresses the need to raise awareness among innovative small companies about the new procedures for public procurement, their benefits and limitations, and available support. EU rules on public procurement need to undergo an impact assessment in 3 years' time to check if they have resulted in facilitating the access to tenders for SMEs, reduced bureaucratic barriers and helped to develop long-term partnerships for supplies and services that are currently not on the market;

71. reiterates its call for the *de minimis* thresholds in the case of state aid to SGEIs, as well as for the threshold for exemption from the obligation (under Article 108(3) TFEU) to declare state aid in the form of a public service compensation granted to certain entities entrusted with the operation of SGEIs, to be increased, since these measures will lead to further simplification for local and regional authorities as well as for entities receiving compensation;

Environment law

72. draws attention to its opinion on *EU environment law: improving reporting and compliance* adopted in April 2016 ⁽⁶⁾ and asks the European Commission and Member States to follow its recommendations in its fitness check of monitoring and reporting obligations in environment policy;

73. draws particular attention to the specific recommendations made in the opinion related to excessively burdensome audit and reporting requirements, and calls in particular for reporting tools to be automated and synergies across reporting obligations under different directives to be found; reiterates its suggestion to establish 'implementation scoreboards' for additional directives in the area of environment law;

74. supports the option of a horizontal EU directive, which would establish compliance assurance provisions across the EU environmental *acquis*, based on principles as mentioned in the CoR opinion referred to above;

75. notes that in 2013 the European Union had an extensive set of 63 binding and 68 non-binding targets, with the majority to be achieved by 2015 and 2020. The impact of these targets on sub-national government as well as business needs to be measured and taken into account when targets are being proposed and amended. Unhelpful targets already in place should be removed so that local government leaders are provided with enough autonomy to be able to adapt measures to local economic and environmental conditions;

76. reiterates that appropriate allocation of responsibilities and resources, and clear information flows between municipalities, regions and the national level with regard to Member States' environmental monitoring and reporting requirements, are needed in order to ensure that reports and indicators relating to the state of the environment are consistent, effective and reliable.

Brussels, 7 December 2016.

The President
of the European Committee of the Regions
Markku MARKKULA

⁽⁶⁾ CDR 5660/2015.

Opinion of the European Committee of the Regions — Tourism as a driving force for regional cooperation across the EU

(2017/C 185/03)

Rapporteur: Hans-Peter WAGNER (AT/EPP), Mayor of Breitenwang

POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

Multi-level governance

1. supports the EU's policy to maintain Europe's leading position as most frequently visited region in the world accounting in 2015 for 51,4 % of all international tourist arrivals equivalent to some 609 million persons⁽¹⁾ and to maximise this sector's contribution to sustainability, innovation, economic growth and employment;
2. highlights the fact that, under Article 195 TFEU, tourism comes under the responsibility of the Member States and that the EU shall have competence to carry out actions to support, coordinate or supplement the actions of the Member States, and thus also of regional and local authorities, in this field. Regional and local authorities have a key role to play here given their competences, with many regions having exclusive competences in this sector. Given the importance of tourism for the internal market, cooperation between Member States and the regional and local levels of government in keeping with the principle of subsidiarity and multi-level governance is necessary, as are common European principles, criteria and measures with European added value;
3. calls on the European Commission (EC) to revise the **2010 tourism strategy**, to launch an integrated EU tourism policy relating to all relevant EU policies, to improve tourist confidence in the tourism sector as a whole, to strengthen the EC's approach towards seasonality and to propose a multiannual work programme with clear goals, indicators and measures for tourism;
4. asks the EU Member States, based on the EU tourism strategy, to develop national tourism policies in consultation with local and regional authorities;
5. asks that a section on tourism be added to all **macro-regional strategies**⁽²⁾. The EC is urged to draw up, together with the CoR, a catalogue of topics with possible tourism objectives for macro-regions;
6. underlines that tourism is today one of the fastest growing economic sectors in Europe; a sector that drives global growth and development, creates millions of jobs, spurs exports and investment and transforms peoples' lives; a sector that supports the sharing of cultural diversity and values and actively contributes to gradual consolidation of a European identity among the younger generations;
7. calls on **regions and cities** to subsequently devise strategies for tourism which are in line with European and macro-regional strategies, and also calls for **public-public cooperation** and **public-private partnerships** to develop, promote and implement new tourism infrastructure bearing in mind the needs of an ageing European population and enabling senior citizens to travel barrier-free across the Union. These strategies must be combined with plans to reinvigorate tourist destinations, by improving both public and private resources and facilities, that make them more competitive. Improvements must also be made in mature destinations where over time, the capacity of existing resources to attract tourist flows has declined;

⁽¹⁾ Figures by the United Nations World Tourism Organisation (UNWTO) quoted in the Eurostat regional yearbook 2016.

⁽²⁾ COM(2009) 248 final, 'European Union Strategy for the Baltic Sea Region' (EUSBSR); COM(2014) 357, 'European Union Strategy for the Adriatic and Ionian Region'; COM(2010) 715, 'European Union Strategy for Danube Region' (EUSDR); COM(2015) 366 final, 'European Union Strategy for the Alpine Region' (EUSALP).

8. calls on the Member States and the European Commission to enable and actively support cross-border cooperation of local and regional authorities in the field of tourism;

9. calls for **cross-sectoral local** as well as regional **platforms**⁽³⁾ to link, strategically develop and market destinations⁽⁴⁾, to pursue the dialogue and exchange of good practices and of the know-how about the use of the EU financial instruments;;

10. points out that tourism is one of the most important policy areas for cross-border cooperation in Europe. Cross-border cooperation structures including EGTCs and Euroregions are urged to facilitate cross-border, transnational and inter-regional cooperation by means of **cross-border tourism strategies** (e.g. transport or marketing strategies), thus creating wealth, boosting employment and ensuring regions can offer more to consumers. In so doing they should make use of all possible European funds (e.g. EFSI, ESIF, Interreg, Horizon 2020) involving highly experienced organisations, groupings or networks related to the sector;

Tourism and infrastructure

11. calls for public and private **funds** to be used for long-term improvements to travel and tourist infrastructure⁽⁵⁾ in outlying regions, mountainous regions, islands and coastal areas, which in many domains also provides services of general interest, so as to secure the **accessibility, supply and competitiveness of tourist regions**, and calls for

- improvements to the system by which Eurostat (or other organisations like the European Travel Commission or the United Nations World Tourism Organisation) collects and processes data on tourist flows (transit and destination-bound tourist traffic)
- Eurostat to be involved in providing more territorial breakdowns of information (above NUTS 2(1)) and adjusting to new needs and requirements (e.g. taking on board accessibility variables, CO₂ emissions). This will enable destinations to access solid and comparable data to evaluate and improve the use of resources from the sustainability point of view;
- **capacity and destination management** to be supported, so as to deal with the immense transport-related and environmental pressures and the excessive burden on infrastructure in tourist regions at all levels of government;
- **financial incentives** to even out tourist flows and coordinate them across Europe⁽⁶⁾, with a clear commitment to levelling out seasonal peaks and troughs;
- a **review of the EC White Paper** for a competitive, Europe-wide transport system, in particular to reduce transit traffic in sensitive regions (including urban population centres and natural regions) and to ensure a fully joined-up door-to-door travel chain, information about public transport and existing services⁽⁷⁾, and measures to promote public transport, in particular rail travel⁽⁸⁾, as well as measures to promote European and national cycle routes and long-distance footpaths;

12. calls for issues related to combating terrorism, security, particularly in public places, and civil protection to be included in European, national and regional tourism strategies; in particular emergency communication and management in national, regional and local emergency plans and procedures;

⁽³⁾ One example of such a platform is the Network of European Regions for Competitive and Sustainable Tourism (NECSTouR).

⁽⁴⁾ e.g. tourism and agriculture, tourism and well-being, tourism and spa, tourism and sports, tourism and local crafts and creative cultural industries, industry and museums.

⁽⁵⁾ Including in outermost and outlying regions, mountainous regions, islands and coastal areas, cross-border regions, regions facing demographic challenges, cultural and nature sites, new as well as mature destinations.

⁽⁶⁾ 'Green routes', management by means of toll charges at certain times of the day or week, discounted ferry crossings/tariffs for tourists taking public transport (especially trains).

⁽⁷⁾ Including accessible intermodal transport options and ticketing services.

⁽⁸⁾ E.g. motorail services, carriage of bicycles on cross-border trains.

Investment in the tourism sector

13. calls on the European Commission, when conducting the mid-term review of the Multiannual Financial Framework, to radically rethink its approach to tourism in the ESI Funds, since at present it has in effect excluded support for tourism from these funds in some countries, even though many of their regions have poorly developed areas where tourism is virtually the only possible means of development (national parks, protected areas, and so on);

14. stresses that **investments** must be made in the competitiveness of European tourism. SMEs, in particular, need to make better use of the digital single market strategy and its stimulus packages (EFSI, ESI, EMFF, Interreg, URBACT, LIFE, Horizon, COSME, Creative Europe, Erasmus+, EaSI) ⁽⁹⁾. In this regard, support and training initiatives for SMEs with regard to making more effective use of funding would be welcome;

15. supports the call to introduce a **budget heading for promoting European tourism** into the annual EU budget to finance innovative, competitive, sustainable, cross-regional and cross-border projects, and also supports more consideration of **investments with relevance to tourism** in post-2020 EU regional policy. EU funding must ease the strain on SMEs and the bureaucratic burden that managing funding entails must be significantly reduced;

16. calls on the Member States and their regional authorities to include tourism priorities in their operational programmes post 2020, to enable public authorities and the private sector to access funds to finance their projects; aware of the rapid pace of the demographic change, recommends to favour initiatives aimed to adapt tourism infrastructure and transport means to the needs of an ageing population;

17. calls on Member States to

- accelerate digitalisation in the tourism sector and in particular to develop high-speed broadband internet in outermost, outlying, sparsely populated and mountainous regions,
- recommends that public authorities tap into the potential of Digital Agenda for Europe and use the opportunities it creates to boost their eHealth services for the benefit of citizens and travellers alike,
- take measures to guarantee a significant year-round flow of visitors,
- promote longer average stays at destinations,
- enhance the skills and employability of those working in the sector,
- adopt sustainability as one of the main criteria in managing destinations and tourism products, and
- set up expert forums on promoting best practices, in particular for SMEs;

18. regrets that SMEs' lack of knowledge means that they do not make sufficient use of the EFSI and supports the establishment of **regional investment platforms** under the EFSI to enable SMEs to have access to information and know-how, following the example of regional development (e.g. 'the ALPS' ⁽¹⁰⁾). As part of the implementation of the 'Invest and Connect' declaration ⁽¹¹⁾, adopted at the seventh European Summit of Regions and Cities in Bratislava, the CoR thus recommends to the EC and the EIB that they collectively set up a **Europe-wide investment platform** for tourism-related SMEs and jointly hold local tourism investment forums under the EFSI. Specifically, five pilot projects should be carried out in model regions by 2018 (rural/remote or outermost, mountainous, border, island/coastal regions, and cities), possibly also involving networks such as NECSTouR, the Association of European Border Regions, European Groupings of Territorial Cooperation or Euroregions;

⁽⁹⁾ 'Guide on EU funding for the tourism sector 2014-2020'. <http://ec.europa.eu/DocsRoom/documents/18164/attachments/1/translations/en/renditions/pdf>

⁽¹⁰⁾ <http://www.thealps.travel/en>

⁽¹¹⁾ COR-2016-02559-00-00-DECL-REF.

19. calls on regions and EGTCs, together with the EFSI steering board and the EIB, to motivate banks in their regions to bring in **investment programmes** facilitating cross-border investment and making it easier for tourism-related SMEs to access EU funding and private sector funds (PPP models);

20. calls on the EC to support **cross-border small and micro-projects** in the field of tourism as well as **‘people-to-people’ projects**, which make a major contribution to a sense of European identity, especially in border regions;

21. reiterates its call for the de minimis thresholds in the case of state aid for SGEIs, which often also benefit tourism-related, to be increased to EUR 1 million per case per three tax years. In regions whose economic and social stability depends substantially on tourism and where unemployment is high, these thresholds should also apply to public investment in tourism-related infrastructure, inasmuch as this is also regularly used by the local population. Recalls at the same time that the current General Block Exemption Regulation (EU) No 651/2014 applicable until 31 December 2020 already covers aid for culture and heritage conservation and aid for sport and multifunctional recreational infrastructures;

22. underlines that tourism is a key strategic element for many less developed regions with significant economic and environmental potential that has not yet been fully harnessed;

Better regulation

23. draws attention to difficulties **with the regulatory framework** and recommends that the Member States to avoid unnecessary tightening of EU legislation by means of national regulations (gold plating). Under REFIT, the CoR recommends that the EC should take the following tourism-specific initiatives:

- simplify regulations for broadband service providers and move towards taking a market-based and technologically neutral approach;
- review the disclosure and information requirements under the EU Consumer Rights Directive;
- review and, if appropriate, revise the Package Travel Directive; excessive bureaucracy should be avoided, as should legal uncertainty;
- relax the information requirements under the EU Food Information Regulation (No 1169/2011) for the hospitality industry;
- simplify the applicable rules relating to taking liquids onto flights ⁽¹²⁾;

24. calls for town centre regeneration strategies, when scoping future needs of investment in regeneration or infrastructure, to give careful consideration to the potential impact of such investments in terms of protecting or increasing local attractiveness for tourism activities and improving accessibility for citizens and visitors with reduced mobility;

Thematic tourism

25. proposes the **promotion of thematic tourism projects** ⁽¹³⁾ in the sense of smart specialisation (smart regions/cities) so as to counteract the negative effects of mass tourism, and also suggests **introducing the title of ‘European Capital of Smart Tourism’**, to be awarded to up to three EU cities/regions per year by representatives of the tourism industry, the EC, the EP and the CoR. In so doing particular attention should be given to the promotion of sustainable and competitive tourist destinations as an added value to the European Destinations of Excellence (EDEN). Outside city centres and well established urban magnets should be taken into consideration so that urban nodes at peripheries of metropolitan areas or small and medium sized towns also benefit;

⁽¹²⁾ Commission Regulation (EU) No 185/2010 of 4 March 2010 laying down detailed measures for the implementation of the common basic standards on aviation security (OJ L 55, 5.3.2010, p. 1).

⁽¹³⁾ Wine tourism, gastronomy, ecotourism, language-learning, active tourism, cycling tourism, rural life, traditions, religion, art, education, research, various popular sports, business and conference tourism, MICE (meetings, incentives, conventions and events), etc.

26. emphasises that city tourism creates spatial dynamics for transforming the urban landscape through the rejuvenation of public space, infrastructure and connectivity, development of local amenities and recreational facilities. This benefits not only tourists but also local communities and citizens;

27. calls for **cultural, natural, historical and religious tourism** to be supported, which contributes to employment, multicultural understanding and local, regional and rural development, and calls for tourist attractions to be linked so as to create European, national and local thematic trails, like the Unesco-declared World Heritage cities and sites. To this end, a European Network of World Heritage Cities should be set up, and specific measures taken to preserve them and make them better known;

28. reiterates that health and wellness tourism is one of the fastest growing tourism branches, attracting elderly Europeans and visitors from third countries and recommends strengthening the connection between tourism and the silver economy agenda;

29. emphasises that **rural tourism** preserves local communities by creating jobs, stimulating development, protecting the environment, supporting rural culture, arts and handicrafts, and calls

- on rural regions to build on regional development strategies to develop **integrated** and **cross-border strategies** to expand rural tourism such strategies should focus on seamless transport connections enabling barrier-free mobility to and within rural areas;
- for support for **SME partnerships to provide a service** by means of a broad introduction of innovation coaches advising multiple companies, so as to attract urban guests;
- to develop forums and platforms enabling SMEs to generate complementary products of higher value to tourists,
- on the rural areas to pay more attention to cultural heritage in their development strategies as it contributes to safeguarding and creating jobs, supporting agricultural businesses, protecting cultural landscapes, supporting rural arts and handicrafts,
- in this context, on the Common Agriculture Policy post-2020, to include a tangible support to the tourism-related SMEs in the rural areas to further foster agro tourism;

30. flags up the major role played by culinary tourism in creating new, sustainable jobs and points out that the development of this sector of tourism aims to promote high-quality traditional and local products. Given that more than one third of tourist spending is devoted to food consumption, the culinary arts are a safe and vital source of revenue;

31. reiterates its support for the European Capitals of Culture (ECOC) and the European Heritage Label (EHL) initiatives, as well as for the European Heritage Days and the European Union Prize for Cultural Heritage;

Climate change and sustainable development

32. recalls that tourism safeguards economic growth, incomes and employment in many regions. The CoR calls on the regions to consider **sustainability** ⁽¹⁴⁾ **in their tourism strategies** ⁽¹⁵⁾ including innovative tools to monitor and increase the sustainability of tourism in terms of its environmental, social and economic aspects (ETIS), so as to provide a holistic approach that anticipates and deals with increased environmental pressures as a result of tourism-related activities. EU cohesion policy should provide targeted support to the development of these strategies;

33. calls for a European legislative solution to the collaborative economy trend, which, in addition to positive effects, also carries risks such as a lack of social protection for workers, a lack of provisions in respect of the accommodation of customers/tourists, the transfer of risk from employers to employees and negative fiscal effects and lack of quality control of destinations;

⁽¹⁴⁾ E.g. diversified strategies of what to offer in terms of 'wellness', culture, sport, non-seasonal products for year-round business, models to determine the climate impact of various types of holiday and holiday activities.

⁽¹⁵⁾ Following the example of the NECSTouR Regions.

34. supports development of sustainable cultural tourism in cities which can be a vital catalyst for revenue generation for innovative practices in heritage conservation and management. Tourism in cities also stimulates innovation. Use of information, communication technologies and the smart city concept which not only creates a quality visitor experience but also improves the quality of life of the local population;

35. invites tourist regions, in the light of climate change, to diversify their **economic focus** — in particular, conditions in mountain and coastal regions are favourable for renewable energy production (water/wind, solar, geothermal, biomass power) and to invest together with the sector in climate-friendly projects using tools such as the Hotel Energy Solutions (HES) ⁽¹⁶⁾ and the Nearly Zero Energy Hotels (neZEH) ⁽¹⁷⁾;

36. calls on the EC to support campaigns to raise awareness in the sector about sustainable management of natural resources (in terms of reducing water consumption, food waste and the use of detergents and hygiene products);

Labour market, education and research

37. calls for further EC and Member State measures to ensure **formal cross-border recognition of tourism qualifications**, as well as multi-faceted training to reduce seasonality. The recognition of qualifications must comply with a stringent standard ⁽¹⁸⁾;

38. underlines the need to fight the use of undeclared or under-declared work, which is particularly widespread in the tourism sector ⁽¹⁹⁾;

39. calls on the Commission, under the aegis of the EURES network with national employment agencies, to develop tourism-specific programmes for the **Europe-wide placement** of qualified workers in tourism-intensive regions;

40. calls on local and regional authorities and employment agencies to set up qualification partnerships with the tourism industry so as to provide training in the context of lifelong learning, in order to develop quality (sustainability, support, safety, etc.) and marketing (digitalisation) in the tourism sector;

41. welcomes the adoption of the new Sustainable Development Goals ⁽²⁰⁾ (SDGs) by the United Nations General Assembly at its 70th Session and highlights that among the 17 SDGs tourism explicitly featured in Goals 8, 12 and 14 for its capacity to foster economic growth, inclusiveness and decent work for all, promote sustainable consumption and production and advance conservation and sustainable development of aquatic resources — noting the key lines of action — advocacy and awareness raising, knowledge creation and dissemination, policy making, and capacity building and education;

42. proposes, in the context of the European education offensive, that

— PPP-initiatives should be supported in order to spur the **professionalisation of the sector** by connecting training and practice ⁽²¹⁾;

— tourism-related **vocational schools, vocational colleges and universities** should be **linked** and the influence of Erasmus+ on the tourism sector should be evaluated;

— a European tourism academy and a **Jean Monnet chair for European tourism research** should be established;

⁽¹⁶⁾ <http://hotelenergysolutions.net/>

⁽¹⁷⁾ <http://www.nezeh.eu/home/index.html>

⁽¹⁸⁾ COM(2016), 'Mapping and performance check of the supply side of tourism education and training'; COM(2014) 86, 'A European Strategy for more Growth and Jobs in Coastal and Maritime Tourism'.

⁽¹⁹⁾ ETUC Resolution on Undeclared work, March 2014 (<https://www.etuc.org/documents/etuc-resolution-undeclared-work#.WA9SumeXCuk>).

⁽²⁰⁾ <https://sustainabledevelopment.un.org/>

⁽²¹⁾ Parliament Magazine, Issue 437, 27 June 2016, pp. 28-29; example: 'Youth on the SPOT — Special Partnership of Tourism'.

43. calls on the Member States, regions and cities to integrate migrants and asylum-seekers more rapidly into the labour market, and to make use of the language and specialist skills of migrants and develop them through courses;

Tourism and European citizenship

44. underlines that European citizens engaging in tourism in the EU are consumers protected by EU law and are able to move freely throughout the EU internal market and the Schengen area. Tourism therefore has a very important role to play in **forging a sense of European citizenship** and promoting mutual understanding. Therefore, incentives should be created to encourage European citizens to take more holidays in Europe. The CoR urges the EC and the Member States to reflect on the following ideas while respecting the principle of subsidiarity and applying multilevel governance:

- free InterRail tickets for young Europeans when they turn 18 to enable them to explore and know Europe better, as proposed by the European Parliament ⁽²²⁾;
- offer EU citizens travelling in the EU reduced prices for public transport (including for bicycle carriage and bicycle hire facilities), museums, etc. by means of a free **‘European Citizen Travel Card’**, which Member States, regions and cities can volunteer to participate in; the card should be available on the CoR and EC websites, in all Europe Direct information centres, and from participating tourism associations, and be valid in conjunction with an ID or passport issued by an EU country;
- create an **electronic European travel badge** (social media-compatible GPS ‘DiscoverYrope app’);
- bring in a **‘European Traveller’s Pass’** containing useful information for EU citizens engaging in tourism (consumer rights, healthcare, addresses of consulates outside Europe, emergency phone numbers, information on the ‘European Citizen Travel Card’);

45. underlines that tourism makes an important contribution to promoting understanding between peoples and knowledge of different cultures;

46. proposes a **media prize (‘tourism Oscar’)**, awarded by the EC, EP and CoR, to recognise (print and audiovisual) documentation that transmits knowledge about the European cultural and natural heritage, as well as about regional and local tourist attractions in Europe, and contributes to a sense of European citizenship;

External dimension of tourism

47. emphasises the **role of the internal market** and the **Schengen area** for cross-border tourism and local markets. The CoR urgently appeals to the EU Member States to safeguard the border-free Schengen area;

48. welcomes the ‘visa package’ ⁽²³⁾ adopted by the EC in April 2014 and stresses that **visa facilitation** is a crucial prerequisite for encouraging tourists to visit Europe ⁽²⁴⁾. Security concerns must be carefully weighed up against the economic contribution made by tourism; the Committee welcomes in this context the introduction of a European Travel Information and Authorisation System (ETIAS) ⁽²⁵⁾ strengthening security of travel to the Schengen area under visa-free agreements;

⁽²²⁾ The idea of free Inter Rail tickets, which allow unlimited rail travel in and between all participating countries for a given period of time was debated at EP Strasbourg plenary session of 3-6 October 2016.

⁽²³⁾ COM(2012) 649 final, ‘Implementation and development of the common visa policy to spur growth in the EU’.

⁽²⁴⁾ ETC (2015), ‘Improving the Visa Regimes of European Nations to Grow Tourism: A view from the European Travel Commission’.

⁽²⁵⁾ Proposal for a regulation of the European Parliament and of the Council establishing a European Travel Information and Authorisation System (ETIAS) and amending Regulations (EU) No 515/2014, (EU) 2016/399, (EU) 2016/794 and (EU) 2016/1624 (COM(2016) 731 final).

49. suggests that issues relating to tourism, and especially measures to improve the safety of European tourists in non-EU states, be addressed in a report by the Euro-Mediterranean Regional and Local Assembly (ARLEM);

50. supports newly established platforms for cooperation between the EU and international partners like China through initiatives such as the Europe-China One Belt, One Road (OBOR) Culture and Tourism Development Committee ⁽²⁶⁾;

Promoting tourism

51. fully supports the decision to make 2018 the 'European Year of Cultural Heritage' considering that tourism will be a key enabler of all relevant initiatives and calls for a European Year of Tourism;

52. calls for the joint **promotion of tourism in third countries** to be coordinated between the umbrella organisation for tourism advertising at national level and the European Travel Commission;

53. calls for tourism services to be strengthened and targeted both at specific countries and at interest groups, professional groups, etc. while ensuring that information is distributed worldwide in an appropriate and understandable way using the most innovative channels possible. Making information about European tourism products more accessible can boost European tourist flows, as well as those from geographically distant countries;

54. calls on the Commission to focus more closely on the interferences between tourism and migration/refugee flows, to study their cultural, economic and social impacts and, together with the CoR, to identify opportunities for the affected regions (labour market, etc.);

55. recommends that the European Commission

— should champion the **European brand (EU logo)** and the development of regional, inter-regional and transnational brand positioning and European marketing platforms (EU marketing programmes, e.g. for the Alpine region or the Mediterranean) in order to promote Europe in distant markets, while reflecting the particular role of towns and regions and the diversity of their natural and cultural heritage ⁽²⁷⁾;

— should implement measures to encourage European citizens to take more holidays in Europe; a model for a '**European Citizen Travel Card**' should be considered providing the travellers with the general information to make their trips easier and safer and with the benefits of travelling inside Europe;

— should put an '**EU tourism roadshow**' and an **atlas of European cultural routes** on the www.visiteurope.com website ⁽²⁸⁾;

— should consider bringing in a standardised **European classification and quality assurance system** to complement national/regional hotel classifications (e.g. star ratings) and quality standards set at national level;

Interinstitutional cooperation

56. calls on the EC to include the CoR in the annual European Tourism Forum and the European Tourism Day;

57. calls for an annual discussion on tourism between the relevant EP and CoR committees and bodies; the discussion could include a joint hearing of sector-related stakeholders;

58. calls on future EU Council presidencies to put topics relating to European tourism on the agenda and to involve representatives of the CoR;

⁽²⁶⁾ Parliament Magazine, Issue 437, 27 June 2016, p. 28-29.

⁽²⁷⁾ European Tourism Manifesto (2016), 'Tourism for growth and jobs' (<http://www.tourismmanifesto.eu/>).

⁽²⁸⁾ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 'Towards an integrated approach to cultural heritage for Europe' (COM(2014) 477 final).

59. supports the Tourism for Growth and Jobs Manifesto ⁽²⁹⁾, an initiative by Europe's public and private tourism actors, and proposes to sign it in order to join the forces to keep Europe as an attractive destination and to ensure that the tourism sector continues to contribute to the economic, social, and territorial cohesion in Europe;
60. calls on the UNWTO to support its initiative to develop European tourism;
61. calls for the promotion of responsible tourism policies and practices by governments and the private sector in line with the principles of the UNWTO Global Code of Ethics for Tourism, a comprehensive framework for the development of sustainable, responsible and universally accessible tourism that takes into account all its economic, social, cultural and environmental dimensions;
62. places a special emphasis on the social accountability of tourism, and calls upon European and non-European citizens to be informed and responsible tourists and travellers and to respect local customs and cultures;

Brussels, 7 December 2016.

*The President
of the European Committee of the Regions*
Markku MARKKULA

⁽²⁹⁾ <http://www.tourismmanifesto.eu/the-manifesto>

**Opinion of the European Committee of the Regions — Collaborative economy and online platforms:
a shared view of cities and regions**

(2017/C 185/04)

Rapporteur: Benedetta BRIGHENTI (IT/PES), Deputy mayor of the municipality of Castelnuovo Rangone (MO)

Reference documents: Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — Online Platforms and the Digital Single Market — Opportunities and Challenges for Europe

COM(2016) 288 final

Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — A European agenda for the collaborative economy

COM(2016) 356 final

I. GENERAL COMMENTS

THE EUROPEAN COMMITTEE OF THE REGIONS,

1. notes that in its choice of title for its 2 June 2016 communication, 'A European agenda for the collaborative economy', the European Commission has reaffirmed its preference for the term 'collaborative economy' as opposed to the more all-encompassing 'sharing economy';
2. finds that the communication's reference to the 'not-for-profit' aspect of the collaborative economy — '[c]ollaborative economy transactions generally do not involve a change of ownership and can be carried out for profit or not-for-profit' — is not sufficient insofar as the changes and innovations that are driven by the collaborative economy go beyond the effects that stem from the interplay of service supply and demand;
3. underscores its appreciation of the openness displayed by the Commission towards the collaborative economy in this document. A common regulatory 'framework', as a model and guide, is needed for the Member States and local and regional authorities;
4. given that the collaborative economy has an impact upon so many areas, reiterates the importance of a multi-level approach with close and continuous interaction and cooperation between the different institutional levels;
5. regrets that the Commission Work Programme for 2017 does not contain any proposal for a follow-up to the European Agenda for the collaborative economy. Indeed the relevant European legislation does not seem to be consolidated and the frame for the contractual relations between the platforms and their contributors appears uncertain;
6. considering that this new economy relies in many aspects on the empowerment of citizens and consumers, is of the view that a regulatory approach based on multi-level governance, participation, proportionality and avoidance of red-tape is required;

II. RECOMMENDATIONS

7. calls for rigorous territorial impact assessments to be carried out by the Commission on future initiatives in this field, a need highlighted by the expert seminar on urban impact assessment organised by the CoR ⁽¹⁾; notes the strong local and regional dimension of the phenomenon, since many collaborative economy initiatives have a major impact at the level of cities in particular, and are often framed, regulated, and sometimes taxed at the local and regional level;

⁽¹⁾ UIA, Urban Impact Assessment, *The Sharing Economy*, ECON Commission, 30.6.2016.

8. shares the European Commission's opinion on avoiding regulatory fragmentation and calls for this objective to be pursued in the interest of ensuring that local and regional economies reap the benefits of the collaborative economy; therefore also calls for the Commission to take into consideration the local and regional dimension of 'overriding reasons relating to the public interest' as defined by Article 4(8) of the Services Directive;
9. stresses the need to tackle a cross-cutting question such as the collaborative economy in the framework of the Urban Agenda for the EU, in particular in relation to the digital transition, one of the Pact of Amsterdam's priority themes;
10. considers it indispensable to adopt a holistic approach that can embrace the *economic, social and environmental assets* of existing systems for managing/sharing/exchanging goods and services, now driven by new technologies;
11. stresses that despite its complexity, early action to prevent fragmentation in the first place would still be far less difficult than *ex-post* harmonisation of 28 national frameworks and countless local and regional regulations;
12. notes that excessive regulatory measures may suppress innovation; highlights on the other hand that the absence of regulatory measures can create uncertainty that may inhibit investments and development of the sector;
13. points out that this issue is also important in view of the need to reduce the digital divide. A piecemeal approach to these economies could risk exacerbating the divide between rural and urban areas;
14. notes the marked prevalence of US businesses in the collaborative economy, and emphasises that introducing clear EU-level rules respecting the principles of subsidiarity and proportionality would give European start-ups the chance to grow and be more competitive on the world stage; also considers that account should be taken of the cost of non-Europe in the sharing or collaborative economy ⁽²⁾;

Definition

15. considers that the strength of this new approach based on sharing/collaborating/participating/connecting lies not only in its use of the new technologies, but also in the values of *trust* and *responsibility* that are social and 'experiential' as well as economic;
16. points out that sharing/collaborative economy business organisations with a long-term vision should play an active role in designing future policies in the field;
17. considers it a priority to identify and establish *parameters* and *values* that we want to promote and defend, to prevent the new paradigm from turning into something that 'does not belong to us' and to make sure it is socially sustainable. This will be necessary in the hospitality sector, for example, where there is a risk of unfair competition between the services of the collaborative economy and traditional activity. It could also have an influence on the property market by increasing prices or changing the use of buildings. The question which is to be locally addressed is to what extent collaborative economy platforms are complementary with the existing housing stock and traditional hotel operator;
18. in order to ensure that rights are protected, considers it indispensable to adopt wherever possible and in full respect of the subsidiarity and proportionality principles similar concepts and definitions, as this will guarantee uniformity and certainty at European level. Considers that the EU should define the notions of 'service provider', 'employers' and 'workers' more clearly, and find a solution to problems in consumer-to-consumer and trader-to-trader relations on online platforms, in order to establish which rights and laws should prevail;

⁽²⁾ European Parliamentary Research Service, January 2016: The Cost of Non-Europe in the Sharing Economy
http://www.europarl.europa.eu/RegData/etudes/STUD/2016/558777/EPRS_STU%282016%29558777_EN.pdf.

19. as already stated in its previous opinion, '[c]onsiders however that regulation of pre-existing markets should be subject to regular review in order to verify its ability to allow for continued innovation processes. The debate on the circular economy and the Digital Single Market could be some of the areas where the SE [sharing economy] should be taken into consideration' ⁽³⁾;

20. regrets, however, the fact that there is no reference to the aim of involving local and regional authorities in future assessments and that far too much discretion has been left to the Member States, running the risk of fragmentation, something to be avoided;

21. finds that the Commission's communication provides elements and criteria for assessment without giving a full response, which will inevitably result in differences in interpretation and further fragmentation of the single market; therefore calls on the Commission to come up with a clear legal framework that ensures that fair competition principles are upheld; regrets, here, that the Commission's approach seems to be to let the European legislator only endorse a certain number of judicial decisions ⁽⁴⁾, including on the question of what exactly is covered by the exclusion of 'transport' from the scope of Article 2 of Directive 2006/123/EC on services;

22. takes a positive view of the Commission's approach which, thanks partly to the data collected in the staff working document, conveys the economic potential of the collaborative economy. At the same time, however, would recommend assessing and recognising not only the economic gain in monetary terms, but also the gains and savings that collaborative initiatives generate in environmental and social terms. The CoR would therefore suggest finding an optimum way of studying and monitoring the 'assets' generated by sharing so that they can come to be recognised as an integral and active part of the circular economy;

23. notes that setting up one-stop-shops for sharing/collaborative economy entrepreneurs that would bring together all business support services could help the wider spread of sharing/collaborative economy activities;

Market access requirements

24. questions whether the Services Directive's definition of 'service provider' is still appropriate, since its current wording captures any economic activity, including the many highly infrequent and non-professional activities provided by peers;

25. believes it would be particularly useful to identify 'thresholds' for access, both 'qualitative' and 'quantitative', to determine who would be subject to market access requirements but also to avoid the spread of activities which may use the cloak of the collaborative economy to circumvent laws and regulations;

Protection of users

26. considers that the Commission's guidance regarding the definition of the term 'trader' should be clarified, that a non-profit motive should exclude a provider from being classified as a trader, and that EU-level thresholds on the basis of the frequency of the service should be used;

27. notes that reviews and ratings can be a major factor, together with legal requirements, in ensuring consumer trust and protection, and emphasises that platforms should do more to tackle fake reviews;

Employment and social issues

28. notes, however, that many forms of work in the collaborative economy appear to lie mid-way between salaried employment and freelance work, a situation which raises important questions related to working conditions, health and safety, health care coverage, paid sick leave, unemployment benefits and retirement pensions; points out that this could give rise to a new category of precarious workers;

29. points out that some collaborative economy business models have produced strong negative social and employment-related externalities, in particular by abusing the concept of 'self-employment', and rely on social disparities between workers depending on the national legislation that applies in the country where the service is provided; asks the Commission to provide a more specific framework to ensure coordination between Member States;

⁽³⁾ Opinion on *The local and regional dimension of the sharing economy*, COR-2015-02698-00-00-AC-TRA, December 2015.

⁽⁴⁾ See in particular case C-434/15, Request for a preliminary ruling from the Juzgado Mercantil No 3 de Barcelona (Spain) lodged on 7 August 2015 — Asociación Profesional Élite Taxi v Uber Systems Spain, S.L. (OJ C 363, 3.11.2015, p. 21).

30. calls on Member States, local and regional authorities and the Commission to encourage innovative solutions to the social and employment challenges raised by the collaborative economy, such as cooperative or mutual organisations providing a salaried status to individuals who would otherwise be forced into a self-employed status not of their choosing, thereby giving them access to a wide range of social protection measures;

Taxation

31. highlights, on the other hand, that any activity conducted via the intermediary of an online platform is fully traceable and that, with the right policy measures, the collaborative economy can actually be a tool for both increased tax compliance and reduced administrative burdens;

32. calls on collaborative economy platforms to require all active providers to comply with applicable fiscal rules, and to cooperate with national, regional and local authorities in setting up the information transfer mechanisms to enforce these obligations in full respect of applicable data protection legislation; points out that examples of such systems already exist and should be widely deployed;

33. underlines in particular the case of tourist taxes, which are a key concern for many local and regional authorities, since in many locations where such a tax applies, it is not collected on stays reserved through collaborative economy platforms; adds that this breach of regulation cannot be tolerated, that it creates unfair competition vis-à-vis traditional accommodation providers, and furthermore deprives local and regional authorities of revenue; welcomes at the same time that agreements between certain cities and platforms on the systematic collection of these taxes have been found;

Platforms

34. highlights the fact that the social responsibilities of platforms in all their various permutations need to be more precisely defined, in particular in relation to occupational health and safety, as well as training; Stresses that the workers' right to information and consultation within the undertaking as well as the right of collective bargaining and action, as enshrined respectively in articles 27 and 28 of the Charter of Fundamental Rights are to be guaranteed independently from the business model;

35. considers the role of online platforms extremely important as a tool with a multiplier effect for the economic paradigm in question, and expects them to shoulder responsibility for guaranteeing respect of the rights of users, the community and the local area to ensure that the model does not automatically become a hindrance or obstacle;

36. welcomes the Commission's statement that its 'free flow of data' initiative will facilitate switching and portability of data among the various online platforms, since this is a key factor in ensuring fair competition and user protection in the single market;

37. calls on the Commission to study the need for, and feasibility of, creating a legal requirement for platforms to provide simple, user-friendly summaries of their general terms and conditions in addition to the standard documents, since the length and complexity of the latter deters the majority of users from reading them, creating a highly asymmetric relationship;

38. welcomes the Commission's commitment to cooperate with major online platforms in introducing a code of conduct to combat online hate speech;

39. calls on the Commission to adopt, as soon as possible, a *holistic approach* to the issue to avoid blocking the spread and impact of the sharing economy in the near future;

40. supports the possibility to create, a specific European statute for collaborative platforms in the medium term which could be preceded by a labelling process initiated by the platforms themselves or, failing that, by the public authorities. Such a labelling process should enable the platforms to clarify their responsibilities and in particular lay down minimum standards concerning the rules and principles applicable to collaborative workers (remuneration, rules for grading and dereferencing, dispute settlement, etc.);

41. underlines the need to find the right regulatory balance: policy-makers must not smother innovation and regulate the collaborative economy to death, and yet at the same time they must be sufficiently precise to avoid fragmentation and manage socioeconomic challenges;

42. would ask the Commission to inform and involve all levels in order to publicise the 'pilot project' that it has approved, acting on the proposal of the European Parliament, comprising research, monitoring and training programmes on the collaborative economy;
43. calls for the definition of EU-wide thresholds below which a provider shall remain a non-trader and a 'peer', and thus not be subject to any market access requirements to be explored and considered;
44. considers that these thresholds should be relative and time-based (e.g. number of nights for accommodation, number of days/hours worked for other areas) rather than absolute and monetary, so as to ensure a level playing field for everyone; they should also be low, in order to prevent abuse and ensure the genuinely occasional and non-professional nature of the activity;
45. requests that collaborative economy platforms in the accommodation sector require their providers to comply with the rules related to tourist taxes, and that it be mandatory to collect such taxes on all reservations which they facilitate in the cities and regions concerned, in order to remit them to the appropriate authorities; points out that several examples of such cooperation between authorities and platforms already exist;
46. supports the establishment of a 'forum of collaborative economy cities' to share experience and exchange good practice, which besides the CoR should involve the European organisations and networks active in the local and regional dimension of the collaborative economy and liaise with the relevant thematic partnerships of the Urban Agenda for the EU; highlights that such a forum would be a key asset and partner in relation to the necessary territorial impact assessments in this field;
47. urges all political levels to work on the current situation without losing sight of the fact that the real political challenge is to design the sharing economy of tomorrow.

Brussels, 7 December 2016.

*The President
of the European Committee of the Regions*
Markku MARKKULA

Opinion of the European Committee of the Regions — A New Skills Agenda for Europe

(2017/C 185/05)

Rapporteur:	Marie-Louise RÖNNMARK (SE/PES), Member of Umeå Municipal Council
Reference documents:	Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — A New Skills Agenda for Europe — Working together to strengthen human capital, employability and competitiveness
	COM(2016) 381 final
	Proposal for a Council Recommendation on establishing a Skills Guarantee
	COM(2016) 382 final
	Proposal for a Council Recommendation on the European Qualifications Framework for lifelong learning and repealing the Recommendation of the European Parliament and of the Council of 23 April 2008 on the establishment of the European Qualifications Framework for lifelong learning
	COM(2016) 383 final

I. RECOMMENDATIONS FOR AMENDMENTS

Amendment 1

Proposal for a Council Recommendation on establishing a Skills Guarantee

Recital 11

Text proposed by the Commission	CoR amendment
Taking into account national circumstances and available resources, Member States should focus the implementation of the Skills Guarantee on priority target groups (e.g. unemployed people, disadvantaged groups, certain age groups etc.).	Taking into account national, regional and local circumstances and available resources, and bearing in mind that investment in human capital could be treated as a social investment , Member States should focus the implementation of the Skills Guarantee on priority target groups (e.g. unemployed people, disadvantaged groups, certain age groups etc.), ensuring Member States' competencies are respected .

Reason

Initiatives taken in the framework of the New Skills Agenda could be regarded as a social investment, giving greater flexibility when it comes to public spending and the use of EU funding to improve skills. Measures to implement the Skills Guarantee must take account of the different circumstances of regional and local labour markets.

Amendment 2

Proposal for a Council Recommendation on establishing a Skills Guarantee

Recital 12

Text proposed by the Commission	CoR amendment
The Skills Guarantee should be delivered in line with the implementing arrangements put in place by the Member States and based on the individual's commitment and interest in taking part in the upskilling pathway.	The Skills Guarantee should be delivered in line with the implementing arrangements put in place by the Member States and based on the individual's commitment and interest in taking part in the upskilling pathway. <i>The offer of taking part in the Skills Guarantee should detail explicit objectives which the low-qualified adult must meet.</i>

Reason

The individual's commitment to upskilling must be based on meeting concrete objectives.

Amendment 3

Proposal for a Council Recommendation on establishing a Skills Guarantee

Point 2

Text proposed by the Commission	CoR amendment
Base the design of the Skills Guarantee on three steps: skills assessment, provision of a tailored, flexible and quality learning offer and validation and recognition of skills acquired through the upskilling pathway.	Base the design of the Skills Guarantee on three steps: skills assessment, provision of a tailored, flexible and quality learning offer <i>detailing the explicit objectives which the low-qualified adult must meet</i> , and validation and recognition of skills acquired through the upskilling pathway.

Reason

The individual's commitment to upskilling must be based on meeting concrete objectives.

Amendment 4

Proposal for a Council Recommendation on establishing a Skills Guarantee

Point 12

Text proposed by the Commission	CoR amendment
Taking into account national circumstances and available resources, identify priority target groups for the delivery of the Skills Guarantee at national level. In doing so, take also into account the gender, the diversity and various sub-groups in the targeted population.	Taking into account national, <i>regional and local</i> circumstances and available resources, <i>and bearing in mind that investment in human capital could be treated as a social investment</i> , identify priority target groups for the delivery of the Skills Guarantee at national level. In doing so, take also into account the gender, the diversity and various sub-groups in the targeted population.

Reason

Initiatives taken in the framework of the New Skills Agenda could be regarded as a social investment, giving greater flexibility when it comes to public spending and the use of EU funding to improve skills. Measures to implement the Skills Guarantee must take account of the different circumstances of regional and local labour markets.

Amendment 5

Proposal for a Council Recommendation on establishing a Skills Guarantee

Point 21

Text proposed by the Commission	CoR amendment
HEREBY RECOMMENDS THAT THE COMMISSION: Promote the use of competence frameworks for literacy, numeracy and digital skills and assessment tools.	HEREBY RECOMMENDS THAT THE COMMISSION: <i>In the same way as for digital and entrepreneurial skills, develop equivalent competence frameworks for other key competences and</i> promote the use of competence frameworks for literacy, numeracy and digital skills and assessment tools; <i>account should be taken of the fact that the starting points vary a great deal between Member States.</i>

Reason

The Commission's reference frameworks for digital and entrepreneurial skills are important factors in ensuring these have a greater impact. Equivalent frameworks should be developed for other key competences, together with material to support implementation, assessment and evaluation. There are already multiple successful initiatives in the Member States which adopt a comprehensive approach. Any Europe-wide initiative to promote digital skills downstream of national strategies must not run counter to the national initiatives.

II. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS,

1. notes that a New Skills Agenda is critically important for Europe's continuing development. Economic, social and cultural investments have a long-term effect and are of prime importance. The New Skills Agenda is therefore to be welcomed and every effort should be made to ensure it is implemented swiftly and effectively. These are issues that are highly relevant to local and regional interests in Europe;
2. underlines that the labour market is becoming more and more fluid. People need to be versatile and flexible to be able to withstand unexpected changes and to take advantage of new opportunities. In addition to occupation-specific skills employers are increasingly looking for 'transversal' or 'soft' skills. This is in line with the requirement of modern life and society, making skilled, well-rounded people not only better performers in the labour market, but also better informed individuals, more engaged citizens, and smarter consumers;
3. points to the need for upskilling measures to give people living in Europe who lack basic skills the means to be actively part of the world of work and enable them to support themselves. This is important both from the perspective of the individual and for society as a whole. Signs of social unrest have been apparent in Europe recently, indicating quite clearly that social inclusion is an indispensable objective for basic education and training measures as a means of combating exclusion. Active citizenship entails accepting democratic values and being aware of what it means to take active responsibility for upholding those values, and this must include everybody. It is therefore important for integration purposes that migrants, including asylum seekers and refugees, also benefit from a suitable form of skills guarantee;
4. would stress, however, that it is important for basic skills to be imparted first and foremost at the earliest stages of schooling and, in any event, during the compulsory schooling phase;

5. regards the New Skills Agenda as an important programme to tackle the skills gap in Europe covering the whole spectrum of skills needs, from basic to complex skills, and from transversal to sector-specific. While it is important to develop a broad set of skills from an early age, the skills agenda is also relevant for various categories of adult: people who need to improve their skills to enter the labour market or keep doing their job, those who need an opportunity to develop skills for employment in another field, people who want to be mobile across borders, and others who need a foundation for further studies and training. Also considers it important to ensure coherence and complementarity between and within education and training in general — and particularly vocational education — and work-based training in the delivery of upskilling measures;

Basic competences — skills guarantee

6. supports the Commission's proposal for a Skills Guarantee aimed at improving employment opportunities and full participation in society for low-qualified adults in Europe. The offer of taking part in the Skills Guarantee should specify clear goals as regards the level of skills and qualifications to be acquired and set out the conditions that low-qualified adults must meet. It should take into consideration the level and nature of skills required by the labour market, and, where possible, make use of people's existing vocational competences. These matters have considerable implications for local and regional levels of government, given that they have responsibility for education, training and employment;

7. considers that there should be a clear link between efforts to identify skills and consequent educational measures in the form of personalised learning plans. A well thought-out personalised learning plan should be designed to contain specific information about the approach, objective and goals of study for each individual;

8. also believes that life-long high-quality and effective information and career guidance services are needed for the implementation of personalised learning plans. These services will provide the person concerned with information regarding the learning opportunities that are tailored to their needs and will help them acquire the necessary skills for entering employment. They might also include guidance, study visits or 'hands-on' activities, advice on study financing and information about training opportunities, as well as information about access to various types of training and relevant contacts;

9. stresses that the point of education and training should be to allow an individual to acquire the skills needed by an adult to secure or maintain their position in a work or social environment. It is important that participants also have the option to combine study at different levels in an education system and in different study environments suited to their individual needs, so that they can rapidly acquire the skills needed in the employment market and the society, especially when it comes to integration of asylum seekers and refugees. This could mean for instance basic language skills combined with study at primary, secondary and post-secondary level. Work-study programmes should also be facilitated;

10. points out that members of target groups should be given opportunities to attend different forms of training that are accessible to them in terms of time and venue, depending for example on geographical or social factors, as well as the option of combining studies with other activities and taking into account people's different ways of learning. It is important to take advantage of new learning approaches, subject to good guidance, through various forms of IT-based learning, e.g. distance learning (in real time) and blended learning or other forms of open education. It is likely that technology will develop very quickly during the next few years, posing challenges in terms of educational activity keeping pace with developments;

11. emphasises that such a system should also include outreach activities for disadvantaged groups in need of upskilling where individuals do not seek training on their own initiative. Such efforts could usefully consist of a combination of measures at national or local/regional level. For example, local or regional authorities could be responsible for identifying target groups and incentivising those groups through outreach activities, after which people qualifying for training would have access to nationally determined forms of support, e.g. special study grants, tax breaks or study leave. Civil society players, such as youth organisations, can play an important role in such outreach efforts;

12. agrees with the observation in the communication that employers are not seeking occupation-specific skills as much as they used to, but are more interested in transferable skills, such as the ability to work in a team, creative thinking and problem-solving, as well as the ability to work across different fields. These new fundamentals should be taken into account when designing and implementing education measures. However, believes it necessary to develop specific training content aimed at the new economic sectors such as the green and blue economies;

13. would like to see cooperation developed on the basis of partnerships between national, regional and local authorities, companies, employees and employee associations, as well as civil society players, with the aim of taking more account of skills and qualifications acquired through non-formal and informal learning. Recognition of skills acquired outside the formal education system can significantly improve awareness of what new skills and qualifications are needed;

14. believes that, while the content and organisation of education and training systems are Member State competence, the Skills Guarantee should be designed with reference to national, regional and local conditions and available resources, while also considering that investment in human capital should be seen as social investment. The possibility of EU co-financing — through existing or future funding programmes — is very important for the implementation of a skills guarantee in the Member States;

Key competences and higher, more complex skills to make citizens better equipped

15. welcomes the Commission's intention to continue its efforts to achieve a consensus about key competences, so that these are: (1) clearly laid out in national guidance documents, (2) reflected in teaching, and (3) evaluated at the various levels of policy-making within the education system. The significance of key competences, whose aim is also to empower people to meet rapidly changing labour market demands, must be discussed in different arenas at EU, national, regional and local level. Therefore, this should preferably involve close dialogue between representatives of community organisations, the labour market, education, research and civil society;

16. thinks it is appropriate for local and regional authorities — for example, in their role as education and training providers — as well as teacher-training bodies to be involved in these efforts as soon as work has begun on developing the activities envisaged, so as to ensure that the skills are deployed as soon as conceivably possible. The reference frameworks for digital and entrepreneurial skills developed by the Commission are a very useful step in this direction, and it might therefore be a good idea to develop equivalent frameworks for other key competences, such as the competence of financial literacy, together with supporting material for implementation, assessment and evaluation;

Vocational training

17. believes it would make sense for the Commission to continue organising themed weeks and cooperating with the World Skills Organisation. This would in turn stimulate and support national, regional and local efforts to promote vocational training through information days and skills competitions, including 'hands-on' activities;

18. welcomes EU action to address skill shortages which are often particularly problematic for smaller, rural local and regional authorities. Awaits in this respect the implementation of the new proposal for a Blueprint for Sectoral Cooperation on Skills to see if this new scheme can contribute to cross-sectoral cooperation for regional and local government. Such cross-sectoral cooperation platform could be of benefit for local economies, workforce and public services;

19. endorses the Commission's idea of urging the Member States to design their education systems so as to allow transition from general training programmes to targeted programmes geared to different occupational skills;

20. supports the idea of calling on the Member States to guarantee that recently arrived migrants who have been able to find work quickly thanks to targeted measures have opportunities to access continuing training so as to avoid them later being excluded from the labour market;

21. supports the Commission's intention to promote a wider range of higher vocational training with the aim of ensuring that the level of vocational training is further improved. A well-developed partnership between training providers, researchers, businesses, and local and regional authorities should be the mainstay of such training approaches;

22. notes that the Commission must also continue efforts to ensure that vocational training still supports lifelong learning and provides the opportunity for further learning to continue at a higher level of qualification;

Investment in digital skills

23. backs the Commission's proposal to urge the Member States to draw up comprehensive national strategies for digital skills;

24. points out that high-quality and innovative teaching methods and forms of learning with digital content require:

- *open learning environments*, with new conditions and forms of learning, knowledge-building and teaching for a digital world, supported by teachers and administrators who are thoroughly familiar with these concepts,
- *open educational resources*, i.e. access to knowledge, teaching materials and other types of support for online learning,
- *promotion of networks* for both educational staff and students, e.g. networks between different educational establishments and between countries;

25. sees digitalisation as an opportunity to address many educational challenges, for example:

- providing scope for more personalised and inclusive teaching,
- as a tool enabling new migrants to practise their language skills, find their way in society and cover subjects with support in both their mother tongue and the language of their new country of residence,
- for distance learning, e.g. for reaching the most remote areas, or where teachers are unavailable for certain languages,
- documenting students' progress, facilitating the assessment work of teachers and reducing red tape;

26. underscores that for investment in digital skills to be effective, strong pedagogical leadership is needed from teachers at different educational levels. Investment in digital skills in school can help to create more attractive jobs in which teachers become more willing and able to develop their skills;

27. points out that a distinction must be made between basic digital skills, which everybody has to acquire, and more specific digital competences that are linked to specific subject and skills areas;

Better comparability of qualifications

28. expects the review of the European Qualifications Framework to ensure that national qualifications frameworks are updated where appropriate and that reporting follows a standardised format. Repeats, however, that the Member States are those responsible for formulating principles to ensure quality within national qualifications frameworks;

29. underlines the importance of maintaining quality assurance coordination between the Member States and agrees with the European Commission that a step-by-step approach is needed for cooperation between the EU and third countries over the comparability of qualifications;

30. notes that the majority of occupations and occupational spheres are undergoing considerable change, with new occupations emerging and others becoming obsolete. It is therefore important for skills descriptions and skills profiles for the future to be able to reflect a labour market that is in a state of rapid flux and renewal. Particular importance should be attached to key competences in this context;

Skills and qualifications of migrants, including asylum seekers and refugees

31. notes that, as stated by the European Parliament in 2016 ⁽¹⁾, it is of the utmost importance to support the inclusion and integration of refugees, asylum seekers and people in equivalent circumstances. Thus it is also important to provide support as promptly as possible to the Member States in ensuring access to skills identification, language introduction, upskilling efforts and other measures to promote integration at work and in society. It should also be possible for people with training/qualifications acquired in their country of origin to have those skills assessed without delay;

Modernisation of teaching and learning

32. welcomes the Commission's promise to pay particular attention in the skills agenda to innovation in the sphere of education and expects that this will also facilitate the acquisition of key competences, which is a vital component of education and training systems in Europe;

33. believes that the Commission should promote further development of student-centred learning **based on the aspects of digital learning** mentioned in the CoR opinion on the Commission Communication on *Opening up Education* (2014) ⁽²⁾;

34. points out that the delivery of the New Skills Agenda will depend on the upskilling of all teachers, in particular those involved in adult education and community learning. Support for teaching staff should be properly considered in Member States' implementation plans and steps could be taken to raise awareness about the Electronic Platform for Adult Learning in Europe (EPALE);

35. shares the Commission's view about the need for the Member States to reinforce education and continuing training of teachers and others involved in implementing the skills guarantee;

Modernisation of higher education

36. appreciates the Commission's intention to work together with various relevant parties in their efforts to modernise higher education, with specific reference to issues of skills assessment. Such work should take into consideration the national education frameworks of the Member States as well as local and regional strengths and challenges, including divergent local and regional labour market needs. Insists in this context on the need to draw lessons from previous successes and failures of similar exercises so as to ensure the necessary commitment to reach a consensus in taking forward the modernisation of higher education;

37. would underline, in respect of the initiative announced by the Commission on graduate tracking to improve information on how graduates progress in the labour market, that no additional red tape should be created for national and regional authorities and higher education establishments, nor should this create an additional burden for students; moreover it would point out the need to comply with data protection provisions. For this reason, the idea of using tax and social security information for these plans is questionable;

Review of the Europass framework

38. welcomes the Commission's intention to revise the current Europass framework. To ensure accurate and real-time information about skills demand and supply, the revised Europass framework must draw on current local and regional experience. Therefore, local and regional authorities can usefully contribute to skills intelligence and the work of the proposed online service platform.

Brussels, 7 December 2016.

*The President
of the European Committee of the Regions*

Markku MARKKULA

⁽¹⁾ Refugees: Social inclusion and integration into the labour market. European Parliament (2016)0297.

⁽²⁾ COM(2013) 654 final

Opinion of the European Committee of the Regions — Regulating price volatility of agricultural products

(2017/C 185/06)

Rapporteur: Jacques BLANC, Mayor of La Canourge (FR/EPP)

POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS,

1. notes that the action plan to counter this volatility adopted at the June 2011 G20 Summit has made little progress so far, and therefore calls for resumption of the negotiations on this subject under the German G20 presidency in 2017;
2. notes that, despite the reforms of the Common Agricultural Policy (CAP) conducted over recent years, risk management tools that enable farmers to protect themselves against the negative effects of variations in yield and price and against health- or environment-related damages are still the poor relation of the CAP, representing less than 2 % of funds from the second pillar of the CAP and 0,4 % of the total agricultural budget. The Member States are free to decide to what extent they want to make use of the instruments in the EAFRD Regulation;
3. believes that mechanisms to safeguard farmers' incomes need to be strengthened significantly to reduce the negative impact of the high volatility of prices of agricultural products and inputs, in order to make European agri-food sectors more competitive, maintain agriculture throughout the EU, encourage modernisation and innovation, and preserve vibrant rural communities;
4. considers this objective to be achievable, provided that a package of measures is jointly implemented with a view to: (i) boosting the role of private agri-food operators in regulating agricultural markets, in order to compensate in part for the deregulation of the CAP; (ii) expanding and simplifying access to the range of risk management tools available to farmers, as the instruments existing under the EAFRD cannot be brought to bear owing to the lack of resources available under the second pillar, which should be increased without jeopardising the funds available under the first pillar; (iii) as part of the next CAP reform and at local and regional level, promoting an increase in the added value of European farms to reduce their vulnerability to fluctuations in world agricultural prices;
5. points out that contracts ensure that farmers can dispose of their produce and processors can purchase their inputs at prices that are known in advance. They therefore help to balance supply and demand and enable better product quality control, which may result in higher prices for producers and a more equitable distribution throughout the supply chain;
6. suggests that in Member States where there are no advanced forms of vertical cooperation contractualisation be strengthened throughout the food chain (not just between farmers and processors of agricultural products), and enabling Member States to make it mandatory, and encouraging the signing of multi-party contracts between, for example, producer organisations (POs), processors and distributors;
7. as part of a more flexible interpretation of the competition rules that is consistent throughout the Union, suggests empowering agricultural businesses, producer organisations and recognised inter-branch organisations, as well as the operators of agri-food markets and centres which are recognised as structures designed to safeguard the public interest, in order to avoid crises. To this end, inter-branch organisations, which bring together the various links in value chains, and these operators of agri-food markets and centres, need to be able to provide businesses with market forecasts in order to help them make appropriate decisions, but without setting reference prices. This practice already exists in some Member States and it is therefore also appropriate to reflect on it in the exchange of best practices;
8. suggests that, in the event of a market imbalance or a confirmed risk of such an imbalance assessed on the basis of certain indicators, agricultural enterprises (including POs and their associations) should be able to make use of their scope for action and to reduce their production in a coordinated manner, even before being authorised to do so by the European Commission under Article 222 of Regulation (EU) No 1308/2013 establishing a common organisation of the markets (CMO). The CMO should therefore explicitly allow agricultural enterprises, including producer organisations and their associations, to take preventive action to rebalance the market, in order to avoid abuse of dominant positions, communicating this in advance to the competent authorities;

9. notes that there is a close link between regulating the price volatility of agricultural products and combating unfair trading practices (UTPs) in the food supply chain, because market fluctuations exacerbate power imbalances with regard to the sharing of added value within sectors, and the resulting trade-offs are usually unfavourable to producers, who have limited bargaining power due to the increasing concentration of agri-food industries and, in particular, of large-scale retail and to the fragmentation of producers and the lack of organisation thereof;

10. recommends adopting specific European rules against UTPs in the food supply chain, as proposed in the European Parliament's resolution of 7 June 2016 [2015/2065 (INI)], on the grounds that: while contracts do lead to a degree of risk sharing, they do not fundamentally correct the inequality between the parties; anti-monopoly provisions are not sufficient to address UTPs and the asymmetries of power that characterise the agri-food industry; the industry's self-regulation mechanisms are not effective, not least because farmers and processors are often afraid to complain lest they be excluded from the market; EU-level framework legislation is needed to harmonise conditions for competition and ensure that European farmers and consumers enjoy fair buying and selling conditions;

11. recommends that the right to negotiate contracts collectively should be extended to all agricultural products, in order to strengthen farmers' bargaining power within the food industry;

12. recognises that bringing together the supply side can prevent small producers suffering the heavier contractual weight of large industry in particular, while guaranteeing greater transparency for consumers with regard to prices and product traceability;

13. notes that strengthening the role of private operators in the regulation of agricultural markets requires greater market transparency;

14. to this end, suggests setting up a European Agricultural Markets Observatory, drawing on a network of national observatories for each product sector, taking advantage of the experience of the Milk Market Observatory and the agricultural markets dashboard published regularly by the European Commission. This new observatory would provide in a clear and timely manner the data necessary to understand the markets, both in cyclical terms (in particular anticipating crises) and in structural terms (allowing for an analysis of changes in the prices and margins of the players within the industry);

15. stresses that the implementation of the Markets in Financial Instruments Directive (MiFID 2), scheduled for 2018, should encourage greater knowledge and regular monitoring of the positions held by the various categories of operators in agricultural financial markets, in order to reduce the risk of excessive speculation and allow commercial stakeholders in the industry to manage price risks effectively;

16. notes that efforts to implement and strengthen existing risk and crisis management tools within the CAP face many obstacles, including competition between second-pillar funds, which cover most of these tools, the inadequate resources of the crisis reserve which, since it is necessary, should not be established on the basis of annual reductions in direct payments, the lack of current and forecast data on the economic performance of agricultural holdings, etc., and highlights the need to reduce these obstacles in order to implement an ambitious and effective agricultural risk management strategy;

17. feels that the next reform of the CAP should encourage Member States to develop and implement a wide range of complementary risk management tools that are affordable for farmers, based on a segmented approach to risks, classified in terms of their severity ⁽¹⁾: (i) 'normal' risks that can largely be absorbed by farmers by putting in place precautionary savings and through tax measures; (ii) 'medium' risks that farmers can transfer to the financial markets (futures, options and over-the-counter (OTC) contracts), insurers (to manage risks relating to yield, turnover and gross margin) and mutual funds (to manage health and environmental risks and stabilise farm incomes); and (iii) 'catastrophic' risks, which are largely borne by the public authorities via price safety nets and exceptional crisis measures; However, care should be taken to ensure that greater segmentation of risk does not lead to higher administrative costs;

⁽¹⁾ Using the typology set out by J. Cordier and J.-C. Debar in *Gestion des risques agricoles: la voie nord-américaine. Quels enseignements pour l'Union européenne?* [Agricultural risk management: the North American way. The lessons for the European Union], Cahiers No 12, Club Déméter, 2004. Comparable typologies can be found in other literature, including a report recently produced for the European Parliament (see footnote 2).

18. emphasises that the development of risk management tools must not significantly affect the stability of the CAP budget, which is currently achieved by decoupling aid from production and prices. A budget in which spending closely tracks fluctuations in the price of agricultural products and falls cyclically when the markets perform well would risk being reduced substantially during the debates on the European Union's multi-annual financial perspectives. This would lead to a reduction in the protection offered by the CAP, which would be detrimental to farmers in the event of a market downturn;

19. suggests that, in order to create precautionary savings to withstand market hiccups, one possibility could be that farmers could set aside a certain percentage of first-pillar payments in a special account. Setting aside this percentage of the basic payments would be mandatory when certain market indicators — such as the prices of agricultural products or the ratio of agricultural product prices to input prices — were rising. The money thus saved could be released and used by farmers when the indicators were falling. At all events, the creation of additional administrative costs should be prevented;

20. recognises that, as well as improving farmers' self-insurance capacity, this instrument would have a number of advantages: it would be a partial replacement for the crisis reserve currently in force, which is evidently failing; it would be cheap to administer; it would not affect the stability of the CAP budget; and finally, it would increase the legitimacy of decoupled aid in the eyes of the public in times of high agricultural prices;

21. notes that other mechanisms to encourage farmers to develop precautionary savings could also be envisaged, based for example on the scheme in force in Canada, in which sums deposited by farmers in a savings account are matched by the public authorities;

22. stresses the importance of encouraging the creation and adoption of new, more diverse and possibly cheaper products insuring against the economic risks incurred by agricultural holdings, inspired for example by insurance schemes available in the United States. These new products could, for example, comprise: (i) turnover insurance, guaranteeing the crop receipts forecast at the time of sowing based on the holding's historic yield and the prices seen on the futures markets, but where only the yield component would be subsidised to comply with the World Trade Organisation's green box rules; (ii) index insurance, based on the average yield, turnover or gross margin in the region where the holding is located (but where only the yield component would be subsidised), bearing in mind that such insurance is significantly cheaper to administer than insurance based on the individual farmer's yield; (iii) insurance covering a holding's overall revenue, which could be reserved for small and medium-sized diversified or mixed crops/livestock holdings, or those that produce fruit, vegetables or specialist crops for which there are few or no subsidies and no harvest insurance; and (iv) specific insurance for organic farmers, which would take account of the generally lower yields, higher production costs and higher market prices for organic products. These measures should be subject to a feasibility study assessing, in particular, their potential costs in terms of state reinsurance;

23. calls on the European Commission to work closely with national, regional and local authorities and farming organisations to increase awareness and understanding of the risk management tools available within Pillar II of the CAP; in addition, calls on the Commission to increase the budget for these tools to above the current 2 % of the Pillar II funds;

24. recommends developing mutual funds modelled on the income stabilisation tool (IST), which was introduced by the 2013 CAP reform to ensure a fair balance in redistribution between regions and sectors but has been incorporated into the 2014-2020 rural development plans of just two Member States (Hungary and Italy) and one region (Castile and Leon in Spain). These funds would provide protection against significant falls (more than 30 %) in a holding's gross margin, measured against the previous 3 or 5 years. It would be difficult to offset losses of this magnitude just with farmers' own precautionary savings. They also cannot be remedied by turnover insurance of the kind available in the United States, which provides a guarantee against falls in forecast revenue between sowing and harvest and does not, in itself, protect against low prices;

25. calls for income stabilisation funds to be implemented at sectoral level, in order to boost the integration of the various branches of agriculture, and at national or even trans-national level in order to expand the pooling of risks and reduce costs. Thus, each Member State would have an arable fund, a dairy fund, a fruit and vegetables fund, etc.;

26. recommends that the Member States undertake exploratory testing of income stabilisation funds before introducing them on a large scale, in view of the practical difficulties of implementing and operating such funds (gathering of accounting data on holdings, reinsurance needs, etc.);

27. stresses that the three types of risk management tool set out above — precautionary savings, insurance and income stabilisation funds — are complementary and should, where possible, be implemented jointly so as to form a robust and coherent safety net against price volatility and help reduce the frequency and severity of crises suffered by farmers;

28. believes that, to enable producers to cope with price volatility under comparable conditions, rates of direct payments should be harmonised among EU Member States;

29. is convinced that direct payments should remain a CAP instrument beyond 2020 to help support and stabilise farm income and offset costs stemming from complying with the high standards in the European Union;

30. suggests that, if it is decided, at the next CAP reform, to reduce direct first-pillar aid and to devote that money to risk management, farmers could be given 'vouchers' worth a certain percentage of their basic payments, which they could opt to use to subscribe to the tools of their choice: establishing precautionary savings, insurance or mutual funds. This system would increase funding for risk management tools without affecting the stability of the budget for the first pillar of the CAP ⁽²⁾;

31. calls on the European Commission to undertake a detailed study into the various options currently available for expanding the range of risk management tools, including precautionary savings, insurance and mutual funds for the purpose of income stabilisation. This study would identify the consequences, advantages and limitations of each of these tools with respect to various criteria, and would also analyse various funding scenarios for a risk management development strategy, including the voucher system proposed in point 30;

32. feels that public policy should promote an increase in the added value of European farms, while also improving the environmental sustainability of farming practices, in order to reduce their vulnerability to fluctuations in global prices and to set agriculture on the path of ecological transition that will be required in order to mitigate climate change, adapt to its effects and reduce pressure on ecosystems;

33. underlines in this connection the need for special attention to be paid to the agricultural sector in the outermost regions, which needs particular, tailored and dedicated measures to cope with their unique, specific features as recognised in the TFEU;

34. acknowledges that European agriculture is very diverse: most farms sell their produce on the Community market, but others export some or all of their produce to third countries, either directly or indirectly;

35. considers it important to preserve this diversity, given that the outflow of a proportion of agricultural production to third countries helps to balance supply and demand on the Community market and that the European Union, as the world's leading exporter of agri-food products, must be able to benefit from the increase — in quality and quantity — in global food demand;

36. sees two main avenues for increasing the added value of agricultural holdings: (i) increasing agricultural productivity, which is showing worrying signs of slowing down in certain sectors, via the sustainable intensification of farming — this involves producing more with fewer inputs or reducing purchases of inputs to make farms more independent, which can be achieved by adopting more resilient, innovative production systems based on precision agriculture, simplification of tillage, crop rotation and diversification, improvement of grassland and other practices; or (ii) encouraging the development of regionalised food systems, which meet growing demand from European consumers and partially neutralise the volatility of global markets in agricultural raw materials — this involves developing local supply chains (school canteens, catering, direct sales), niche markets and high-quality products, focusing on more environmentally friendly production methods (organic farming and other approaches);

⁽²⁾ This proposal is included in the report by Isabel Bardaji et al., *Research for AGRI Committee — State of play of risk management tools implemented by Member States during the period 2014-2020: national and European frameworks*, Directorate-General for Internal Policies, European Parliament, 2016; we propose extending it to cover the establishment of precautionary savings.

37. recommends that the CAP and national policies encourage farmers to explore these two avenues, with the involvement of local and regional authorities.

Brussels, 7 December 2016.

*The President
of the European Committee of the Regions*
Markku MARKKULA

Opinion of the European Committee of the Regions — Review of the Audiovisual Media Services Directive

(2017/C 185/07)

Rapporteur: Jácint HORVÁTH (HU/PES), Member of Nagykanizsa Municipal Council

Reference document: Proposal for a Directive of the European Parliament and of the Council amending Directive 2010/13/EU on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services in view of changing market realities

COM(2016) 287 final

I. RECOMMENDATIONS FOR AMENDMENTS

Amendment 1

Recital 6

Text proposed by the Commission	CoR amendment
	<i>The directive does not preclude Member States from taking measures against audiovisual media services originating from third countries and provided in their territory. These services are not covered by the country of origin principle. In particular, this directive does not exclude imposing an obligation to register audiovisual media services originating in third countries, nor applying sanctions against them.</i>

Reason

Audiovisual media services from outside of the European Union may cause serious disturbances to media services, and more precisely to the public sphere, in certain Member States. The country of origin principle does not apply to these services. It is not necessary for this type of legislation to include such a specification, but it is useful — in order to ensure that the directive is interpreted in a uniform manner — for the recitals to mention that Member States are free to take measures against these services.

Amendment 2*Recital 9*

Text proposed by the Commission	CoR amendment
In order to empower viewers, including parents and minors, in making informed decisions about the content to be watched, it is necessary that audiovisual media service providers provide sufficient information about content that may impair minors' physical, mental or moral development. This could be done, for instance, through a system of content descriptors indicating the nature of the content. Content descriptors could be delivered through written, graphical or acoustic means.	In order to empower viewers, including parents and minors, in making informed decisions about the content to be watched, it is necessary that audiovisual media service providers provide sufficient information about content that may impair minors' physical, mental or moral development. This could be done, for instance, through a system of content descriptors indicating the nature of the content. Content descriptors could be delivered through written, graphical and/or acoustic means.

Reason

The more audiovisual media services use different means to describe content, the more visible this content will be and the more likely it is to be noticed, making it more likely to achieve its purpose.

Amendment 3*Recital 17*

Text proposed by the Commission	CoR amendment
The rule that a product should not be given undue prominence has proved difficult to apply in practice. It also restricts the take-up of product placement which, by definition, involves some level of prominent exposure to be able to generate value. The requirements for programmes containing product placement should thus focus on clearly informing the viewers of the existence of product placement and on ensuring that the audiovisual media service provider's editorial independence is not affected.	The rule that a product should not be given undue prominence has proved difficult to apply in practice. It also restricts the take-up of product placement which, by definition, involves some level of prominent exposure to be able to generate value. The requirements for programmes containing product placement should thus focus on informing the viewers in a clear and easily accessible manner of the existence of product placement and on ensuring that the audiovisual media service provider's editorial independence is not affected.

Reason

The European Committee of the Regions considers it important that not only the content of information, but also its accessibility, makes it clear that the programme includes product placement.

Amendment 4*Recital 30*

Text proposed by the Commission	CoR amendment
	<i>In the area of online content, the European Union has, since the second half of the 1990s, granted an important role to non-legal instruments (see in particular the Council Recommendation of 24 September 1998 on protection of minors and human dignity and the Recommendation of the European Parliament and the Council of 20 December 2006 on the protection of minors and human dignity and on the right of reply in relation to the competitiveness of the European audiovisual and on-line information services industry). These instruments, particularly telephone helpline services, age verification systems, content classification and parental control systems, are also effective in regulating content published on online video sharing platforms. Telephone helpline services are an important and widespread way of protecting minors, as they aim to offer users a simple and easily accessible means of making a complaint, and to ensure that the relevant authorities are informed of any infringements. Age verification systems afford an appropriate level of protection, particularly when the age of the user is verified using data from identify documents that are only available for adult users, proof of age from reliable third parties or biometric data. The fact that classification of content by users themselves (parents) or by certification bodies is based on various criteria — violence, sex, gambling, bad language, etc. — enables content available on video sharing platforms to be classified in different categories, which serves as a basis to limit access to such content. Parental control systems enable parents to limit their under-age children's access to the internet, by means of a list of content suitable for minors or by filtering content that is harmful to children.</i>

Reason

The new Article 28a of the directive obliges video sharing platform operators to take appropriate measures to protect minors and to prohibit content inciting hatred. Telephone helplines, age verification systems, content classification and parental control systems are considered appropriate measures. Given the rapid development of technology, the content of such measures cannot be laid down in detailed legal provisions. However in order to ensure that the directive is interpreted in a uniform manner by service providers and the relevant regulatory authorities, it would also be useful for the directive's recitals to include some explanation of the different measures.

Amendment 5*Recital 38*

Text proposed by the Commission	CoR amendment
This Directive is without prejudice to the ability of Member States to impose obligations to ensure discoverability and accessibility of content of general interest under defined general interest objectives such as media pluralism, freedom of speech and cultural diversity. Such obligations should only be imposed where they are necessary to meet general interest objectives clearly defined by Member States in conformity with Union law. In this respect, Member States should in particular examine the need for regulatory intervention against the results of the outcome of market forces. Where Member States decide to impose discoverability rules, they should only impose proportionate obligations on undertakings, in the interest of legitimate public policy considerations.	This Directive is without prejudice to the ability of Member States to impose obligations to ensure discoverability and accessibility of content of general interest under defined general interest objectives such as media pluralism, freedom of speech and cultural diversity. Such obligations should only be imposed where they are necessary to meet general interest objectives clearly defined by Member States in conformity with Union law. In this respect, Member States should in particular examine the need for regulatory intervention against the results of the outcome of market forces, <i>lack of transparency of media ownership, media concentration and conflicts of interest</i>. Where Member States decide to impose discoverability rules, they should only impose proportionate obligations on undertakings, in the interest of legitimate public policy considerations.

Amendment 6*Article 1(5)*

Text proposed by the Commission	CoR amendment
5. Article 4 is amended as follows: [...] (d) paragraph 7 is replaced by the following: ‘7. Member States shall encourage co-regulation and self-regulation through codes of conduct adopted at national level in the fields coordinated by this Directive to the extent permitted by their legal systems. Those codes shall be such that they are broadly accepted by the main stakeholders in the Member States concerned. The codes of conduct shall clearly and unambiguously set out their objectives. They shall provide for regular, transparent and independent monitoring and evaluation of the achievement of the objectives aimed at. They shall provide for effective enforcement, including when appropriate effective and proportionate sanctions. Draft Union codes of conduct referred to in Articles 6a(3), 9 (2) and 9(4) and amendments or extensions to existing Union codes of conduct shall be submitted to the Commission by the signatories of these codes. The Commission <i>may ask</i> ERGA to give an opinion on the drafts, amendments or extensions of those codes. The Commission <i>may publish</i> those codes <i>as appropriate</i>.’;	5. Article 4 is amended as follows: [...] (d) paragraph 7 is replaced by the following: ‘7. Member States shall encourage co-regulation and self-regulation through codes of conduct adopted at national level in the fields coordinated by this Directive to the extent permitted by their legal systems. Those codes shall be such that they are broadly accepted by the main stakeholders in the Member States concerned. The codes of conduct shall clearly and unambiguously set out their objectives. They shall provide for regular, transparent and independent monitoring and evaluation of the achievement of the objectives aimed at. They shall provide for effective enforcement, including when appropriate effective and proportionate sanctions. Draft Union codes of conduct referred to in Articles 6a(3), 9 (2) and 9(4) and amendments or extensions to existing Union codes of conduct shall be submitted to the Commission by the signatories of these codes. The Commission <i>shall ask</i> ERGA to give an opinion on the drafts, amendments or extensions of those codes. The Commission <i>shall publish</i> those codes’;

Reason

Self-explanatory.

Amendment 7

Article 1(7)

Text proposed by the Commission	CoR amendment
	in Article 5, the following point (e) is added: ‘(e) the identities of the beneficial owners of companies providing media services, in accordance with Article 3 (6) of Directive 2005/60/EC of the European Parliament and of the Council on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing.’

Reason

From the point of view of implementing the directive, it is of crucial importance to have information on the natural persons or legal entities who have a decisive influence on the functioning of service provision and on the decisions of audiovisual media service providers, either due to their ownership or voting rights, or to other rights which they hold under an agreement. The amendment, which aims to enable such persons and entities to be identified, refers to Directive 2005/60/EC of the European Parliament and of the Council on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing. Transparency with regard to the ownership of media providers is also an essential prerequisite for media freedom.

Amendment 8

Article 1(10)

Text proposed by the Commission	CoR amendment
10. Article 7 is deleted;	

Reason

Article 7 has been deleted from the directive given that the proposal for a European Accessibility Act already lays down stricter common requirements in this area for media service providers. However, the aforementioned European Accessibility Act has not yet been adopted, and it is not desirable to be in a situation where the directive no longer includes references to accessibility while the new European Accessibility Act has not yet been adopted (or transposed at Member State level). As long as the European Accessibility Act has not been transposed into the legislation of each Member State, the European Committee of the Regions does not approve of deleting Article 7.

Amendment 9

Article 1(11)

Text proposed by the Commission	CoR amendment
11. Article 9 is amended as follows: (a) paragraph 2 is replaced by the following:	11. Article 9 is amended as follows: (a) paragraph 1 (e) is replaced by the following: ‘audio-visual commercial communications for alcoholic beverages shall not be aimed specifically at minors, shall avoid exposure at minors and shall not encourage immoderate consumption of such beverages’

Text proposed by the Commission	CoR amendment
'2. Member States and the Commission shall encourage the development of self- and co-regulatory codes of conduct regarding inappropriate audiovisual commercial communications, accompanying or included in programmes with a significant children's audience, of foods and beverages containing nutrients and substances with a nutritional or physiological effect, excessive intakes of which in the overall diet are not recommended, in particular fat, trans-fatty acids, salt or sodium and sugars. Those codes should be used to effectively reduce the exposure of minors to audiovisual commercial communications of foods and beverages that are high in salt, sugars or fat or that otherwise do not fit national or international nutritional guidelines. Those codes should provide that the audiovisual commercial communications are not to emphasise the positive quality of the nutritional aspects of such foods and beverages. The Commission and ERGA shall encourage the exchange of best practices on self- and co-regulatory systems across the Union. Where appropriate, the Commission shall facilitate the development of Union codes of conduct.; (b) the following paragraphs 3 and 4 are inserted: '3. Member States and the Commission shall encourage the development of self- and co-regulatory codes of conduct regarding inappropriate audiovisual commercial communications for alcoholic beverages. Those codes should be used to effectively limit the exposure of minors to audiovisual commercial communications for alcoholic beverages. 4. The Commission and ERGA shall encourage the exchange of best practices on self- and co-regulatory systems across the Union. If considered appropriate, the Commission shall facilitate the development of Union codes of conduct.;	(b) paragraph 2 is replaced by the following: '2. Member States and the Commission shall encourage the development of self- and co-regulatory codes of conduct regarding inappropriate audiovisual commercial communications, accompanying or included in or immediately preceding or following programmes with a significant children's audience, of foods and beverages containing nutrients and substances with a nutritional or physiological effect, excessive intakes of which in the overall diet are not recommended, in particular fat, trans-fatty acids, salt or sodium and sugars. Those codes should be used to effectively reduce the exposure of minors to audiovisual commercial communications of foods and beverages that are high in salt, sugars or fat or that otherwise do not fit national or international nutritional guidelines. Those codes should provide that the audiovisual commercial communications are not to emphasise the positive quality of the nutritional aspects of such foods and beverages. The Commission and ERGA shall encourage the exchange of best practices on self- and co-regulatory systems across the Union. Where appropriate, the Commission shall facilitate the development of Union codes of conduct.; (c) the following paragraphs 3 and 4 are inserted: '3. Member States and the Commission shall encourage the development of self- and co-regulatory codes of conduct regarding inappropriate audiovisual commercial communications for alcoholic beverages. Those codes should be used to effectively limit the exposure of minors to audiovisual commercial communications for alcoholic beverages. 4. The Commission and ERGA shall encourage the exchange of best practices on self- and co-regulatory systems across the Union. If considered appropriate, the Commission shall facilitate the development of Union codes of conduct.;

Reason

Widening the scope of protection of minors.

Amendment 10*Article 1(15)*

Text proposed by the Commission	CoR amendment
15. Article 13 is replaced by the following: <i>'Article 13</i> 1. Member States shall ensure that providers of on-demand audiovisual media services under their jurisdiction secure at least a 20 % share of European works in their catalogue and ensure prominence of these works. [...] 5. Member States shall waive the requirements laid down in paragraphs 1 and 2 for providers with a low turnover or low audience or if they are small and micro enterprises. Member States may also waive such requirements in cases where they would be impracticable or unjustified by reason of the nature or theme of the on-demand audiovisual media services.;	15. Article 13 is replaced by the following: <i>'Article 13</i> 1. Member States shall ensure that providers of on-demand audiovisual media services under their jurisdiction secure competing European works in their catalogue for at least 20 % of the total duration of programmes that they provide and ensure the prominence of these works, by making sure that they occupy a prominent position and are easy to find in their catalogue. [...] 5. Member States shall waive the requirements laid down in paragraphs 1 and 2 for providers, including local authorities which own audiovisual media services, with a low turnover or low audience, if they are local or regional providers, or if they are small and micro enterprises. Member States may also waive such requirements in cases where they would be impracticable or unjustified by reason of the nature or theme of the on-demand audiovisual media services.;

Reason

The addition to paragraph 1 aims to clarify this provision.

With regard to the addition to paragraph 5, it is worth noting that in certain Member States, local television stations for example are not counted as small and micro enterprises as they are owned by the municipality. They may consequently be considered as medium-sized or large enterprises, and should therefore be distinguished from other items in this list.

Amendment 11*Article 1(16)*

Text proposed by the Commission	CoR amendment
16. In Article 20, paragraph 2, the first sentence is replaced by the following: 'The transmission of films made for television (excluding series, serials and documentaries), cinematographic works and news programmes may be interrupted by television advertising and/or teleshopping once for each scheduled period of at least 20 minutes.;	In Article 20, paragraph 2, the first sentence is replaced by the following: 'The transmission of films made for television (excluding series, serials and documentaries), cinematographic works and news programmes may be interrupted by television advertising and/or teleshopping once for each scheduled period of at least 30 minutes.;

Reason

With regard to the transmission of films made for television (excluding series, serials and documentaries), cinematographic works and news programmes, the current directive provides for the possibility of interruptions to broadcasting by television advertising and/or teleshopping once for each scheduled period of at least 30 minutes. The European Committee of the Regions proposes, however, that the former limit of 30 minutes not be reduced, given that this interruption largely prevents the full enjoyment of cinematographic works and also spoils the viewers' experience.

Amendment 12

Article 1(17)

Text proposed by the Commission	CoR amendment
	17. Article 22 is replaced by the following: Article 22 Television advertising and teleshopping for alcoholic beverages shall comply with the following criteria: (a) it may not be aimed specifically at and shall avoid exposure to minors or, in particular, depict minors consuming these beverages; (b) it shall not be broadcast during, immediately preceding or immediately following a programme relating to a sport event, with effect five (5) years after the date of entry into force of the current Directive; (c) it shall not link alcohol to enhanced physical performance or to driving; (d) it shall not create the impression that alcohol contributes towards social or sexual success; (e) it shall not claim that alcohol has therapeutic qualities or that it is a stimulant, a sedative or a means of resolving personal conflicts; (f) it shall not encourage alcohol or present abstinence or moderation in a negative light; (g) it shall not place emphasis on high alcoholic content as being a positive quality of the beverages.

Reason

Scientific evidence shows a link between exposure to alcohol marketing and increased alcohol consumption amongst young people. Sport events need to be considered as programmes targeting children. Therefore, alcohol advertisement must be banned, taking however into consideration short and medium-term sponsorship contracts in progress.

Amendment 13*Article 1(19)*

Text proposed by the Commission	CoR amendment
19. the following Chapter IXa is inserted: 'CHAPTER IXa — PROVISION APPLICABLE TO VIDEO-SHARING PLATFORM SERVICES Article 28a (1) [...] 7. The Commission and ERGA shall encourage video-sharing platform providers to exchange best practices on co-regulatory systems across the Union. Where appropriate, the Commission shall facilitate the development of Union codes of conduct. [...]	19. the following Chapter IXa is inserted: CHAPTER IXa 'CHAPTER IXa — PROVISION APPLICABLE TO VIDEO-SHARING PLATFORM SERVICES Article 28a (1) [...] 7. The Commission and ERGA shall encourage video-sharing platform providers to exchange best practices on co-regulatory systems across the Union. The Commission shall facilitate the development of Union codes of conduct, particularly by drafting and publishing models of codes. [...]

Reason

Self-explanatory.

Amendment 14*Article 1(21)*

Text proposed by the Commission	CoR amendment
21. Article 30 is replaced by the following: 'Article 30 (1) [...] 6. Member States shall ensure that independent national regulatory authorities have separate annual budgets. The budgets shall be made public. Member States shall also ensure that national regulatory authorities have adequate financial and human resources to enable them to carry out the task assigned to them and to actively participate in and contribute to ERGA. 7. Member States shall ensure that effective mechanisms exist at national level under which any user or media services provider or video-sharing platform provider who is affected by a decision of a national regulatory authority has the right of appeal against the decision to an appeal body. The appeal body shall be independent of the parties involved in the appeal.	21. Article 30 is replaced by the following: 'Article 30 (1) [...] 6. Member States shall ensure that independent national regulatory authorities have separate annual budgets. The budgets shall be sufficiently detailed and be made public. Member States shall also ensure that national regulatory authorities have adequate financial and human resources to enable them to carry out the task assigned to them and to actively participate in and contribute to ERGA. 7. Member States shall ensure that effective mechanisms exist at national level under which any user or media services provider or video-sharing platform provider who is affected by a decision of a national regulatory authority has the right of appeal against the decision to an appeal body. The appeal body shall be independent of the parties involved in the appeal.

Text proposed by the Commission	CoR amendment
That appeal body, which should be a court, shall have the appropriate expertise to enable it to carry out its functions effectively. Member States shall ensure that the merits of the case are duly taken into account and that there is an effective appeal mechanism. Pending the outcome of the appeal, the decision of the national regulatory authority shall stand, unless interim measures are granted in accordance with national law.;	That appeal body, which should be a court, shall have the appropriate expertise to enable it to carry out its functions effectively. Member States shall ensure that the merits of the case are duly taken into account and that there is an effective appeal mechanism. Pending the outcome of the appeal, the decision of the national regulatory authority shall stand, unless interim measures are granted in accordance with national law. 8. Implementation of the independence of the national regulatory authorities, particularly with regard to the first sentence of paragraph 2, shall be monitored and evaluated in accordance with Article 4(1)(d) of Council Regulation (EC) No 168/2007 of 15 February 2007, by the European Union Agency for Fundamental Rights at the request of the Commission. As part of this assessment, which shall be carried out every 2 years, the operating methods and activities of national regulatory authorities shall be examined, with the cooperation of the widest possible range of stakeholders. The European Union Agency for Fundamental Rights shall set out the criteria that will form the basis of its assessment following a public consultation. The results of the assessment shall be made public.'

Reason

Paragraph 6: the budgets made public must contain sufficiently comprehensive and detailed data to correctly reflect the composition of the revenue and expenditure of the independent national authority. A sufficiently detailed budget can guarantee that the independent national regulatory authority complies with transparency requirements.

New paragraph 8: the provisions under Article 30 regarding the organisation and financing of national regulatory authorities offer important guarantees of their independence. However, meeting the criteria set out in the first sentence of Article 30(2) is exclusively linked to actual activities, decisions and to the transparent functioning of regulatory authorities. In this context, it is necessary to establish an EU level monitoring system that would assess not only the operating methods of regulatory authorities and the legislative framework applicable to them, but also their activities, and would make such assessments accessible to the public. These assessments would provide objective, comparable data on the extent to which different laws in the Member States guarantee the level of independence needed to ensure media pluralism, cultural diversity, consumer protection, the internal market and the promotion of fair competition, as mentioned in paragraph 2.

The nature and extent of the assessments require account to be taken, when drafting them, of the knowledge, experiences and views of the widest possible range of players from government, the media, civil society and academia.

The results of this monitoring will not have direct legal consequences. However, the results of these checks could provide the Commission with information likely to reveal any gaps in the transposition of Article 30, and as such could serve as the basis for infringement procedures.

Amendment 15*Article 1(22)*

Text proposed by the Commission	CoR amendment
22. the following Article 30a is inserted: ‘Article 30a 1. The European Regulators Group for Audiovisual Media Services (ERGA) is hereby established. 2. It shall be composed of national independent regulatory authorities in the field of audiovisual media services. They shall be represented by the heads or by nominated high level representatives of the national regulatory authority with primary responsibility for overseeing audiovisual media services, or in cases where there is no national regulatory authority, by other representatives as chosen through their procedures. A Commission representative shall participate in the group meetings. 3. ERGA's shall have the following tasks: (a) to advise and assist the Commission in its work to ensure a consistent implementation in all Member States of the regulatory framework for audiovisual media services; (b) to advise and assist the Commission as to any matter related to audiovisual media services within the Commission's competence. If justified in order to advise the Commission on certain issues, the group may consult market participants, consumers and end-users in order to collect the necessary information; (c) to provide for an exchange of experience and good practice as to the application of the regulatory framework for audiovisual media services; (d) to cooperate and provide its members with the information necessary for the application of this Directive, in particular as regards Articles 3 and 4 thereof; (e) to give opinions, when requested by the Commission, on the issues envisaged in Articles 2(5b), 6a(3), 9(2), 9(4) and on any matter relating to audiovisual media services, in particular on the protection of minors and incitement to hatred;’	22. the following Article 30a is inserted: ‘Article 30a 1. The European Regulators Group for Audiovisual Media Services (ERGA) is hereby established. 2. It shall be composed of national independent regulatory authorities in the field of audiovisual media services. They shall be represented by the heads or by nominated high level representatives of the national regulatory authority with primary responsibility for overseeing audiovisual media services, or in cases where there is no national regulatory authority, by other representatives as chosen through their procedures. A Commission representative shall participate in the group meetings. 3. ERGA's shall have the following tasks: (a) to advise and assist the Commission in its work to ensure a consistent implementation in all Member States of the regulatory framework for audiovisual media services; (b) to advise and assist the Commission as to any matter related to audiovisual media services within the Commission's competence. If justified in order to advise the Commission on certain issues, the group may consult market participants, consumers and end-users in order to collect the necessary information; (c) to provide for an exchange of experience and good practice as to the application of the regulatory framework for audiovisual media services; (d) to cooperate and provide its members with the information necessary for the application of this Directive, in particular as regards Articles 3 and 4 thereof; (e) to give opinions, when requested by the Commission, on the issues envisaged in Articles 2(5b), 6a(3), 9(2), 9(4) and on any matter relating to audiovisual media services, in particular on the protection of minors and incitement to hatred;

Text proposed by the Commission	CoR amendment
4. The Commission shall be empowered to adopt, by means of an implementing act, the rules of procedure for ERGA.;	<i>(f) to ensure the exchange of experiences and best practices in developing media literacy, in particular with regard to activities in the areas of support, research, awareness-raising, coordination and assessing independent national authorities, as well as forms of cooperation between national regulatory authorities, media service providers and educational establishments.</i> 4. The Commission shall be empowered to adopt, by means of an implementing act, the rules of procedure for ERGA.;

Reason

Setting a goal for developing media literacy is essential to achieving the directive's regulatory objectives, namely establishing a regulation that is capable of meeting the challenges of the digital media system. The various Member States have made significant progress in developing media literacy. Sharing results effectively promotes the development of tools and methods used, as well as the development of solutions at European level.

In several Member States, the media regulatory authorities play an important role in developing media literacy. Amongst other things, they participate in research which forms the basis of this development, provide financial support for programmes aimed at improving media literacy and contribute, through information campaigns, to raising the level of media literacy. They can also play an essential role in coordinating the players and sectors involved, as well as in measuring and evaluating the results obtained. Exchanging best practices can increase the maturity and the effectiveness of the media regulatory authorities' action in the area of developing media skills.

Developing media literacy is a responsibility shared by independent national regulatory authorities, media service providers and educational establishments. The directive should promote this cooperation without overstepping its regulatory powers.

II. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS,

General comments

1. welcomes the review of the Audiovisual Media Services Directive and the fact that the European Commission is interested in a number of proposals included in the Committee of the Regions' opinion on this subject, adopted in 2015;
2. welcomes the amendment on derogations from the country of origin principle, which allow, in the context of clearer and simpler procedures, the interests of the destination country to be taken into account;
3. regrets, however, that the new directive does not take the regional dimension into consideration as recommended previously by the Committee of the Regions, as this would contribute towards enhancing European cultural identities, cross-border co-productions within the European Union and local creative innovation;
4. insists, moreover, on the need to involve local and regional authorities in implementing the directive, as these bodies have a very important role to play in the area of audiovisual media services. In several Member States, some local and regional bodies own media services companies, which means that they may not therefore be included within the category of micro and small enterprises;
5. reiterates that the independence of national regulatory authorities, both from public authorities, audiovisual actors and political parties, is a cornerstone of the European Audiovisual Media Regulation, which Member States are responsible for ensuring at all costs, and which is the primary guarantee of the diversity of information and a pluralistic media market at European, national, local and regional level;

6. welcomes the fact that the revised directive extends its field of application to video sharing platform services, which play an increasingly important role among audiovisual media service providers;

7. is concerned by the fact that the proposed regulation applicable to video sharing platforms does not clarify situations in which the provider has no interest in moving to European Union territory, but makes their service available to European citizens;

8. points out that currently the resale of content outside of infrastructure (over-the-top services), which represents a growing segment of the audiovisual media services market, operates in an opaque legal framework and asks the Commission to agree — in future regulations on media and communications and particularly during the revision of provisions on electronic communication — to pay particular attention to clarifying the legal situation for this practice;

9. again wishes to draw the European Commission's attention to linguistic and cultural minorities who face obstacles when they want access to audiovisual media services in their own language;

10. considers it appropriate, in the various ERGA procedures, to take account of the regional dimensions of certain regulatory issues and to reflect territorial principles;

Protecting minors

11. welcomes the fact that the revised directive bolsters and harmonises protection for minors, as it has previously recommended. Calls yet again for the introduction of further incentives to promote content specifically designed and adapted for children, and for the promotion of partnerships between audiovisual operators and the educational community in the digital environment;

Media literacy

12. recalls the importance of further promoting content relating to media literacy, particularly regarding the new media;

13. highlights the need to allocate more resources to developing media literacy to ensure that audiovisual media services offer not only a homogeneous service, but also reflect the organisation and distinctive features of the regions in economic, commercial and cultural terms;

Media freedom and pluralism

14. is concerned with the fact that the proposed regulation does not address transparency of media ownership, media concentration and conflicts of interest, all of which have a major impact upon media pluralism and media freedom;

Consumer protection

15. welcomes the fact that the amendment to the directive includes a relaxation of the rules on advertising time and, more precisely, that it extends the scope of the Regulation to non-linear audiovisual media services;

Promoting European works

16. agrees that micro and small enterprises should not be obliged to contribute financially to the production of European works; asks the Commission to note, however, that many local and regional television stations broadcasting on their website in the form of on-demand audiovisual media services do not fall within this category;

17. welcomes the fact that, in the case of on-demand services, the revised directive ensures a level playing field for European works, which must constitute at least 20 % of the catalogue offered by providers of these services;

18. stresses that, with regard to on-demand services, the 20 % minimum requirement applicable to service providers is not enough; it is also necessary to ensure that these works are easy to find and accessible to users;

Subsidiarity and proportionality

19. stresses that, while the proposal appears to comply with the subsidiarity and proportionality principles, the minimum harmonisation approach and cooperation mechanisms must be preserved and therefore, the proposed rules on national regulatory authorities must leave enough room for manoeuvre for national and sub-national decision-making;

Brussels, 7 December 2016.

*The President
of the European Committee of the Regions*
Markku MARKKULA

Opinion of the European Committee of the Regions — Action plan on the integration of third country nationals

(2017/C 185/08)

Rapporteur: Karl VANLOUWE (BE/EA) Member of the Flemish Parliament and Senator for the Flemish Region

Reference document: Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the Action Plan on the integration of third country nationals

COM(2016) 377 final

POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

General framework and basic principles

1. welcomes the European Commission's action plan on the integration of third country nationals⁽¹⁾ given the ever-increasing diversity of European society and the need to fully integrate them into that society; and emphasises the importance of integration, which is a two-way process involving both third country nationals and the host society;
2. believes that integration should be viewed as a dynamic, interactive and temporary process that enables third country nationals to become fully part of the host society and to work towards self-reliance; and encourages interaction with and participation in the host society;
3. stresses that integration is a competence of the Member States as laid down in the Treaty on the Functioning of the European Union (TFEU)⁽²⁾, which enables measures to be established at the European level to provide incentives and support for the action of Member States with a view to promoting the integration of third-country nationals residing legally in their territories, excluding any harmonisation of the laws and regulations of the Member States; calls for continued efforts to monitor the subsidiarity principle and recalls that Member States' actions in this sphere must be in accordance with the EU *acquis* including the common basic principles for immigrant integration in the EU;
4. points out that the political level closest to citizens is where the real integration policy is carried out. This means that a multi-level governance approach is highly appropriate, clearly one with a special focus on local and regional authorities, since they are confronted most directly with the challenges and opportunities of integration;
5. points to the importance of using the correct terminology in the political debate to describe the different categories of newcomers. The action plan concerns only newcomers (migrants, refugees and beneficiaries of subsidiary protection) who are nationals of third countries and are residing in the EU legally. It does not therefore cover nationals of EU Member States who have a third-country migrant background through their parents or grandparents, or EU nationals who have exercised their right to free movement and their family members;
6. stresses that integration as a policy area cannot stand in isolation and, by definition, runs through the various traditional policy areas such as education, employment, welfare, public health, housing, etc. Ideally, therefore, integration policy should be implemented horizontally, with the challenges and opportunities of integration taken into account in each policy domain;
7. emphasises that integration is a two-way process that should form part of the framework of rights and obligations for the third country national and the host society, both of which have to shoulder their responsibilities;

⁽¹⁾ COM(2016) 377 final.

⁽²⁾ Article 79(4) TFEU.

8. stresses that, ideally, integration should be the cornerstone of an asylum and migration policy, and that the action plan must not therefore be viewed as separate from, inter alia, the European Commission's proposals on the Common European Asylum System⁽³⁾ and the new partnership framework with non-EU countries under the European Agenda on Migration⁽⁴⁾;

9. recognising that employment plays a key role in the social integration of third country nationals, makes reference also to the 'blue card' in the Commission's legal migration proposal, in connection with the revision of the directive on the conditions of entry and residence of third-country nationals for the purposes of highly skilled employment⁽⁵⁾;

The challenges and opportunities of integration

10. supports the Commission's analysis that a failure to integrate third country nationals would entail an enormous loss both for the third country nationals and the host society; the social and economic costs of this failure may well exceed the investments needed in integration policy and the potential which results from this;

11. is convinced that a successful integration policy is one of the key conditions for addressing the relatively lower achievements of third country nationals, with regard to the labour market, education, income, housing, health, civic engagement and social cohesion as shown by the OECD indicators⁽⁶⁾;

12. supports the Commission's call for a more made-to-measure approach and is convinced that integration policy should focus more on the considerable diversity that exists within the various third country nationals' groups and their different needs. A good integration policy is therefore based on tailor-made solutions, not a one-size-fits-all approach. Account must be taken, inter alia, of language skills, cultural background, level of education, expected duration of stay, reasons for migration, skills, work experience, possible traumas experienced, etc. Local and regional authorities are well placed to respond to the significant diversity that exists among third country nationals and their specific needs, and can provide a platform for the exchange of knowledge and experience in this field. In this connection, the Committee of the Regions refers to good practices based on the perspective of the individual, involving integration and civic integration courses that match third country nationals' needs;

13. welcomes the view of the Commission and the European Parliament⁽⁷⁾ that integration policy in general, and the labour market integration of refugees in particular, should not be conducted at the expense of policies designed to help other vulnerable groups in the host society;

Building cohesive societies

14. stresses that European society is based on fundamental norms and values such as democracy, the rule of law, freedom of expression, freedom of religion, equality between men and women, human rights, solidarity, tolerance, etc.; welcomes the fact that the links between integration and these norms and values were discussed during the rule of law dialogue at the General Affairs European Council meeting on 24 May 2016⁽⁸⁾ and calls on the future EU presidencies (Malta, Estonia) to continue this dialogue with a view to developing a deeper understanding among Member States, the EU institutions, local and regional authorities and civil society on the protection of these norms and values and how they can become an element for integration;

15. is convinced that, if integration is to be successful, both third country nationals and the host society must understand and accept these European norms and values. This ties in with the idea that integration policy should also cover civic integration and community-building, and that therefore appropriate tools for building mutual understanding need to be developed and supported at the different levels with appropriate support from the European level, including civic education both through classical courses and innovative teaching formats;

⁽³⁾ COM(2016) 272 final; COM(2016) 270 final; and COM(2016) 271 final.

⁽⁴⁾ COM(2016) 385 final.

⁽⁵⁾ COM(2016) 378 final.

⁽⁶⁾ Indicators of immigrant integration 2015, OECD (2015).

⁽⁷⁾ Integration of refugees needed but not at expense of vulnerable groups, press release of the European Parliament ref.: 20160530STO29645 (2016).

⁽⁸⁾ Presidency non-paper for the Council (General Affairs) on 24 May 2016 — Rule of law dialogue (13 May 2016).

16. highlights the need to develop mechanisms that strengthen solidarity and cooperation among all EU regions on the one hand, and collaboration between the various administrations and specialist actors on the other. Raising awareness among Member State governments, which have jurisdiction with regard to asylum, is a vital challenge;

17. refers in this respect to good practices of civic integration where third country nationals are offered social orientation courses to familiarise them interactively with European norms and values, and the way of living in the host society. The aim is to support them in acquiring the necessary tools to become fully participating members of society;

18. suggests identifying initiatives in various EU Member States where third country nationals are asked to sign a commitment or participation declaration which includes, inter alia, fundamental norms and values, enquiring how these initiatives influence the society in question, and share the results and experiences with such schemes to allow local and regional authorities to benefit; and emphasises that not only third country nationals, but also the local population should actively commit to these fundamental norms and values;

19. reiterates that integration is a two-way process in which the host country also has a part to play. In this connection, host societies must enable third country nationals to become active participants by removing barriers and ensuring they have access to basic services. They must also organise the integration process in such a way that third country nationals become familiar with the society in which they are living. Particularly in the case of the immigration of families, the host society has an important role to play in the integration process. We refer in this connection primarily to the Member States and local and regional authorities but non-governmental organisations, civil society, the private sector, religious communities and ethnic minority communities within the host society are also key partners in integration policy;

20. points out that all of these different stakeholders have a responsibility to ensure that the host society is prepared for the arrival of third country nationals and to promote acceptance, and stresses in this connection the importance of providing correct information to the host community;

Policy priorities in support of integration

Pre-departure/pre-arrival measures

21. is convinced that the integration process should — if possible — begin without delay, even when the third country national is still in their country of origin;

22. points out that knowledge of the language of the host country is vital in order to be able to integrate successfully and that learning a new language often takes time. A number of EU Member States therefore already organise language lessons or tests prior to the arrival of the third country nationals in the host country. This means that the period spent by third country nationals in the host country without being able to express themselves in the local language is as short as possible, or even non-existent, thus facilitating interaction with the local host society. Of course, this cannot be a condition for granting protection to refugees or beneficiaries of subsidiary protection;

23. stresses that admission interviews with third country nationals are key tools for developing a tailor-made approach, providing a better overview of the expectations of third country nationals and the host society. Some of these admission interviews should, insofar as possible, be conducted in the country of origin so that the third country national can fully focus on the actual integration process once they have arrived in the host society;

24. stresses the importance of accompanying measures to inform the host society prior to the arrival of the third country nationals, particularly in communities where refugees are resettled;

Education

25. welcomes the Commission's focus on education as one of the key elements of a successful integration policy and calls in this connection for continued efforts to monitor the subsidiarity principle;

26. stresses that learning the official languages of the host society should take priority so that third country nationals and their children can begin to interact with the host society as quickly as possible, assume their rights and fulfil their obligations. Here too, it is important to have a tailor-made approach to education, based on the profile of the third country national and their specific needs;

27. refers to the good practices employed in primary and secondary education concerning reception education for third country nationals who are speakers of another language; schools are able to offer a tailor-made approach to third country nationals by placing them in a separate class, providing them with additional support in conventional classes, or using a mixture of the two⁽⁹⁾;

28. highlights the good practices employed to overcome language barriers. These include the use of community translators and interpreters in education who help teachers and mentors ensure that third country nationals not yet competent in the language of the host country can still actively interact with the educational establishments attended by their children;

29. welcomes the Commission's proposal to look further into the possibilities for civic education courses in secondary education, given the need to inform everybody about the law, culture, norms and values and standards of society; and suggests to do this also in adult education and vocational training;

30. calls for more attention to be paid to the target group of 16-18 year-old third country nationals who are often at an age where education is no longer compulsory and in many cases still do not have the tools they need to enter vocational training or higher education or to succeed in the labour market;

Labour Market Integration and access to Vocational Training

31. welcomes the fact that labour market integration is one of the Commission's priorities in relation to third country nationals being able to become established in and be a part of society, given the challenges posed by the generally lower employment rate of third country nationals, particularly women, compared with that of people born in the host country⁽¹⁰⁾;

32. calls for systems to be set up, possibly based on internships, as well as advisory services and legal assistance, enabling third country nationals to gain access to the labour market as quickly as possible. This will open up opportunities for them to practise their language skills through contact with colleagues and so create networks that can lead to a job and means of supporting themselves;

33. welcomes, in the context of training system and labour market integration, measures for third country nationals who are past school age giving them another chance to acquire basic vocational training and improving their readiness for training;

34. is convinced that targeted economic labour migration can help meet the challenges posed by an ageing workforce, the need for workers with specific skills and the pressure on our welfare systems, but stresses that the reception and associated integration of refugees, and the principle of family reunification, should primarily be seen as being in the interest of both the host society and the migrant, as well as being based on fundamental rights and international obligations, and not be mistakenly depicted as the solution to our labour market problems;

35. recognises the need to be able to assess and validate the skills and qualifications, whether academic or vocational, of third country nationals both quickly and accurately, as enabling third country nationals to participate in the labour market or preparing them for this through vocational training is a priority. The Committee therefore looks forward to, among other things, the Commission's proposals in connection with its new skills agenda for Europe⁽¹¹⁾;

⁽⁹⁾ <http://www.flanderstoday.eu/education/okan-schools-help-youngsters-feel-home-flanders>

⁽¹⁰⁾ Eurostat: Migrant integration in the EU labour market (2016).

⁽¹¹⁾ COM(2016) 381 final.

36. stresses, in connection with the revision of the blue card directive ⁽¹²⁾, that European economies must attract highly-skilled workers to fill genuine vacancies;

37. welcomes the meeting of the Tripartite Social Summit held on 16 March 2016 to discuss the refugee crisis, but calls for input from the world of education too, given that it is an important partner capable of furthering the debate on (labour market) integration;

Access to basic services

38. reiterates that a clear distinction must be drawn between (economic) migrants and refugees or beneficiaries of subsidiary protection, especially in the political debate about access to basic services, as each group can have different needs, thus requiring a fundamentally different approach; underlines, however, that the need to enable successful integration concerns all third country nationals residing legally in the EU;

39. emphasises that it is for Member States to shape their own social security schemes and takes note of the political debate in several of them that highlights the principle of insurance and thereby leads to the decision to progressively open up certain social rights, including for third country nationals, on the basis of the contributions paid;

40. calls, with regard to health care, for more attention to be paid to mental health, which can be particularly important in terms of the reception and integration of refugees — especially children and young people — who have lived through war or other trauma;

41. is aware that Member States have the right to require migrants who have no right to protection under international law to be able to support themselves when they arrive in their host societies and thus not to claim social security benefits;

42. states that sufficient attention should always be paid to social housing, notwithstanding the fact that tenants — whether they are third country nationals or not — should eventually become self-reliant which enables them to find accommodation on the private market;

43. is pleased to note the Commission's position that no integration policy must be implemented at the expense of policies aimed at other vulnerable groups within the host society;

Active participation and social inclusion

44. welcomes the fact that in this section of its action plan, the Commission puts forward a notion of active citizenship where third country nationals will not always be newcomers, but will become part of their host societies as quickly as possible, regardless of their nationality, and therefore calls not just for an integration policy, but also for civic integration and community-building;

45. agrees with the Commission's view that integration does not only mean speaking the language of the host country and finding a job, but also involves playing an active role in the community and civil society. This is the main reason why it is important that the integration of third country nationals is not suggested or requested by political figures alone, but that civil society is also involved;

46. considers that, in addition to formally being taught the official languages of the host society, contacts with civil society offer third country nationals an informal environment, which they need in order to use and practise these new languages, thus enabling them to become more familiar with them in a very practical way;

47. is convinced, as is the Commission, that third country nationals' involvement in their host community's civil society enhances their dialogue with that community and mutual understanding, ensures greater acceptance by the community, and counteracts discrimination and racism;

48. supports the Commission's call on Member States to guarantee that rights to protection against discrimination and racism are respected and urges an active policy of equal opportunities and non-discrimination in order to promote a shared citizenship;

⁽¹²⁾ See footnote 5.

Political tools to support integration

Policy coordination

49. welcomes the efforts made by the Commission, which, in the context of transforming the current network of National Contact Points on Integration into a European Integration Network, wants to place more emphasis on sharing best practices, especially in terms of cooperation with civil society and local and regional authorities;

50. calls on the Commission to ensure that the European Integration Network becomes a platform that encourages and supports cooperative and co-responsible action between the different levels of national, regional and local government in defining integration policy initiatives and in the coordination and distribution of powers ⁽¹³⁾;

Funding

51. regrets — without denying that it is a matter that falls within their own competence — that in the 2014-2020 multiannual financial framework, Member States have allocated fewer resources to integration through their national programmes for the Asylum, Migration and Integration Fund (AMIF), even as need has increased, particularly in the light of the current migration, asylum and humanitarian crisis;

52. welcomes the fact that in the 2017 draft budget, the Commission aims to use the AMIF to increase the EU's financial support to Member States as regards integration policies;

53. is of the view that synergies must be found between the various European funds that could support integration policy. Of course, this remark applies primarily to the AMIF, but some integration projects should also be possible under the Internal Security Fund (ISF), the European Social Fund (ESF), the European Regional Development Fund (ERDF), the European Agricultural Fund for Rural Development (EAFRD), the European Maritime and Fisheries Fund (EMFF) and the Fund for European Aid to the Most Deprived (FEAD) ⁽¹⁴⁾;

54. urges the European Commission to consider introducing a specific thematic objective on integration under post-2020 cohesion policy, in order to ensure more efficient and targeted concentration of ESIF resources on integration projects. With regard to the 2014-2020 programming period, further guidelines — as clear and detailed as possible — on integration-related activities that are eligible for the ESIF should be given to the management authorities;

55. calls for it to be made as simple as possible for Member States, local and regional authorities and civil society to put forward proposals for national programmes under the various funds and therefore welcomes — among other things — the Commission's proposal to rely more heavily on the use of partnership arrangements;

56. calls for greater and more targeted use of Interreg to support integration projects. This could include adjusting the rules and priorities of the relevant operational programmes. It underlines the central role that European territorial cooperation can play in enhancing integration policies, especially at local level, by facilitating synergies and exchange of best practice;

57. calls on the Commission to limit excessive administrative complexity and bureaucracy with regard to the monitoring mechanisms of the different European funds that are used for integration projects so that Member States and local and regional authorities can effectively focus all their energy on integration policy on the ground, but without sacrificing monitoring that is sufficiently strict to ensure that public funds are being used efficiently;

58. calls on the Commission to ensure that the tailored approach required by integration policy should also be extended to the monitoring mechanisms of the different European funds that are used to support integration projects, without undermining the rigorous checks that must be carried out to ensure that public money is being spent properly;

⁽¹³⁾ See footnote 2.

⁽¹⁴⁾ 'Synergies between the Asylum Migration and Integration Fund (AMIF) and other EU funding instruments in relation to reception and integration of asylum seekers and other migrants', European Commission (2015).

The role of local and regional authorities

59. points out once again that integration policy itself is mainly implemented at local and regional authority level and that it is local and regional authorities that are most immediately confronted with the challenges and opportunities arising from integration;

60. calls on the Commission to therefore take the specific needs of local and regional authorities into account, as well as to involve them more extensively than in the past in the integration policy drawn up, pursued or promoted at European level and to provide them with maximum support in this regard;

61. calls on the Commission to encourage the Member States and the regions and provide them with financial support in implementing integration initiatives, especially in educational and vocational training courses and entry into the labour and housing markets, and to facilitate exchange of best practice already put in place by regions which have implemented integration measures, such as the distributed reception approach;

62. asks the Commission, in this context, to view it as a privileged partner — being an EU advisory body made up of representatives of European local and regional authorities — but also to encourage other forms of cooperation with local and regional authorities, their associations, and other partnerships, networks and platforms, such as the Euro-Mediterranean Regional and Local Assembly, the Conference of the Regional and Local Authorities for the Eastern Partnership, joint consultative committees, working groups, the Conference of Peripheral Maritime Regions, the Council of European Municipalities and Regions, etc., with the aim of having local and regional authorities make the broadest possible contribution;

63. calls on the Commission to actively involve it in its efforts — aimed at local and regional authorities — to enhance and share best practices specifically related to integration policy that is implemented prior to departure or arrival, as well as in relation to education, the labour market and vocational training, access to basic services, and active participation and social inclusion, and in this connection refers to the comparative study it conducted on integration policies ⁽¹⁵⁾;

64. calls on the Commission to continue to make progress on the issue of unaccompanied minors in the migration process, the management of which is a competence of certain regions, and also calls on the Commission to encourage Member States to share the burdens and responsibilities between the European, national and regional levels. We therefore eagerly await the Commission's new comprehensive strategy, which is to be implemented as a follow up to the Action Plan on Unaccompanied Minors (2010-2014), so that the situation of missing and unaccompanied children is taken into account;

65. welcomes the Commission's explicit reference to the SHARE Network, with its 'Share City Curriculum' project ⁽¹⁶⁾, giving local and regional authorities access to a toolkit that will help them with regard to measures aimed at the host society when refugees are being resettled;

66. calls on the Commission to enable it to actively participate in the new European Integration Network, the European Migration Forum, the partnership for the integration of third-country nationals under the Urban Agenda for the EU ⁽¹⁷⁾, as well as in the assessment and subsequent follow-up of the 'integration indicators'.

Brussels, 8 December 2016.

*The President
of the European Committee of the Regions*
Markku MARKKULA

⁽¹⁵⁾ 'Regulatory Framework on Employment and Funding for Migration and Integration Policies in the EU', European Union (2016).

⁽¹⁶⁾ <http://www.resettlement.eu/page/welcome-share-network>

⁽¹⁷⁾ <http://urbanagendaforthe.eu/partnerships/inclusion-of-migrants-and-refugees/>

III

(Preparatory acts)

COMMITTEE OF THE REGIONS

120TH PLENARY SESSION, 7 AND 8 DECEMBER 2016

Opinion of the European Committee of the Regions — EFSI 2.0

(2017/C 185/09)

Rapporteur-general: Wim VAN DE DONK (NL/EPP), Governor chair of the Council and of the Executive Council of the Province of Noord-Brabant

Reference document: Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) No 1316/2013 and (EU) 2015/1017 as regards the extension of the duration of the European Fund for Strategic Investments as well as the introduction of technical enhancements for that Fund and the European Investment Advisory Hub

COM(2016) 597 final

I. RECOMMENDATIONS FOR AMENDMENTS

Amendment 1

COM(2016) 597 final

New citations before Recital 1

Text proposed by the Commission	CoR amendment
	<i>Having regard to an evaluation from the European Commission on the use of the EU guarantee and the functioning of the EFSI guarantee fund as part of the legislative proposal on the extension of EFSI;</i> <i>Having regard to the European Investment Bank's (EIB) first report on 'Evaluation of the functioning of the European Fund for Strategic Investments' released on 6 October 2016;</i> <i>Having regard to an independent external evaluation on the application of the EFSI Regulation pursuant Article 18 (6) of Regulation (EU) 2015/1017;</i> <i>Having regard to the European Court of Auditors' (ECA) Opinion No 2/2016 on 'EFSI: an early proposal to extend and expand' released on 11 November 2016;</i>

Reason

Need for references to evaluation work carried out by European institutions and the independent evaluation of the application of Regulation (EU) 2015/1017.

[these new 'having regards' must be added after 'Having regard to the opinion of the CoR']

Amendment 2

COM(2016) 597 final

New Recital after Recital 4

Text proposed by the Commission	CoR amendment
	<i>Articles 18(6) and 18(7) of the EFSI Regulation provide for a proposal to amend the EFSI Regulation to be made by 5 July 2018 and require that such a proposal should be supported by an independent evaluation on whether EFSI 'is achieving its objectives and maintaining a scheme for supporting investment is warranted'. This independent evaluation of the application of the EFSI Regulation carried out by external experts was released only after the Commission's proposal on the extension of EFSI.</i>

Amendment 3

COM(2016) 597 final

Recital 8

Text proposed by the Commission	CoR amendment
The extended EFSI should address remaining market failures and sub-optimal investment situations and continue to mobilise private sector financing in investments crucial for Europe's future job creation — including for the youth —, growth and competitiveness with strengthened additionality. They include investments in the areas of energy, environment and climate action, social and human capital and related infrastructure, healthcare, research and innovation, cross-border and sustainable transport, as well as the digital transformation. In particular, the contribution of operations supported by the EFSI to achieving the Union's ambitious targets set at the Paris Climate Conference (COP21) should be reinforced. Energy interconnection priority projects and energy efficiency projects should also be increasingly targeted. In addition, EFSI support to motorways should be avoided, unless it is needed to support private investment in transport in cohesion countries or in cross-border transport projects involving at least one cohesion country. For reasons of clarity, although they are already eligible, it should be explicitly laid down that projects in the fields of agriculture, fishery and aquaculture come within the general objectives eligible for EFSI support.	The extended EFSI should address remaining market failures and sub-optimal investment situations and continue to mobilise private sector financing in investments crucial for Europe's future job creation — including for the youth —, growth and competitiveness with strengthened additionality. They include investments in the areas of energy, environment and climate action, social and human capital and related infrastructure, healthcare, research and innovation, cross-border and sustainable transport, as well as the digital transformation. In particular, the contribution of operations supported by the EFSI to achieving the Union's ambitious targets set at the Paris Climate Conference (COP21) as well as the implementation measures decided at the COP 22 should be reinforced and EFSI funded projects must be disaster resilient. Energy interconnection priority projects and energy efficiency projects should also be increasingly targeted. In addition, EFSI support to carbon-intensive transport projects and fossil energy should be avoided, unless it is needed to support private investment in transport in cohesion countries or in cross-border transport projects. For reasons of clarity, although they are already eligible, it should be explicitly laid down that projects in the fields of agriculture, fishery and aquaculture come within the general objectives eligible for EFSI support.

Reason

Transport projects are crucial in attracting private investments and should not be limited to cohesion countries only. In addition, the EFSI Regulation should take on board results of the recent Marrakech Climate change conference (COP 22).

Amendment 4

COM(2016) 597 final

Recital 11

Text proposed by the Commission	CoR amendment
<i>In order to reinforce the take-up of the EFSI in less-developed and transition regions, the scope of the general objectives eligible for EFSI support should be enlarged.</i>	<i>The European Investment Bank's (EIB) first report on 'Evaluation of the functioning of the European Fund for Strategic Investments' released on 6 October 2016 highlights the need to address the geographical imbalance of EFSI support by measures such as enlarging the scope of the general objectives eligible for EFSI support and enhancing the role of the European Advisory Hub.</i>

Amendment 5

COM(2016) 597 final

Recital 14

Text proposed by the Commission	CoR amendment
<i>In order to partly finance the contribution from the general budget of the Union to the EU guarantee fund for the additional investments to be made, a transfer should be made from the available envelope of the Connecting Europe Facility (CEF), provided for in Regulation (EU) No 1316/2013 of the European Parliament and of the Council⁽¹⁾. Moreover, EUR 1 145 797 000 of appropriations should be transferred from the CEF financial instruments to the grant part of the CEF with a view to facilitating blending with the EFSI or to other relevant instruments, in particular those dedicated to energy efficiency.</i>	
⁽¹⁾ Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Connecting Europe Facility, amending Regulation (EU) No 913/2010 and repealing Regulations (EC) No 680/2007 and (EC) No 67/2010 (OJ L 348, 20.12.2013, p. 129).	

Amendment 6

COM(2016) 597 final

Recital 15

Text proposed by the Commission	CoR amendment
On the basis of the experience acquired with the investments supported by the EFSI, the target amount of the guarantee fund should be brought to 35 % of the total EU guarantee obligations ensuring an adequate level of protection.	On the basis of the experience acquired with the investments supported by the EFSI, the target amount of the guarantee fund should be brought to 33 % of the total EU guarantee obligations ensuring an adequate level of protection.

Amendment 7

COM(2016) 597 final

Article 1

New paragraph after paragraph (1)

Text proposed by the Commission	CoR amendment
	(2) <i>in Article 5(1) the second subparagraph is replaced by the following:</i> <i>'EIB special activities, as defined in Article 16 of the EIB Statute and by the credit risk policy guidelines of the EIB, supported by the EFSI, shall also be considered to provide additionality under the condition that it is publicly documented that they address market failure or sub-optimal investment situations and could not have been carried out without EFSI support in the same period by the EIB, the EIF or under existing Union financial instruments.'</i>

Reason

A higher-risk profile of an operation is not the only criterion for additionality. Moreover, EIB special activities supported by EFSI should be submitted to transparency and documentation requirements.

Amendment 8

COM(2016) 597 final

Article 1

Amend paragraph (2)

Text proposed by the Commission	CoR amendment
in Article 5(1) the third subparagraph is replaced by the following: 'To better address market failures or sub-optimal investment situations, EIB special activities supported by the EFSI shall typically have features such as subordination, participation in risk-sharing instruments, cross-border characteristics, exposure to specific risks or other identifiable aspects as further described in Annex II. <i>EIB projects carrying a risk lower than the minimum risk under EIB special activities may also be supported by the EFSI if the use of the EU guarantee is required to ensure additionality as defined in the first subparagraph of this paragraph.</i> <i>The projects supported by the EFSI that consist of physical infrastructure linking two or more Member States or of the extension of physical infrastructure or services linked to physical infrastructure from one Member State to one or more Member States, shall also be considered to provide additionality.'</i>	in Article 5(1) the third subparagraph is replaced by the following: 'To better address market failures or sub-optimal investment situations <i>as well as forms of government failure (e.g. sub-optimal investment situations due to barriers caused by national borders/regulation)</i>, EIB special activities supported by the EFSI shall typically have features such as subordination, participation in risk-sharing instruments, cross-border characteristics, exposure to specific risks or other identifiable aspects as further described in Annex II. <i>Cross-border cooperation projects and projects of inter-regional cooperation, in particular between functional regions, shall also be considered to provide additionality.'</i>

Reason

Cross-border cooperation and interregional cooperation projects, through their high added value and regardless of their characteristics, should automatically be considered to provide additionality. In the first year of operation, no cross-border projects were financed by the EFSI. The importance of functional regions is obvious.

Amendment 9

COM(2016) 597 final

Article 1

Amend point (4)(d)

Text proposed by the Commission	CoR amendment
in paragraph 12, the second sentence of the second subparagraph is replaced by the following: 'Decisions approving the use of the EU guarantee shall be public and accessible, and include the rationale for the decision, with particular focus on compliance with the additionality criterion. The publication shall not contain commercially sensitive information. In reaching its decision, the Investment Committee shall be supported by the documentation provided by the EIB.;	in paragraph 12, the second sentence of the second subparagraph is replaced by the following: 'Decisions approving the use of the EU guarantee shall be public and accessible, and include the rationale for the decision, with particular focus on compliance with the additionality criterion. The scoreboard of indicators, used to assess operations, shall be made public as soon as an operation under the EU guarantee is signed, with the exception of commercially sensitive information. In reaching its decision, the Investment Committee shall be supported by the documentation provided by the EIB.;

Reason

The amendment is in line with Recital 18 of the legislative proposal.

Amendment 10

COM(2016) 597 final

Article 1

Point (5)(b)

Text proposed by the Commission	CoR amendment
(b) in paragraph 2, the following subparagraph is added: 'The EIB shall target that at least 40 % of EFSI financing under the infrastructure and innovation window supports projects with components that contribute to climate action, in line with the COP21 commitments. The Steering Board shall provide detailed guidance to that end.;	(b) in paragraph 2, the following subparagraph is added: 'The EIB shall target that at least 40 % of EFSI financing under the infrastructure and innovation window supports projects with components that contribute to climate action, in line with the COP21 commitments and all financed infrastructure will also be disaster resilient. The Steering Board shall provide detailed guidance to that end.;

Amendment 11

COM(2016) 597 final

Article 1

Amend point (8)(a)

Text proposed by the Commission	CoR amendment
paragraph 5 is replaced by the following: ‘5. Endowments to the guarantee fund referred to under paragraph 2 shall be used to reach an appropriate level (target amount) to reflect the total EU guarantee obligations. The target amount shall be set at 35 % of the total EU guarantee obligations.’;	paragraph 5 is replaced by the following: ‘5. Endowments to the guarantee fund referred to under paragraph 2 shall be used to reach an appropriate level (target amount) to reflect the total EU guarantee obligations. The target amount shall be set at 33 % of the total EU guarantee obligations.’;

Reason

The CoR regrets the contradiction between the reinforcement of the CEF-Transport proposed by the Accompanying Document to the Mid-term review of the MFF, and the EUR 500 million decrease in the Connecting Europe Facility budget proposed by the present legislative proposal. This reduction in unused financial resources for financial instruments under the CEF clearly shows that CEF projects are being crowded out by EFSI-financed projects. The CoR expresses its opposition to this reduction and suggests reducing the target amount from 35 % to 33 % so there would be no need to reduce the CEF envelope by EUR 500 million.

Amendment 12

COM(2016) 597 final

Article 1

Amend point (9)(b)

Text proposed by the Commission	CoR amendment
paragraph 2 is amended as follows: (i) point (c) is replaced by the following: ‘(c) leveraging local knowledge to facilitate EFSI support across the Union and contributing where possible to the objective of sectorial and geographical diversification of the EFSI referred to in Section 8 of Annex II by supporting the EIB to originate operations;’ (ii) point (e) is replaced by the following: ‘(e) providing pro-active support on the establishment of investment platforms;’	paragraph 2 is amended as follows: (i) point (c) is replaced by the following: ‘(c) leveraging regional and local knowledge to facilitate EFSI support across the Union and contributing where possible to the objective of sectorial and geographical diversification of the EFSI referred to in Section 8 of Annex II by supporting the EIB to originate operations;’ (ii) point (e) is replaced by the following: ‘(e) providing pro-active support on the establishment of investment platforms;’

Text proposed by the Commission	CoR amendment
(iii) The following point (f) is added: '(f) providing advice on the combination of other sources of Union funding (such as the European Structural and Investment Funds, Horizon 2020 and the Connecting Europe Facility) with the EFSI.;	(iii) The following point (f) is added: '(f) providing advice on the combination of other sources of Union funding (such as the European Structural and Investment Funds, Horizon 2020 and the Connecting Europe Facility) with the EFSI in order to allow for maximum integration of and synergies between investments with a view to single programming of cohesion policy intervention. ;

Reason

The amendment calls for local and regional authorities to be more closely involved with the advisory services of the EIAH. Both regional and local knowledge should be taken into account. Sectorial and geographical diversification should be taken into account by the Steering Board rather than the EIAH as stated in section 8 of Annex II.

Amendment 13

COM(2016) 597 final

Article 1

Amend point (9)(c)

Text proposed by the Commission	CoR amendment
paragraph 5 is replaced by the following: '5. In order to achieve the objective referred to in paragraph 1 and to facilitate the provision of advisory support at local level, the EIAH shall seek to use the expertise of the EIB, the Commission, national promotional banks or institutions, and the managing authorities of the European Structural and Investment Funds.;	paragraph 5 is replaced by the following: '5. In order to achieve the objective referred to in paragraph 1 and to facilitate the provision of advisory support at regional and local level, the EIAH shall seek to use the expertise of the EIB, the Commission, national promotional banks or institutions, and the managing authorities of the European Structural and Investment Funds.;

Reason

Both regional and local knowledge should be taken into account.

Amendment 14

COM(2016) 597 final

Article 1

New paragraph after point (9)(d)

Text proposed by the Commission	CoR amendment
	(10) in Article 16, paragraph 2 is replaced by the following: '2. The EIB, in cooperation with the EIF where appropriate, shall submit an annual report to the European Parliament, the Council and the European Committee of the Regions on EIB financing and investment operations covered by this Regulation. The report shall be made public and shall include:'

Reason

The amendment calls for the CoR to be more closely involved in monitoring the EFSI.

Amendment 15

COM(2016) 597 final

Article 1

New paragraph after point (9)(d)

Text proposed by the Commission	CoR amendment
	<i>in Article 16, add a new paragraph after paragraph 6 as follows:</i> <i>‘7. The EIB shall develop, for reporting purposes, a set of result indicators for each operation, in order to provide a reliable basis for analysing the added value of EU financing. Such a methodology shall be approved by the Steering Board.’</i>

Reason

A set of indicators should be developed so that different sets of instruments can be compared, in the first phase between the ESIF and EFSI.

Amendment 16

COM(2016) 597 final

Article 1

Amend point (10)(a)

Text proposed by the Commission	CoR amendment
(a) paragraph 6 is replaced by the following: ‘6. By 30 June 2018 and 30 June 2020, the Commission shall submit to the European Parliament and the Council a report containing an independent evaluation of this Regulation.’;	(a) paragraph 6 is replaced by the following: ‘6. By 30 June 2018 and 30 June 2020, the Commission shall submit to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee, the European Committee of the Regions and the European Investment Bank a report containing an independent evaluation of this Regulation.’;

Reason

This amendment ensures that information is sent to the same relevant institutions as the communication on ‘Towards a second phase of the European Fund for Strategic Investment’ of 14.9.2016.

Amendment 17

COM(2016) 597 final

Article 1

New paragraph after paragraph (14)

Text proposed by the Commission	CoR amendment
	(15) <i>Article 16(2)(f) is replaced by the following:</i> <i>‘a description of the projects where the support of other sources of Union funding (such as ESIF, Horizon 2020 and CEF) is combined with EFSI support, and the total amount of the contributions from each source’;</i>

Reason

By replacing Article 16(2)(f) in the regulation, the text will be consistent with the amendment proposed by the European Commission to Article 14(2) of the present regulation.

Amendment 18

COM(2016) 597 final

Article 2

Delete Article 2

Text proposed by the Commission	CoR amendment
Regulation (EU) No 1316/2013 is amended as follows: (1) in Article 5, paragraph 1 is replaced by the following: ‘1. The financial envelope for the implementation of the CEF for the period 2014 to 2020 is set at EUR 29 992 259 000 in current prices. That amount shall be distributed as follows: (a) transport sector: EUR 23 895 582 000, of which EUR 11 305 500 000 shall be transferred from the Cohesion Fund to be spent in line with this Regulation exclusively in Member States eligible for funding from the Cohesion Fund; (b) telecommunications sector: EUR 1 091 602 000; (c) energy sector: EUR 5 005 075 000. These amounts are without prejudice to the application of the flexibility mechanism provided for under Council Regulation (EU, Euratom) No 1311/2013 (*). (*) Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-20 (OJ L 347, 20.12.2013, p. 884).’	

Reason

See Amendment 5: there is no need to reduce the CEF envelope.

Amendment 19

Annex 1 to COM(2016) 597 final

New point before point (1)(a)

Text proposed by the Commission	CoR amendment
	(a) <i>in point (a), the text of the fifth indent is replaced by the following:</i> <i>‘public sector entities (territorial or otherwise, but excluding operations with such entities giving rise to direct Member State risk) and public-sector type entities. A European Grouping of Territorial Cooperation (EGTC), established in accordance with Regulation (EC) No 1082/2006 on EGTC (*), shall be considered an entity not giving rise to direct Member State risk.</i> (*) <i>Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European grouping of territorial cooperation (EGTC) (OJ L 210, 31.7.2006, p. 19-24).’</i>

Reason

The EGTC carries out measures or implements territorial cooperation, with or without EU funding. However, given that the members of an EGTC can be national, regional and local authorities or associations of such authorities, its access to financial instruments provided by the EIB is limited. Therefore, they should not be considered to be linked to direct Member State risk.

Amendment 20

Annex 1 to COM(2016) 597 final

Amend point (1)(a)

Text proposed by the Commission	CoR amendment
in point (b), a second subparagraph is added: ‘EFSI support to motorways shall be avoided, unless it is needed to support private investment in transport in cohesion countries or in cross-border transport projects involving at least one cohesion country;’	in point (b), a second subparagraph is added: ‘EFSI support to motorways shall be avoided, unless it is needed to support private investment in transport in cohesion countries or in cross-border transport projects;’

Reason

Cross-border transport projects as such should be considered additional and therefore should not be limited to the involvement of at least one cohesion country.

II. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS,

1. notes that local and regional authorities have a key role to play in identifying, planning and supporting additional investments that will foster innovation, growth and jobs in their territories;
2. acknowledges that EFSI is a major component of the Investment Plan for Europe and therefore welcomes the principle of its proposed extension in terms of both duration and financial capacity. Considers also that to make EFSI a bigger success, the synergies with the European Cohesion Policy through the European Structural and Investment Funds (ESIF) should be further clarified and enhanced. Indeed, EFSI and ESIF should not compete in terms of resources from the EU budget or in terms of the applicable accounting rules for national co-financing;
3. notes that the European Fund for Strategic Investments has been operational for one year and that while it is delivering results in terms of the number and value of approved projects, its geographical distribution has been uneven;
4. welcomes the opportunity to put forward legislative amendments and policy recommendations based on cities' and regions' initial experience of the EFSI and thus following up on the first CoR opinion on the EFSI drawn up by rapporteur-general Claude Gewerc in April 2015;
5. recalls that articles 18(6) and 18(7) of the EFSI Regulation provide for a proposal to amend the EFSI Regulation to be made by 5 July 2018 and require that such a proposal should be supported by an independent evaluation on whether EFSI is achieving its objectives and maintaining a scheme for supporting investment is warranted. This independent evaluation of the application of Regulation (EU) 2015/1017, carried out by external experts, was still ongoing when the Commission released its proposal to extend EFSI and was presented only on 14 November 2016. Moreover, notes that the Commission reflected on all three evaluations in its Communication dated 29 November 2016, where the Commission concurs on the success of the EFSI and the EIAH. However, regrets that the proposal was not accompanied either by an impact assessment as required by the Better regulation agenda (COM(2015) 215, 19 May 2015) or by *ex-ante* evaluations for financial programmes required by articles 30 and 140 of the Financial regulation;
6. in light of the European Court of Auditors' report on 'EFSI: an early proposal to extend and expand', specifically the comments made in points 61 and 62, agrees that the application of State aid rules for projects combining finance from EFSI and structural funds needs to be clarified, and, for the sake of consistency, calls for these to be excluded from State aid as well;
7. notes the interdependency between the proposal and the mid-term review of the Multiannual Financial Framework (MFF) and the need for financial resources to be made available within the framework of the mid-term review without undermining existing funding programmes such as Horizon 2020 and the Connecting Europe Facility; opposes therefore the redeployment of budget means from the Connecting Europe Facility;
8. draws attention to the fact that the extension of the EFSI should not be designed, in the long term, to replace existing EU subsidies;
9. is pleased that a larger share of the EFSI will be geared towards increasing access to financing for SMEs and points out that local small-scale projects can also benefit from the EFSI; in that respect, technical assistance and advice for local authorities is crucial;
10. is pleased that the eligibility criteria for projects dealing with climate action (COP21), agriculture, fishery and aquaculture have been reinforced and made clearer;
11. advises the EIB to refer to the Regulation on the establishment of a common classification of territorial units for statistics (NUTS) ⁽¹⁾ when reporting on regions. In addition, the CoR strongly advises that reporting on the KPI and KMI be broken down by beneficiaries and by regions at NUTS II level;

⁽¹⁾ Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS) (OJ L 154, 21.6.2003, p. 1).

12. welcomes the proposal to increase the transparency of the selection of operations by disclosing non-confidential information on signed operations through the Scoreboard of indicators; would add that this measure should have regard to both the infrastructure and innovation 'window' and the SME 'window'; calls also for the Investment Committee responsible for project selection to consult projects with local and regional authorities on projects relevant to their competences;
13. calls for the European Committee of the Regions to be more closely involved in the reporting and monitoring processes, allowing it to express its opinion and evaluation of EFSI operations, ELAH activities and cooperation with local and regional authorities;
14. points out that the EFSI should be seen as an instrument for addressing forms of market failure and forms of government failure (e.g. sub-optimal investment situations due to barriers caused by national borders/regulation); EFSI should not be perceived as an instrument to fund unviable projects;
15. takes note of the issues surrounding the definition of additionality and suggests that the definition be clarified and that the notion of high-risk profile of an operation as a criterion for additionality be refined;
16. takes note of the report issued by the European Court of Auditors stating that the additionality of EFSI projects needs to be safeguarded and therefore points out that the aim of the EFSI should be to support investments that could not have been carried out by the EIB without EFSI support;
17. stresses that EFSI projects need to be additional. Disclosure of information through the Scoreboard of indicators once projects have been signed should help here;
18. notes that given the high added value for the European Union of cross-border projects, such projects should automatically be considered to provide additionality;
19. recognises the relevance of combining the EFSI with other EU funds such as ESIF, Horizon 2020 and CEF and reiterates the importance of strategic coordination in this respect as well as specific support to foster synergies between the various schemes; in this regard, it is important not only that EU departments, particularly managers of the various EC programmes, are aware of this possibility but also that they communicate the importance of taking full advantage of existing synergies and how to do so to the general public, particularly SMEs and local and regional public administrations in the Member States;
20. points out that local and regional authorities need further clarity and guidance on how to combine the EFSI with other EU funds, particularly regarding the application of State aid rules and the ban on double-financing;
21. points out that the use of the EFSI and other EU funds, including ESIF, should be geared towards complementary objectives;
22. reiterates its call for investments made by local and regional authorities financed by the EFSI and the EIB to be excluded from European Union Member States' budget deficit and debt calculations;
23. recognises that National Promotional Banks and Investment Platforms play a key role in the implementation of the EFSI, particularly with regard to cooperation with regional and local authorities;
24. calls on the EIB to provide information on EFSI projects at local and regional level in order to involve local and regional authorities closely in establishing and promoting EFSI projects;
25. at any event, trusts that steps will be taken in the 2014-2020 programming period to maximise synergies and functional integration between EFSI intervention in the area of cohesion policy, in order, inter alia, to strike an appropriate regional balance which favours disadvantaged regions;
26. would like to work with the European Commission and the EIB to further improve communication on the Investment Plan for Europe and therefore welcomes the one-stop-shop approach that was launched during the European Week of Regions and Cities 2016. Although local and regional authorities have a crucial role to play in the successful implementation of the EFSI, awareness needs to be improved;

27. takes note of the proposal to address the geographical and sectorial imbalances of EFSI operations by means of an expanded list of eligible operations and an enhanced role for the European Investment Advisory Hub. Capacity building, pro-active advisory operations and close cooperation with local and regional authorities on promoting and originating projects, are key for ensuring the proportional distribution of EFSI operations; when measuring potential beneficiaries' level of access their specific regional or national realities should be taken into account so as not to boost or consolidate inequalities;
28. stresses that the geographical and sectorial concentration limits set in the EFSI's Strategic Orientation after the initial investment period must remain in place for orientation purposes only, and must in no way be binding for the selection of operations;
29. calls for EFSI investments in infrastructure to be disaster resilient so as to ensure the long term durability of the infrastructure and so as to ensure that it does not put the lives of citizens at risk;
30. notes that the legislative proposal is compatible with the principles of subsidiarity and proportionality.

Brussels, 7 December 2016.

*The President
of the European Committee of the Regions*
Markku MARKKULA

Opinion of the European Committee of the Regions — The Revision of the Posting of Workers Directive

(2017/C 185/10)

Rapporteur: Yoomi RENSTRÖM (SE/PES), Member of Ovanåker Municipal Council

Reference document: Proposal for a Directive of the European Parliament and of the Council amending Directive 96/71/EC of the European Parliament and of the Council of 16 December 1996 concerning the posting of workers in the framework of the provision of services

COM(2016) 128 final

I. RECOMMENDATIONS FOR AMENDMENTS

Amendment 1

Proposal for a directive

Recital 4

Text proposed by the Commission	CoR amendment
Almost 20 years after its adoption, it is necessary to assess whether the Posting of Workers Directive still strikes the right balance between the need to promote the freedom to provide services and the need to protect the rights of posted workers.	Almost 20 years after its adoption, it is necessary to assess whether the Posting of Workers Directive still strikes the right balance between the need to promote the freedom to provide services and the need to protect the rights of posted workers. <i>Posting may under no circumstances place posted workers in a less favourable situation.</i>

Amendment 2
Proposal for a directive

Recital 8

Text proposed by the Commission	CoR amendment
In view of the long duration of certain posting assignments, it is necessary to provide that, in case of posting lasting for periods higher than 24 months, the host Member State is deemed to be the country in which the work is carried out. In accordance with the principle of Rome I Regulation, the law of the host Member States therefore applies to the employment contract of such posted workers if no other choice of law was made by the parties. In case a different choice was made, it cannot, however, have the result of depriving the employee of the protection afforded to him by provisions that cannot be derogated from by agreement under the law of the host Member State. This should apply from the start of the posting assignment whenever it is envisaged for more than 24 months and from the first day subsequent to the 24 months when it effectively exceeds this duration. This rule does not affect the right of undertakings posting workers to the territory of another Member State to invoke the freedom to provide services in circumstances also where the posting exceeds 24 months. The purpose is merely to create legal certainty in the application of the Rome I Regulation to a specific situation, without amending that Regulation in any way. The employee will in particular enjoy the protection and benefits pursuant to the Rome I Regulation.	In view of the long duration of certain posting assignments, it is necessary to provide that, in case of posting lasting for periods higher than 12 months, the law of the host Member State applies to the employment relationship. In accordance with the principle of Rome I Regulation, this should be the case if no other choice of law was made by the parties. In case a different choice was made, it cannot, however, have the result of depriving the employee of the protection afforded to him by provisions that cannot be derogated from by agreement under the law of the host Member State. This should apply from the start of the posting assignment whenever it is envisaged for more than 12 months and from the first day subsequent to the 12 months when it effectively exceeds this duration. This rule does not affect the right of undertakings posting workers to the territory of another Member State to invoke the freedom to provide services in circumstances also where the posting exceeds 12 months.

Reason

The time limit set in the Commission's proposal beyond which the law of the host country should apply in full to employment relationships in posting situations corresponds to that set out in Article 12 of Regulation (EC) No 883/2004 on the coordination of social security systems. That article states that the law of the host country shall apply if a single employee is expected to be posted for a period of 24 months.

The main aim of Regulation (EC) No 883/2004 is to share responsibility between the Member States with regard to the rights of EU citizens to benefits under each Member State's social security system. The aim of the Posting of Workers Directive is to protect posted workers and to facilitate the free movement of services. The Committee sees no overriding reason to coordinate the time limits set by these two legal instruments simply on the basis that they both regulate situations in which EU citizens are temporarily residing and working in a given Member State.

In the Committee's view, the time limit beyond which the law of the host country applies in full to employment relationships in posting situations should be reduced. It considers an anticipated or effective posting of 12 months for a single employee to be an appropriate time limit beyond which a posted worker should be considered to have a connection to the country of posting such that its legislation should apply in full to the employment relationship.

The Committee feels that the question of which country's law is applicable to posted workers should be regulated in its entirety in the Posting of Workers Directive, and not by the application of the Rome I Regulation.

Recommendation for amendment 3

Proposal for a directive

Recital 12

Text proposed by the Commission	CoR amendment
It is within Member States' competence to set rules on remuneration in accordance with their law and practice. However, national rules on remuneration applied to posted workers must be justified by the need to protect posted workers and must not disproportionately restrict the cross-border provision of services.	This directive does not affect Member States' competence to set rules on remuneration in accordance with their law and practice. However, the application of national rules on remuneration to posted workers must be justified by the need to protect posted workers and must not disproportionately restrict the cross-border provision of services.

Reason

The Posting of Workers Directive does not, in itself, affect Member States' exclusive competence with regard to remuneration issues. It is for each Member State to determine — in line with their own labour market model — the remuneration applicable at national level. The Posting of Workers Directive merely states that a given level of remuneration — set in the country of posting — must also apply to workers posted to that country.

Recital 12 of the Commission's proposal could be interpreted as meaning that rules on remuneration adopted at national level could themselves be subject to review under the Posting of Workers Directive and the rules in the Treaty on the freedom to provide services. It should be clarified that it is the *application* to posted workers of remuneration rules set at national level that must be justified by the need to protect posted workers and that must not disproportionately restrict the cross-border provision of services.

Recommendation for amendment 4

Proposal for a directive

Article 1(1)

Text proposed by the Commission	CoR amendment
The following Article 2a is added:	The following Article 2a is added:
<i>Article 2a</i>	<i>Article 2a</i>
Posting exceeding 24 months	Posting exceeding 12 months
1. When the anticipated or the effective duration of posting exceeds 24 months, the Member State to whose territory a worker is posted shall be deemed to be the country in which his or her work is habitually carried out.	1. When the anticipated or the effective duration of posting exceeds 12 months, the employment contract for the period of posting shall be subject in its entirety to the law of the Member State to whose territory the worker is posted, unless the employer and employee have agreed on another applicable law.
2. For the purpose of paragraph 1, in case of replacement of posted workers performing the same task at the same place, the cumulative duration of the posting periods of the workers concerned shall be taken into account, with regard to workers that are posted for an effective duration of at least 6 months.	2. For the purpose of paragraph 1, in case of replacement of posted workers performing the same task at the same place, the cumulative duration of the posting periods of the workers concerned shall be taken into account, with regard to workers that are posted for an effective duration of at least 6 months.
	3. An agreement designating another applicable law may not have the result of depriving the employee of the protection afforded to him or her by provisions that cannot be derogated from by agreement under the law applicable under paragraph 1.

Text proposed by the Commission	CoR amendment
	4. The application of paragraph 1 shall not lead to the posted worker being placed in a less favourable situation as compared to the application of another country's law to the contract of employment in accordance with Article 8 of Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I).

Reason

The time limit set in the Commission's proposal beyond which the law of the host country should apply in full to employment relationships in posting situations corresponds to that set out in Article 12 of Regulation (EC) No 883/2004 on the coordination of social security systems. That article states that the law of the host country shall apply if a single employee is expected to be posted for a period of 24 months.

The main aim of Regulation (EC) No 883/2004 is to share responsibility between the Member States with regard to the rights of EU citizens to benefits under each Member State's social security system. The aim of the Posting of Workers Directive is to protect posted workers and to facilitate the free movement of services. The Committee sees no overriding reason to coordinate the time limits set by these two legal instruments simply on the basis that they both regulate situations in which EU citizens are temporarily residing and working in a given Member State.

In the Committee's view, the time limit beyond which the law of the host country applies in full to employment relationships in posting situations should be reduced. It considers an anticipated or effective posting of 12 months to be an appropriate time limit beyond which a posted worker should be considered to have a connection to the country of posting such that its legislation should apply in full to the employment relationship.

The format of the Commission's proposal — with a provision that identifies the law of the host country as applicable to the employment relationship only indirectly and via application of the Rome I Regulation — raises a number of concerns. In line with recital 8 of the Commission's proposal, the text of the directive should make it clear that it remains possible to agree to apply the law of a country other than the host country under the conditions provided by Article 8 of the Rome I Regulation. It should also be ensured that applying the law of the host country to the employment relationship does not put the employee in a less favourable position, for example because it provides less protection or less favourable terms for employees.

The circumstances in which the law of the host country is applicable should, in the Committee's view, be set out directly in the Posting of Workers Directive. The amendment entails a corresponding amendment to recital 8.

Recommendation for amendment 5

Proposal for a directive

Article 1(2)(a)

Text proposed by the Commission	CoR amendment
'[...] For the purpose of this Directive, remuneration means all the elements of remuneration rendered mandatory by national law, regulation or administrative provision, collective agreements or arbitration awards which have been declared universally applicable and/or, in the absence of a system for declaring collective agreements or arbitration awards to be of universal application, other collective agreements or arbitration awards within the meaning of paragraph 8 second subparagraph, in the Member State to whose territory the worker is posted.	'In the context of this Directive, remuneration and social security contributions shall be defined in accordance with the national law and/or practice of the Member State on whose territory the worker is posted.

Text proposed by the Commission	CoR amendment
Member States shall publish in the single official national website referred to in Article 5 of Directive 2014/67/EU the constituent elements of remuneration in accordance with point (c).'	Member States shall publish in the single official national website referred to in Article 5 of Directive 2014/67/EU the constituent elements of remuneration in accordance with point (c).'

Reason

It is important to establish that remuneration is a matter of national competence, so as to prevent the Directive from giving rise to a situation where the EU Court of Justice can examine national wage-related provisions.

II. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS,

Assessment of the Committee of the Regions

1. notes that the freedom to provide services across borders within the EU is guaranteed by Articles 56 to 62 TFEU. The proper functioning of the single market for services not only brings direct advantages for service providers and consumers within the EU but is also an important condition for economic growth, which can be expected to benefit all EU citizens in the form of greater prosperity and a higher level of social protection;
2. considers a well-functioning single market for services to be particularly important for service providers in regions immediately bordering other Member States;
3. points out that one important starting point for the free movement of services is that service providers established in one Member State must be able to provide services in other Member States under the same conditions as in their country of establishment. At the same time, one of the prerequisites for a well-functioning single market for services is for competition — including cross-border competition — not to be primarily based on labour costs but on factors such as the quality of the service provided and the efficiency of the service provider's work;
4. notes that the differences between Member States, particularly in terms of wage costs, mean that the posting of workers in the context of the free movement of services is liable to put downward pressure on remuneration in the country to which the workers are posted. Where competition with regard to terms and conditions of employment is unfair, there is a risk that this could lead to social dumping in the host country. This social dumping puts downward pressure on prices, endangering businesses which do not use posting;
5. considers it essential to strike a reasonable balance between the free movement of services, on the one hand, and protection for posted workers and against wage and social dumping, on the other, in order to achieve public acceptance for the functioning of the internal market in the EU, particularly among people working in service sectors where posting is and can be expected to be common practice. Underlines, however, that in order to effectively fight social dumping, there is a need for measures to also protect the self-employed as well as those carrying out work intermediated by digital platforms;
6. also considers a reasonable balance between the interests that the Posting of Workers Directive aims to serve to be a prerequisite for healthy and fair competition within the service sector in cross-border situations;
7. in this context, can, as a point of departure, endorse the principle on which the Commission's proposal is based, i.e. that the same work at the same place should be remunerated in the same manner;
8. considers that not knowing the administrative requirements relating to the hiring of workers imposed by the host Member States and the difficulty that some businesses (especially SMEs) have in complying with them may hinder the free provision of cross-border services within the EU and jeopardise the protection of posted workers. These problems could be alleviated if the Commission and Member States were to draw up clear and easily accessible information and assessment mechanisms dealing with these aspects;

9. shares the Commission's view that there should be a time limit beyond which the law of the host country must apply in full to a posted worker, but sees no overriding reason why the rules in Regulation (EC) No 883/2004 should be used as the basis for setting the time limit beyond which the law of the host country applies in full to employment relationships in posting situations. In the Committee's view, the time limit in the Posting of Workers Directive should be 12 months;

10. also takes the view that the circumstances in which the law of the host country is fully applicable to the employment relationship must not result in the posted worker being put into a less favourable position in practice;

11. observes that the Commission's proposal to replace the term 'minimum rates of pay' with 'remuneration' fits in well with the European Court of Justice's judgment in, for example, *Sähköalojen ammattiliitto ry* (C-396/13) and its interpretation of the term 'minimum rates of pay' in that case;

12. points out that, if only the mandatory elements of remuneration and calculation bases in the host country can and should be used when calculating pay within the meaning of the directive in the relevant Member State, it will still not be possible for the host country to require employers to pay posted workers what would be regarded as a 'normal' or average wage for the work in question in the host country;

13. welcomes the proposal that the constituent elements of remuneration applicable to workers posted to the host country should be published on the official national website that each Member State has to set up pursuant to Article 5 of the Enforcement Directive in order to improve access to information prior to posting;

14. considers that, overall, the Commission's proposal to use the term 'remuneration' instead of 'minimum rates of pay' and its other proposed changes to that part of the text mean that the Posting of Workers Directive will strike a reasonable balance between ensuring that service providers can provide cross-border services within the EU without undue barriers, on the one hand, and protecting posted workers and preventing unfair competition, on the other;

15. feels, however, that it needs to be made clear that the Posting of Workers Directive itself does not in any way affect the Member States' exclusive competence when it comes to decisions on pay issues within the framework of their respective labour market models;

16. agrees with the Commission that the obligation to apply the host country's conditions in the fields set out in Article 3(1) of the Posting of Workers Directive in the construction sector should be equally applicable whether the remuneration is set by law, in a collective agreement that has been declared universally applicable or in another collective agreement as referred to in the first or second indent of Article 3(8);

17. draws the Commission's attention to posting situations arising with cascade subcontracting practices, which lead to the dilution of the responsibility of the employer and sometimes to posted workers being abandoned, with no access to assistance or support. A European support fund would allow swift intervention, ensuring that these employees can return to their countries of origin under the best possible conditions. Also suggests setting up a European register placing undertakings that post workers under an obligation in all Member States to declare the posted worker at the latest upon commencement of the provision of services;

18. notes that the skills of posted workers are very often deliberately underestimated by the employer so as to justify a lower level of remuneration. This practice is likely to persist as a way of circumventing the equal treatment obligation with regard to pay. The Commission should investigate the establishment of a European directory of occupations and vocational skills in order to remedy this situation and protect the interests of employees without recognised qualifications;

19. notes that the deadline for implementing Directive 2008/104/EC on temporary agency work was 5 December 2011. One of the objectives of that directive is to protect temporary agency workers, and it sets out, among other things, the principle of equal treatment with regard to conditions such as pay, leave and working hours (Article 5);

20. shares the Commission's view that application of the Temporary Agency Work Directive's principle of equal treatment should also be mandatory in cases where the temporary agency is established in another Member State and the work is a posting within the meaning of the Posting of Workers Directive;

Subsidiarity and proportionality

21. notes that 14 national parliaments/chambers in 11 Member States (Bulgaria, the Czech Republic, Croatia, Denmark, Estonia, Hungary, Latvia, Lithuania, Poland, Romania and Slovakia) have submitted reasoned opinions on the basis of a subsidiarity assessment, which means that the proposal has received a 'yellow card';

22. notes that the Posting of Workers Directive governs which of a host country's terms and conditions of employment a service provider established in another Member State is required to apply to workers posted in that host country. Neither the current directive or the directive amending it aims to harmonise conditions between the Member States;

23. points out that the changes in the directive can only be made at EU level — it is not possible, under the Treaty rules on the freedom to provide services across borders within the EU and the Rome I Regulation, to regulate at Member State level which employment law conditions are applicable in a posting situation;

24. points out that the Enforcement Directive, which had to be transposed by the Member States into national law by 18 June 2016, contains tools to enable the Member States to limit abuse and social dumping as a result of posting (namely fraud, circumvention of rules and exchange of information between the Member States). The Committee takes note of the fact that the revised Posting of Workers Directive and the Enforcement Directive are to a great extent mutually reinforcing legal instruments and therefore keenly awaits a full assessment of the impact and consequences upon the posting of workers of the Member States' implementation of the Enforcement Directive;

25. further stresses that there are still problems with ensuring consistency in the implementation of checks on posted workers in the various Member States, the Enforcement Directive merely providing for bilateral cooperation between Member States; agrees therefore that the objective of the proposed revised Directive, that is, a common definition of the rules applicable to the posting of workers, can be better achieved at EU level;

26. considers it necessary to promote the exchange of data between reporting bodies or social insurance institutions in the posting and host Member State, as well as to introduce reporting requirements for social insurance institutions in the host Member State as effective measures against bogus posting and the establishment of companies for the express purpose of bogus posting, and against unfair competition on the basis of lower social security contributions. If a tendency should arise for companies to be set up with the express purpose of bogus posting, the possibility of requiring a minimum period of employment of a worker in the posting Member State before he or she can be posted would have to be considered.

Brussels, 7 December 2016.

*The President
of the European Committee of the Regions*

Markku MARKKULA

Opinion of the European Committee of the Regions — Conservation of Fishery Resources and the Protection of Marine Ecosystems through Technical Measures

(2017/C 185/11)

Rapporteur: Emily WESTLEY, Member of Hastings Council (UK/PES)

Reference document: Proposal for a regulation of the European Parliament and of the Council on the conservation of fishery resources and the protection of marine ecosystems through technical measures, amending Council Regulations (EC) No 1967/2006, (EC) No 1098/2007, (EC) No 1224/2009 and Regulations (EU) No 1343/2011 and (EU) No 1380/2013 of the European Parliament and of the Council, and repealing Council Regulations (EC) No 894/97, (EC) No 850/98, (EC) No 2549/2000, (EC) No 254/2002, (EC) No 812/2004 and (EC) No 2187/2005

COM(2016) 134 final

I. RECOMMENDATIONS FOR AMENDMENTS

Amendment 1

Preamble

Prohibition of certain destructive fishing gears or methods

Text proposed by the Commission	CoR amendment
(11) Certain destructive fishing gears or methods which use explosives, poisons, stupefying substances, electric current, pneumatic hammers or other percussive instruments; towed devices and grabs for harvesting red coral or other type of corals and coral-like species and certain spear-guns should be prohibited except in the specific case of the electric pulse trawl which may be used under certain strict conditions.	(11) Certain destructive fishing gears or methods which use explosives, poisons, stupefying substances, electric current, pneumatic hammers or other percussive instruments; towed devices and grabs for harvesting red coral or other type of corals and coral-like species and certain spear-guns should be prohibited except in the specific case of the electric pulse trawl which may be used under certain strict conditions. <i>These conditions should include a system for monitoring, control and evaluation, serving for enforcement and research as well as evaluation purposes. Current licences for pulse trawling should be made subject to scientific (re-) assessment before being renewed or otherwise given a 'non-prohibited' status.</i>

Reason

The electric pulses can have a deadly impact on marine life including juvenile fish and non-target species; MSC refuse to certify it because of the 'impact of electricity from the gear on a range of environmental elements including ETP [endangered, threatened and protected] species (including elasmobranchs) and benthic organisms which may also have implications for the wider ecology of the area fished'; and ICES (February 2016) advises that 'the existing regulatory framework is not sufficient to prevent the introduction of potentially damaging systems.'

Amendment 2

Article 4

Targets

Text proposed by the Commission	CoR amendment
1. Technical measures shall aim to achieve the following targets: (a) <i>ensure that catches of marine species below minimum conservation reference sizes do not exceed 5 % by volume in accordance with Article 2(2) and Article 15 of Regulation (EU) No 1380/2013.</i>	1. Technical measures shall aim to achieve the following targets: (a) <i>that catches of marine species below minimum conservation reference sizes do not exceed limits defined in acts adopted by the Commission in accordance with Article 19(5) of this Regulation and unwanted catches are reduced as far as possible in accordance with 2(5)(a) of Regulation (EU) No 1380/2013.</i>

Reason

Ensuring that catches of marine species below minimum conservation reference sizes are less than 5 % is unrealistic for the trawler fleet. What is more, the legislation already acts as a deterrent to fishing juveniles.

Amendment 3

Article 6

Definitions of terms

Text proposed by the Commission	CoR amendment
(4) 'directed fishing' means fishing for a defined species or combination of species where the total catch of that/those species makes up more than 50 % of the economic value of the catch;	(4) 'directed fishing' means fishing for a defined species or combination of species where the total catch of that/those species for a given trip makes up more than 50 % of the catch;

Amendment 4

Article 6

Definitions of terms

Text proposed by the Commission	CoR amendment
(26) 'longline' means a fishing gear consisting of a main line, sometimes of considerable length, to which snoods with baited or unbaited hooks are fixed at regular intervals. The main line is anchored either horizontally on or near the bottom, vertically or can be allowed to drift on the surface;	(26) 'longline' means fishing gear consisting of a main line, of variable length, to which snoods with baited or unbaited hooks are fixed at regular intervals. The main line is anchored either horizontally on or near the bottom, vertically or can be allowed to drift in the water column at varying depths or on the surface;

Amendment 5*Article 6**Definitions of terms*

Text proposed by the Commission	CoR amendment
(30) 'codend' means the rearmost part of the trawl, having either a cylindrical shape, i.e. the same circumference throughout, or a tapering shape. Made up of one or more panels (pieces of netting) of the same mesh size attached to one another along their sides in the axis of the trawl by a seam where a side rope may be attached. For regulatory purposes this shall be taken as the last 50 meshes of the net;	(30) 'codend' means the rearmost part of the trawl, having either a cylindrical shape, i.e. the same circumference throughout, or a tapering shape. Made up of one or more panels (pieces of netting) of the same mesh size attached to one another along their sides in the axis of the trawl by a seam where a side rope may be attached. For regulatory purposes this shall be taken as the last 50 meshes of the net;

Reason

[Does not apply to the English version: the Spanish amendment adds the word 'size' after 'mesh' that does not appear in the Spanish version of the article.]

Amendment 6*Article 6**Definitions of terms*

Text proposed by the Commission	CoR amendment
(38) 'immersion time' means the period from the point of time when the nets are first put in the water until the point of time when the nets are fully recovered on board the fishing vessel;	(38) 'immersion time' means the period from the point of time when each of the nets is first put in the water until the point of time when each of these nets is recovered on board the fishing vessel;

Reason

Applicable to gill nets, entangling nets or trammel nets, made of up several troll lines (devices that are attached consecutively), in order to make clear that the immersion time commences as soon as the first troll line is put in the water and ends when the last troll line is recovered.

Amendment 7*Article 6**Definitions of terms*

Text proposed by the Commission	CoR amendment
(42) 'high grading' means the practice of discarding low priced fish that are subject to catch limits, even though they could have been legally landed, so as to maximise the total economic or monetary value of the fish brought back to harbour.	(42) 'high grading' means the practice of discarding low priced fish that are subject to catch limits, even though they could have been legally landed, so as to maximise the total economic or monetary value of the fish brought back to harbour, except for species that are not fit for human consumption due to being ground by crushing and compacting in the net.

Reason

The particular nature of using trawl nets means that on occasions catches are crushed and compacted, and are not fit for commercial sale.

Amendment 8*Article 9**General restrictions on the use of towed gears*

Text proposed by the Commission	CoR amendment
1. No part of any towed gear shall be constructed of a mesh size smaller than the codend mesh size. This provision shall not apply to netting devices used for the attachment of gear monitoring sensors.	1. No part of any towed gear shall be constructed of a mesh size smaller than the codend mesh size. This provision shall not apply to netting devices used for the attachment of gear monitoring sensors. <i>A further derogation may be granted by a delegated act adopted under Article 18 of the present regulation where use of a mesh size that is smaller than the codend mesh size in other parts of the towed gear results in benefits in terms of conservation of marine biological resources that are at least equivalent to the benefits with current fishing methods.</i>

Reason

The anterior part of the device may be constructed with meshes of larger size, provided that this does not affect the fish effectively reaching the codend and that the construction cost is reduced.

Amendment 9*Article 13**Protection for sensitive habitats including vulnerable marine ecosystems*

Text proposed by the Commission	CoR amendment
2. Where the best available scientific advice recommends an amendment of the list of areas in Annex II, including the addition of new areas, the Commission shall be empowered to adopt such amendments by means of delegated acts, pursuant to the procedure laid down in Article 11(2) and 11(3) of Regulation (EU) No 1380/2013. When adopting such amendments, the Commission shall give particular attention to the mitigation of negative effects of the displacement of fishing activity to other sensitive areas.	2. Where the best available scientific advice recommends an amendment of the list of areas in Annex II, including the addition of new areas, the Commission shall be empowered to adopt such amendments by means of delegated acts, pursuant to the procedure laid down in Article 11(2) and 11(3) of Regulation (EU) No 1380/2013. When adopting such amendments, the Commission shall give particular attention to the mitigation of negative effects of the displacement of fishing activity to other sensitive areas, <i>as well as to the provisions of legislation on deep-sea fisheries.</i>

Reason

Consistency with the new legislation on deep-sea fisheries (Regulation establishing specific conditions to fishing for deep-sea stocks in the North-East Atlantic and provisions for fishing in international waters of the North-East Atlantic and repealing Regulation (EC) No 2347/2002).

Amendment 10*Article 19**Regional measures under multiannual plans*

Text proposed by the Commission	CoR amendment
1. The Commission shall be empowered to establish technical measures at regional level with the aim of achieving objectives of multiannual plans referred to in Articles 9 and 10 of Regulation (EU) No 1380/2013. Such measures shall be established by means of delegated acts adopted in accordance with Article 32 of this Regulation and Article 18 of Regulation (EU) No 1380/2013.	1. The Commission shall be empowered to establish technical measures at regional level with the aim of achieving objectives of multiannual plans referred to in Articles 9 and 10 of Regulation (EU) No 1380/2013. Such measures shall be established by means of delegated acts adopted in accordance with Article 32 of this Regulation and Article 18 of Regulation (EU) No 1380/2013. Member States may submit joint recommendations regardless of the establishment of multiannual plans for the respective areas.
2 ...	2 ...
3 ...	3 ...
4 ...	4 ...
5 ...	5 ...
6 .	6 ...

Reason

In its current wording art. 19 of the draft regulation could be interpreted as imposing the establishment of multiannual plans as a condition for the submission of joint recommendations.

Amendment 11*Article 19**Regional measures under multiannual plans*

Text proposed by the Commission	CoR amendment
1 ...	1 ...
2 ...	2 ...
3 ...	3 ...
4 ...	4 ...
5 ...	5 ...
6. The Commission may require the STECF to assess the joint recommendations referred to in paragraph 5.	6. The Commission shall require the STECF to assess the joint recommendations referred to in paragraph 5.

Reason

A wish for a much closer involvement of STEFC is considered vital by stakeholders, and requests in this directions have been made at policy hearings and debates at the EP and CoR.

Amendment 12*Article 31**Safeguard Measures*

Text proposed by the Commission	CoR amendment
1. Where available scientific advice indicates that immediate action is required to protect marine species, the Commission shall be empowered to adopt delegated acts in accordance with Article 32 to alleviate such threats. Those acts may concern, in particular, restrictions on the use of fishing gears or on fishing activities in certain areas or during certain periods.	1. Where available scientific advice indicates that immediate action is required to protect marine species, the Commission shall be empowered to adopt delegated acts in accordance with Article 32 to alleviate such threats, subject to prior evaluation of the social and economic impact of the proposed measures . Those acts may concern, in particular, restrictions on the use of fishing gears or on fishing activities in certain areas or during certain periods.
2. Delegated acts referred to in paragraph 1 shall be designed in particular to:	2. Delegated acts referred to in paragraph 1 shall be designed in particular to:
(a) address unexpected changes in stock patterns as a result of high or low levels of recruitment of juveniles into a stock;	(a) address unexpected changes in stock patterns as a result of high or low levels of recruitment of juveniles into a stock;
(b) provide protection for spawning fish or shellfish when stocks are at very low levels or where other environmental factors threaten the status of a stock.	(b) provide protection for spawning fish or shellfish when stocks are at very low levels or where other environmental factors threaten the status of a stock.
3. Delegated acts referred to in paragraph 1 shall apply for a period of no more than 3 years without prejudice to paragraph 6 of Article 32.	3. Delegated acts referred to in paragraph 1 shall apply for a period of no more than 3 years without prejudice to paragraph 6 of Article 32.

Reason

To ensure that the socioeconomic impact is taken into account before decisions are taken.

Amendment 13*Article 32**Exercise of delegation*

Text proposed by the Commission	CoR amendment
2. The power to adopt delegated acts referred to in Articles 11, 13, 19 28 and 31 shall be conferred on the Commission for a period of 5 years from [—]. The Commission shall draw up a report in respect of the delegation of power not later than 9 months before the end of the 5-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than 3 months before the end of each period.	2. The power to adopt delegated acts referred to in Articles 11, 13, 19 and 28 shall be conferred on the Commission for a period of 5 years from [—] and for a period of 3 years in the case of Article 31 . The Commission shall draw up a report in respect of the delegation of power not later than 9 months before the end of the 5-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than 3 months before the end of each period.

Reason

Article 31 empowers the Commission to adopt delegated acts to apply for a period of 3 years. The Commission's powers under Article 32, however, appear to apply for 5 years.

Amendment 14*Article 34**Review and Reporting*

Text proposed by the Commission	CoR amendment
1 ...	1 ...
2 ...	2 ...
3 ...	3 ...
	4. the report shall be based on a comprehensive territorial impact assessment conducted by the Commission in each sea basin area in order to evaluate the environmental and socioeconomic impact of the measures.

Reason

A comprehensive review of the impact of policy measures resulting from the regulation in the different regions is an important condition for evidence-based policy making. It would allow for an implementation of a full policy cycle, integrating regulation, impact assessment and feedback.

II. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS,

General recommendations

1. considers the elaboration of clear and simple rules that are easy to comprehend and apply for fishers of great importance for the success of the Common Fisheries Policy; in view of the number of regulations affected by the draft regulation on the conservation of fishery resources and the protection of marine ecosystems through technical measures (hereafter 'the proposal') considers the proposal a real step towards regulatory simplification of the technical measures in European fisheries;
2. welcomes the legislative approach adopted for the proposal: a baseline framework regulation and regionalisation rules in annexes that can be amended under a simplified and inclusive regionalisation process foreseen in the draft regulation; this approach allows for the establishment of common rules that are common throughout all sea basins, and provides enough flexibility to adapt the technical measures to the specific needs that might arise regionally;
3. welcomes the fact that the proposal upholds the principle of proportionality, as laid out in Article 5(4) of the Treaty on European Union;
4. calls upon the legislator to keep the simple layout of the proposal in its initial form;
5. calls upon the legislator to avoid adopting exceptions and derogations that would distort the level playing field, unless there is a specific need arising regionally;

Regionalisation component

6. notes that the regionalisation of the Common Fisheries Policy (CFP) offers to regions and Member States the opportunity to actively manage fish stocks within the objectives of the CFP;
7. notes that the ability to submit joint recommendations defining appropriate technical measures at the regional level should not be a function of the establishment of multiannual plans but should be open to all fisheries;

8. considers the regionalisation an opportunity to develop a flexible system for active management of regional fisheries on the basis of qualitative and quantitative parameters in accordance with the objectives and targets set by the Common Fisheries Policy;

9. calls on the Commission to take specific local features into account as regards minimum conservation reference sizes, and to allow Annexes V to X to be amended via a simplified procedure and in coordination with local and regional authorities;

10. calls upon the legislator to assure coherence between the texts of the CFP Regulation, Multiannual Plans and the current proposal;

Trust-based approach and buy-in of all stakeholders in the reform

11. considers very important the adoption of a trust-based approach in the regulation of EU fisheries; the CoR notes that such an approach is much needed to avoid further alienation of the fishing community; policy makers should be able to trust fishers to implement fully the reform, and fishers should be able to trust policy makers not be left behind. An approach based on trust requires a cross-cutting effort that would necessitate that all stakeholders look into fishing not only from the point of view of fishing capacity, fishing effort and quotas, but to include social elements and low environmental impact and sustainability in the future of the sector;

12. calls upon the legislator to include certain incentives that would make compliance with the rules a natural choice for fishers; such incentives could be of economic, social, administrative or other nature compatible with Union legislation, and under the condition that certain criteria are met; incentives should be developed in the spirit of a 'culture of compliance and cooperation', as provided in art 36. 2 (g) of Regulation (EU) No 1380/2013;

13. noting that quota distribution is a responsibility of Member States, the adoption of provisions allowing small-scale fisheries to manage directly quotas⁽¹⁾ and catches might be a great opportunity for redressing historic injustices to small-scale and inshore fishers whilst enabling them to play a greater role in the stewardship of the sea, assuring a level playing field with larger scale fisheries, and balance between rights and obligations. Empowering small fishers to manage quotas of certain stocks on the basis of certain milestone achievements under strict control will allow fishers to identify themselves as shareholders in the managed asset (fish) and have the stimulus to take good care of it;

14. supports the European Parliament⁽²⁾ in its call on the European Commission and EU Member States to gradually increase the quotas allocated to non-industrial fisheries in order to help this sustainable form of fishing;

15. such a decentralised system for the management of fishing rights should be based on the following baseline principles:

1. conservation of marine resources and environmental protection as an ultimate condition
2. based on scientific advice and recommendations
3. strict control and rolling assessment of the implementation
4. built-in flexibility to allow adjustments after assessments and pilot phase
5. fishing rights should be designed as a percentage of MSY as an incentive for fishers to actively pursue recovery of fish stocks;

Importance of Small Scale Fisheries for Small European Fishing Communities

16. notes that for small coastal towns across Europe small scale coastal fisheries are part of an unique ecosystem that includes heritage, community cohesion, tourism, food and hospitality;

⁽¹⁾ As provided under Article 17 of Regulation (EU) No 1380/2013, and under 19.4.(c) of the current proposal.

⁽²⁾ 2015/2090(INI).

17. regrets that the ongoing CFP reform does not consider to its full extent the importance of small scale coastal fishing as local custodians of the sea with local historical knowledge and tradition, a way of life, and an important link in the socioeconomic life in coastal towns;
18. appeals to the legislator and to Member States to tap all unused potential support and ecological benefit for small scale fisheries existing in the current CFP;
19. considers, in this regard, as a very positive sign that the proposed regulation on technical measures would not require small fishers to invest in new equipment and nets;
20. notes that small scale fishermen feel increasingly disconnected from policymaking due to the ineffective governance and overregulation from previous decades, followed by a ground-breaking reform that introduces multiple new regulations, including discard ban/landing obligation, regionalisation, MAPs and overhaul of technical measures, Control regulation and data collection;
21. reiterates its position that EU fisheries policy should form a central part of a broader blue growth strategy that takes into account the specificities of the fisheries sector, and also the growth of all sectors of the blue economy including maritime industries and tourism, as well as employment and environment protection; and that entrepreneurship in the blue economy extends beyond operations in our seas and oceans ⁽³⁾ encompassing all coastal regions.

Brussels, 7 December 2016.

*The President
of the European Committee of the Regions*
Markku MARKKULA

⁽³⁾ NAT-V-044.

Opinion of the European Committee of the Regions — Reform of the Common European Asylum System

(2017/C 185/12)

Rapporteur: Vincenzo BIANCO (IT/PES)

Mayor of Catania

Reference documents: Proposal for a Regulation of the European Parliament and of the Council establishing the criteria and mechanisms for determining the Member State responsible for examining an application for international protection lodged in one of the Member States by a third-country national or a stateless person (recast)

COM(2016) 270 final

Proposal for a Regulation of the European Parliament and of the Council on the European Agency for Asylum and repealing Regulation (EU) No 439/2010

COM(2016) 271 final

Proposal for a Regulation of the European Parliament and of the Council on the establishment of 'Eurodac' for the comparison of fingerprints for the effective application of [Regulation (EU) No 604/2013 establishing the criteria and mechanism for determining the Member State responsible for examining an application for international protection lodged in one of the Member States by a third-country national or a stateless person], for identifying an illegally staying third-country national or stateless person and on requests for the comparison with Eurodac data by Member States' law enforcement authorities and Europol for law enforcement purposes (recast)

COM(2016) 272 final

I. RECOMMENDATIONS FOR AMENDMENTS

Amendment 1

COM(2016) 270 final

Article 3(3) and 3(5)

Access to the procedure for examining an application for international protection

Text proposed by the Commission	CoR amendment
3. Before applying the criteria for determining a Member State responsible in accordance with Chapters III and IV, the first Member State in which the application for international protection was lodged shall:	3. Before applying the criteria for determining a Member State responsible in accordance with Chapters III and IV, the first Member State in which the application for international protection was lodged shall:

Text proposed by the Commission	CoR amendment
(a) examine whether the application for international protection is inadmissible pursuant to Article 33(2) letters b) and c) of Directive 2013/32/EU when a country which is not a Member State is considered as a first country of asylum or as a safe third country for the applicant; and (b) examine the application in accelerated procedure pursuant to Article 31(8) of Directive 2013/32/EU when the following grounds apply: (i) the applicant has the nationality of a third country, or he or she is a stateless person and was formerly habitually resident in that country, designated as a safe country of origin in the EU common list of safe countries of origin established under Regulation [Proposal COM(2015) 452 of 9 September 2015]; or (ii) the applicant may, for serious reasons, be considered a danger to the national security or public order of the Member State, or the applicant has been forcibly expelled for serious reasons of public security or public order under national law. 4. [...] 5. The Member State which has examined an application for international protection, including in the cases referred to in paragraph 3, shall be responsible for examining any further representations or a subsequent application of that applicant in accordance with Article 40, 41 and 42 of Directive 2013/32/EU, irrespective of whether the applicant has left or was removed from the territories of the Member States.	(a) examine whether the application for international protection is inadmissible pursuant to Article 33(2) letters b) and c) of Directive 2013/32/EU when a country which is not a Member State is considered as a first country of asylum or as a safe third country for the applicant; this provision shall not apply where the average rate of acceptance of asylum applications for the applicant's country of origin exceeds 33,33 % at EU level; and (b) examine the application in accelerated procedure pursuant to Article 31(8) of Directive 2013/32/EU when the following grounds apply: (i) the applicant has the nationality of a third country, or he or she is a stateless person and was formerly habitually resident in that country, designated as a safe country of origin in the EU common list of safe countries of origin established under Regulation [Proposal COM(2015) 452 of 9 September 2015]; or (ii) the applicant may, for serious reasons, be considered a danger to the national security or public order of the Member State, or the applicant has been forcibly expelled for serious reasons of public security or public order under national law. 4. [...] 5. The Member State which has examined an application for international protection, including in the cases referred to in paragraph 3, shall be responsible for examining any further representations or a subsequent application of that applicant in accordance with Article 40, 41 and 42 of Directive 2013/32/EU irrespective of whether the applicant has left or was removed from the territories of the Member States.

Reason

A fair balance needs to be struck between the need for a speedy, efficient system and the need to protect fundamental rights. The introduction of preliminary admissibility screening, which helps meet the first need should not therefore lead to the denial of the right to an effective examination of the merits of applications made by those who come from countries for which there is, nonetheless, a significant reception rate. It should be pointed out here that the majority of children, including unaccompanied minors, come from countries for which there is a reception rate of around 50 %.

Amendment 2

COM(2016) 270 final

Article 7(1)

Personal Interview

Text proposed by the Commission	CoR amendment
1. In order to facilitate the process of determining the Member State responsible, the determining Member State shall conduct a personal interview with the applicant, unless the applicant has absconded or the information provided by the applicant pursuant to Article 4(2) is sufficient for determining the Member State responsible. The interview shall also allow the proper understanding of the information supplied to the applicant in accordance with article 6.	1. In order to facilitate the process of determining the Member State responsible, the determining Member State shall conduct a personal interview with the applicant, unless the applicant has absconded without a valid and substantiated reason or the information provided by the applicant pursuant to Article 4(2) is sufficient for determining the Member State responsible. The interview shall also allow the proper understanding of the information supplied to the applicant in accordance with article 6.

Reason

Given the severity of the consequences of absconding provided for in the Commission's proposal (no interview, and accelerated examination procedure), the applicant should have the opportunity to put forward a substantiated reason and thus recover the full extent of their rights.

Amendment 3

COM(2016) 270 final

Article 7

Personal Interview

Text proposed by the Commission	CoR amendment
	Add after paragraph 5: 6. During the interview provided for by this Article, the applicant must be informed of the right to request to be received in a given Member State (and to indicate alternatives, up to a maximum of two). Specific questions must then be asked to ascertain language skills, previous stays, contacts with communities of the same country or region of origin that are legally resident, professional skills and any other particularly relevant factor that is useful for and serves to facilitate social inclusion, even temporarily.

Reason

In order to discourage secondary movements, it would be more fruitful to ascertain from the outset the applicant's preference for one or more countries (up to a maximum of three), as well as the knowledge, contacts and skills that could facilitate their integration, even on a temporary basis, for the benefit of the social equilibrium of the host country.

Amendment 4

COM(2016) 270 final

Article 8(2)

Guarantees for minors

Text proposed by the Commission	CoR amendment
Each Member State where an unaccompanied minor is obliged to be present shall ensure that a representative represents and/or assists the unaccompanied minor with respect to the relevant procedures provided for in this regulation.	Each Member State shall ensure that a representative represents and/or assists the unaccompanied minor with respect to the relevant procedures provided for in this regulation.

Reason

Given their vulnerability, assistance and representation should always be guaranteed to children, even where, for whatever reason, they are not present in the Member State responsible for examining their application.

Amendment 5

COM(2016) 270 final

Article 10

Text proposed by the Commission	CoR amendment
1. Where the applicant is an unaccompanied minor, only the criteria set out in this article shall apply, in the order in which they are set out in paragraphs 2 to 5. 2. The Member State responsible shall be that where a family member of the unaccompanied minor is legally present, provided that it is in the best interests of the minor. Where the applicant is a married minor whose spouse is not legally present on the territory of the Member States, the Member State responsible shall be the Member State where the father, mother or other adult responsible for the minor, whether by law or by the practice of that Member State, or sibling is legally present. 3. Where the applicant has a relative who is legally present in another Member State and where it is established, based on an individual examination, that the relative can take care of him or her, that Member State shall unite the minor with his or her relative and shall be the Member State responsible, provided that it is in the best interests of the minor.	1. Where the applicant is an unaccompanied minor, only the criteria set out in this article shall apply, in the order in which they are set out in paragraphs 2 to 5. 2. The Member State responsible shall be that where a family member of the unaccompanied minor is legally present, provided that it is in the best interests of the minor. Where the applicant is a married minor whose spouse is not legally present on the territory of the Member States, the Member State responsible shall be the Member State where the father, mother or other adult responsible for the minor, whether by law or by the practice of that Member State, or sibling is legally present. 3. Where the applicant has a relative who is legally present in another Member State and where it is established, based on an individual examination, that the relative can take care of him or her, that Member State shall unite the minor with his or her relative and shall be the Member State responsible, provided that it is in the best interests of the minor.

Text proposed by the Commission	CoR amendment
4. Where family members or relatives as referred to in paragraphs 2 and 3, stay in more than one Member State, the Member State responsible shall be decided on the basis of what is in the best interests of the unaccompanied minor. 5. In the absence of a family member or a relative as referred to in paragraphs 2 and 3, the Member State responsible shall be that where the unaccompanied minor first has lodged his or her application for international protection, unless it is demonstrated that this is not in the best interests of the minor. 6. The Commission is empowered to adopt delegated acts in accordance with Article 57 concerning the identification of family members or relatives of the unaccompanied minor; the criteria for establishing the existence of proven family links; the criteria for assessing the capacity of a relative to take care of the unaccompanied minor, including where family members, siblings or relatives of the unaccompanied minor stay in more than one Member State. In exercising its powers to adopt delegated acts, the Commission shall not exceed the scope of the best interests of the child as provided for under Article 8(3). 7. The Commission shall, by means of implementing acts, establish uniform conditions for the consultation and the exchange of information between Member States. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 56(2).	4. Where family members or relatives as referred to in paragraphs 2 and 3, stay in more than one Member State, the Member State responsible shall be decided on the basis of what is in the best interests of the unaccompanied minor. 5. In the absence of a family member or a relative as referred to in paragraphs 2 and 3, the Member State responsible shall be that where the unaccompanied minor is currently staying, unless it is demonstrated that this is not in the best interests of the minor. 6. The Commission is empowered to adopt delegated acts in accordance with Article 57 concerning the identification of family members or relatives of the unaccompanied minor; the criteria for establishing the existence of proven family links; the criteria for assessing the capacity of a relative to take care of the unaccompanied minor, including where family members, siblings or relatives of the unaccompanied minor stay in more than one Member State. In exercising its powers to adopt delegated acts, the Commission shall not exceed the scope of the best interests of the child as provided for under Article 8(3). 7. The Commission shall, by means of implementing acts, establish uniform conditions for the consultation and the exchange of information between Member States. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 56(2).

Reason

This amendment is in line with the rulings of the European Court of Justice (judgment M.A and others, Case C-648/11) and aims to guarantee that the procedure for determining the Member State responsible is not needlessly prolonged.

Amendment 6

COM(2016) 270 final

Add a new article after Article 14

Preferences, skills and relevant connections

Text proposed by the Commission	CoR amendment
	1. Where, during the interview provided for under Article 7, the applicant has expressed a preference for a particular Member State (with a maximum of two other Member States as alternatives) and there are substantiated or credible factors such as language skills, contacts with communities of the same country or region of origin, specific professional skills and job opportunities, or other factors deemed relevant for the purposes of integration, even temporarily, according to the information provided annually by the EASO, the country specified shall be responsible for examining the application for international protection, provided that, for the country in question, the 50 % threshold in relation to the reference number determined by the key referred to in Article 35 has not already been exceeded in the current year. 2. Where the aforementioned threshold has already been exceeded in that year, responsibility for examining the application for international protection shall, in this order, lie with: (a) the Member State specified in the interview as a second preference, provided that the conditions set out above are met, and that in the year in question the threshold referred to in the previous paragraph has not been exceeded; (b) the Member State specified as a third preference, provided that the conditions set out above are met, and that in the year in question the threshold referred to in the previous paragraph has not been exceeded; 3. Where the threshold referred to in paragraph 1 has also been exceeded in the countries referred to in paragraph 2, the Member State responsible for examining the application shall be determined on the basis of the subsequent articles of this chapter.

Reason

In keeping with the respect of fundamental rights and the principles of solidarity and fair distribution and in order to discourage secondary movements, in the hierarchy of criteria for determining the Member State responsible, connections and integration possibilities highlighted by the applicant and the reception capacities of each country (as determined by the Article 35 reference key for each country) should take precedence over the country of arrival. This would appear, after all, more consistent with the overall approach of the hierarchy of criteria set out in Chapter III (which focuses first on criteria linked to the applicant's characteristics and life path: in order, status of minor, family ties and possession of documents — even if expired less than 2 years previously — issued by a Member State).

Again in keeping with the principles of fair distribution and solidarity, it is appropriate, however, to limit the application of this criterion up to the threshold of 50 % of the capacity of each country, in order to prevent, in times of lesser influx, the burden falling solely on the countries deemed most attractive, overwhelming their reception capacity.

Only where the above threshold is exceeded (and once the subsequent thresholds referred to in paragraph 3 are reached) should responsibility for examining the application remain rooted in the first country of arrival.

NB: The notification by the EASO provided for under Article 43 should also be carried out in the situation provided for under subparagraph 1 of this amendment

Amendment 7

COM(2016) 270 final

Article 28(2)

Remedies

Text proposed by the Commission	CoR amendment
2. Member States shall provide for a period of 7 days after a notification of a transfer decision within which the person concerned may exercise his or her right to an effective remedy pursuant to paragraph 1.	2. Member States shall provide for a period of 15 days after a notification of a transfer decision within which the person concerned may exercise his or her right to an effective remedy pursuant to paragraph 1.

Reason

This should comply with the principle of allowing a reasonable period of time, at least 14 days (Diouf case).

Amendment 8

COM(2016) 270 final

Article 34(2)

General principle

Text proposed by the Commission	CoR amendment
2. Paragraph 1 applies where the automated system referred to in Article 44(1) indicates that the number of applications for international protection for which a Member State is responsible under the criteria in Chapter III, Articles 3(2) or (3), 18 and 19, in addition to the number of persons effectively resettled, is higher than 150 % of the reference number for that Member State as determined by the key referred to in Article 35.	2. Paragraph 1 applies where the automated system referred to in Article 44(1) indicates that the number of applications for international protection for which a Member State is responsible under the criteria in Chapter III, Articles 3(2) or (3), 18 and 19, in addition to the number of persons effectively resettled, is higher than 120 % of the reference number for that Member State, as determined by the key referred to in Article 35.

Reason

The threshold for triggering the automatic relocation mechanism needs to be set at a level which, although still exceeding the reception capacity of the Member State (as determined under Article 34(2)), ensures that the mechanism will be useful and that it will actually be activated.

The level proposed by the Commission (150 % of the reference number of each Member State) — also considering the greater rigidity of the system as a whole in the light of the changes proposed by the Commission and taking account of the statistics for the last 3 years — may mean that the mechanism is never activated at all or would only be, in any case, when the reception system and capacity of the most exposed Member States have reached saturation point, leading to a slow-down of the entire system and inevitable social tensions.

NB: The notification by the EASO provided for under Article 43 would have to be adapted to the new threshold as modified by this amendment.

Amendment 9

COM(2016) 270 final

Article 35

Reference key

Text proposed by the Commission	CoR amendment
1. For the purpose of the corrective mechanism, the reference number for each Member State shall be determined by a key. 2. The reference key referred to in paragraph 1 shall be based on the following criteria for each Member State, according to Eurostat figures: (a) the size of the population (50 % weighting); (b) the total GDP (50 % weighting); 3. The criteria referred to in paragraph 2 shall be applied by the formula as set out in Annex I. 4. The European Union Agency for Asylum shall establish the reference key and adapt the figures of the criteria for the reference key as well as the reference key referred to in paragraph 2 annually, based on Eurostat figures.	1. For the purpose of the corrective mechanism, the reference number for each Member State shall be determined by a key. 2. The reference key referred to in paragraph 1 shall be based on the following criteria for each Member State, according to Eurostat figures: (a) the size of the population of the Member State (50 % weighting); (b) the total GDP of the Member State (50 % weighting); The reference key shall be corrected by reducing the share for the following year by 20 % of the difference between the share based on GDP and population and the average number of arrivals recorded by the Member State over the last 3 years, for countries which in the last 3 years have received an average share of arrivals higher than that determined on the basis of (a) and (b). 3. The criteria referred to in paragraph 2 shall be applied by the formula as set out in Annex I. 4. The European Union Agency for Asylum shall establish the reference key and adapt the figures of the criteria for the reference key as well as the reference key referred to in paragraph 2 annually, based on Eurostat figures.

Reason

To determine the current effective reception capacity of a Member State, account must be taken of the number of migrants already received and of the impact of migration as a whole on the Member State's economic and social fabric. This amendment introduces a corrective element into the calculation of the reference key, to lessen the risk of undermining the objectives of solidarity and fair distribution, which are stated priorities in the proposed regulation. The amendment also meets the need to take a comprehensive approach, which takes account of the whole set of policies on asylum and of the migration issue as a whole.

NB: Obviously, the formula set out in Annex 1 (referred to in paragraph 3) would also have to be adjusted to the corrective element proposed in this amendment.

Amendment 10

COM(2016) 270 final

Article 37(3)

Financial solidarity

Text proposed by the Commission	CoR amendment
3. At the end of the 12-month period referred to in paragraph 2, the automated system shall communicate to the Member State not taking part in the corrective allocation mechanism the number of applicants for whom it would have otherwise been the Member State of allocation. That Member State shall thereafter make a solidarity contribution of EUR 250 000 per each applicant who would have otherwise been allocated to that Member State during the respective 12-month period. The solidarity contribution shall be paid to the Member State determined as responsible for examining the respective applications.	3. At the end of the 12-month period referred to in paragraph 2, the automated system shall communicate to the Member State not taking part in the corrective allocation mechanism the number of applicants for whom it would have otherwise been the Member State of allocation. That Member State shall thereafter make a solidarity contribution of EUR 60 000 per each applicant who would have otherwise been allocated to that Member State during the respective 12-month period. The solidarity contribution shall be paid to the Member State determined as responsible for examining the respective applications.

Reason

The imposition of a solidarity contribution on Member States that refuse relocations (even temporarily) seems like a good idea, based on a sound principle. However, the amount of the contribution should be set at a level that is fair and sustainable, so as not to exacerbate public opinion, and lead to certain Member States rejecting the very principle of solidarity out of hand. The contribution should thus be established at a level (EUR 60 000) that correlates to a fair benchmark, such as, for example, the average annual cost of reception and assistance for each applicant including health care costs, multiplied by the average duration of the permit granted to him/her.

Amendment 11

COM(2016) 271 final

Article 2

Tasks

Text proposed by the Commission	CoR amendment
The Agency shall perform the following tasks:	The Agency shall perform the following tasks:
(a) [...]	(a) [...]
(b) [...]	(b) [...]
(c) Support Member States in the implementing the CEAS;	(c) support Member States and regional and local authorities in implementing the CEAS;
(d) assist Member States on training of experts from all national administrations, courts and tribunals, and national services responsible for asylum matters, including the development of a common core curriculum	(d) assist Member States and regional and local authorities on training of experts from all national administrations, courts and tribunals, and national services responsible for asylum matters, including the development of a common core curriculum
(e) [...]	(e) [...]
(f) [...]	(f) [...]

Text proposed by the Commission	CoR amendment
(g) provide effective operational and technical assistance to Member States in particular when they are subject to disproportionate pressure on their asylum and reception systems	(g) provide effective operational and technical assistance to Member States and regional and local authorities , in particular when they are subject to disproportionate pressure on their asylum and reception systems.
[...]	[...]

Reason

Given that responsibility for providing the assistance and reception services often lies fully or partly with local and regional authorities, the EASO's support should also be directed at them.

Amendment 12

COM(2016) 271 final

Article 3(2)

Duty to cooperate in good faith and exchange information

Text proposed by the Commission	CoR amendment
2. The Agency shall work closely with the Member States' asylum authorities, with national immigration and asylum services and other national services and with the Commission. The Agency should carry out its duties without prejudice to those assigned to other relevant bodies of the Union and shall work closely with those bodies and with the United Nations High Commissioner for Refugees (UNHCR).	2. The Agency shall work closely with the Member States' asylum authorities, with national immigration and asylum services and other national, regional and local services and with the Commission. The Agency should carry out its duties without prejudice to those assigned to other relevant bodies of the Union and shall work closely with those bodies and with the United Nations High Commissioner for Refugees (UNHCR).

Reason

Given that responsibility for providing assistance and reception services to applicants often lies fully or partly with local and regional authorities, the EASO should also work directly with them.

Amendment 13

COM(2016) 272 final

Article 38

Transfer of data to third countries for the purpose of return

Text proposed by the Commission	CoR amendment
	Add after paragraph 3
	4. Under no circumstances may any data be transferred or made available to third countries that are not regarded as safe third countries under Directive 2013/32/EU.
	5. Under no circumstances may any data concerning minors be provided to third countries, even after they have reached the age of majority.

Reason

Although the rationale for it is the need to facilitate returns, the whole of this article appears to expose applicants to possible reprisals upon return to their country of origin, in particular where these countries are not able, in turn, to ensure proper data protection. In any case, sharing data with third countries not considered to be safe and sharing data with any third country concerning children should, at the very least, remain prohibited.

II. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS,

Objectives and general approach of the reform package

1. welcomes the European Commission's decision to propose a comprehensive reform of asylum legislation, emphasising the connection between the proposals set out in the first package submitted on 4 May 2016 and those in the second package submitted on 13 July 2016 (regulation on criteria for recognition of the right to asylum; regulation establishing a uniform asylum procedure; common standards on assistance). The current differences between the Member States' legal, procedural and assistance systems have an impact on the choices made by asylum seekers and increase secondary movements, thereby affecting the efficiency of the system for determining the Member State responsible and increasing the need to have recourse to Eurodac and to turn to the EASO for support;

2. endorses some of the first package's objectives, such as limiting unauthorised secondary movements, ensuring a fairer distribution of asylum seekers across the Member States and reinforcing the EASO and transforming it into an agency;

3. considers that the approach taken by the Commission in the proposal to reform the Dublin Regulation is inadequate. According to this approach, the system's shortcomings are due to extraordinary crises and could be tackled by introducing corrective measures and measures to reinforce the fundamental criterion (the EU country of entry is responsible). However, we are facing a structural crisis (the annual number of applications has tripled in the last 3 years from 2013 to 2015, exceeding 1,2 million — nine times higher than in 1985) and emergency management must go hand in hand with the introduction of a stable, efficient and more integrated system;

4. points out that in a number of ways, the application of the current system is being made even more rigid by coercive mechanisms (inadmissibility, consequent refusal of assistance and accelerated procedures); the co-legislators are therefore asked to verify with due care whether these measures are compatible with fundamental rights, particularly those of the most vulnerable people;

5. considers that initial reception capacity, the capacity to process applications in a timely fashion and the prevention of secondary movements are crucial factors in the stability of the system for managing and allocating asylum applications;

6. recommends building greater consideration for what applicants have done, their professional experience and what they want into the positive aspects of the Commission proposal (extending the concept of family unity to include siblings and family units formed subsequent to departure; the relevance of documents issued by a Member State, even when no longer valid), thereby discouraging secondary movements; stresses in this context that positive incentives should be privileged wherever possible over sanctions in trying to avoid unwanted secondary movements;

7. welcomes the introduction of accelerated, simpler procedures, but would point out that they must be used in order to make the system more efficient and fast-moving, and not to restrict fundamental rights; furthermore, considers that applications declared inadmissible or examined in accelerated procedure should be included in calculations for the application of the reference key referred to in Article 36;

8. firmly believes that the three proposals comply with the principle of subsidiarity in that they clearly tackle cross-border issues — such as solidarity between Member States, the development of a more integrated asylum system and better exchange of information between Member States. Such objectives could not be achieved by Member States acting individually. Furthermore, the proposed measures are necessary in order to achieve the objective of establishing uniform rules applicable to the entire European Union; in this respect, the proposals also comply with the principle of proportionality;

Guiding principles and corrective and compensation mechanisms

9. considers that making the reception capacity of each country (based on objective parameters) a factor in establishing responsibility for examining an application for international protection is a significant step forward, and was flagged up as a possible option in Commission communication COM(2016) 197 of 6 April 2016; is disappointed, however, that this criterion is to be applied as a last resort, only in times of crisis;

10. regrets that the Commission proposal completely disregards what applicants want, even when there are objective factors (knowledge of languages, work-related skills, previous stays) which would steer them towards a particular Member State;

11. would therefore suggest a change in the weighting of the criteria of reception capacity (compatible with taking the applicant's preferences and personal background into consideration) and country of first entry, according each criterion at least equal importance and taking account of the reference key referred to in Article 35 where they are to be applied in every case;

12. further suggests that in order to establish a Member State's real and current reception capacity, the number of arrivals in that country, which has an objective impact upon reception and management capacity, also be taken into account by incorporating this parameter into the reference key referred to in Article 35;

13. would also suggest, again in order to consider a Member State's real and current reception capacity, maintaining a time limit after which the responsibility of the Member State that has examined a request for international protection would cease for any further representations or a subsequent application by the same applicant, as laid down in Article 3(5). This limit could be set at 5 years, a period significantly longer than that currently in force;

14. calls on the Member States to develop reliable, transparent and fair internal systems for distributing the challenge of receiving migrants across their territories, taking into account the relevant socioeconomic data as well as past reception of the different cities and regions and the integration needs and prospects of the migrants, and assist in particular those cities/regions which are geographically exposed and therefore under particular pressure;

15. welcomes the introduction of a corrective mechanism for the allocation of applicants for international protection. However, the Committee would point out that the threshold proposed by the Commission for triggering the mechanism is so high that (for instance, looking at data for the past 3 years) even in times of crisis, the mechanism might not be triggered and so would be of no structural benefit;

16. in order not to undermine solidarity by overburdening the Member States, considers it essential that the rules on legal migration be effectively applied in keeping with the rule of law;

17. points out that the solidarity contribution to be paid by Member States which temporarily suspend participation in the automatic corrective mechanism is excessively high and unconnected to objective, fair parameters, such as assistance costs for a specific period; would therefore suggest that it be reduced, basing it on the average annual cost per beneficiary (estimated to be EUR 20 000 according to available data) and average length of legal residence (authorised for between 3 and 5 years);

18. further points out that the solidarity contribution proposed by the Commission is limited to cases when countries elect to suspend participation in the system, and that there is no provision for failure to implement decisions on relocation or taking charge of applicants or beneficiaries, despite the fact that, according to available data, the percentage of implementation is utterly inadequate (around 25 %). The Committee would therefore suggest that, in connection with reinforcing the EASO and transforming it into an agency, it be given responsibility for monitoring and reporting any failures to comply with requirements, partly so that the European Commission can apply penalties; alternatively, calls for the Asylum, Migration and Integration Fund to be reinforced or for a new solidarity fund to be set up to assist Member States and regional and local authorities put at a disadvantage when transfers are not carried out and those which are more rigorous about implementing and receiving such transfers;

19. also points out that the reduction in the above-mentioned solidarity contribution, compared to the amount proposed by the European Commission, (in the measure suggested in the present opinion) is necessary partly in order to prevent misunderstandings and the risk of damaging European citizens' trust in the European Union;

20. reiterates its call to make relevant EU funds supporting reception and integration of migrants directly accessible to local and regional authorities which bear key responsibilities in these domains;

Measures to reinforce the system, procedures and timeframes

21. calls for the removal of the most stringent measures (such as refusal of assistance up to exclusion from health care) intended to restrict the fundamental rights of people whose application has been declared inadmissible or who travel to other Member States while their application is being examined in the country responsible;

22. suggests nonetheless maintaining a time limit — albeit much longer than is presently the case (for example, 5 years rather than 12 months) — after which the responsibility of the Member State responsible for examining the first application ceases;

23. calls for a shorter timeframe for beneficiaries of international protection to obtain the status of long-term resident, particularly when there are clear ties to countries other than that in which the asylum application is being examined, as this is also likely to discourage secondary movements;

24. given the connection between the distribution of asylum applications between the Member States and the criteria and procedures adopted by them (which have an impact on the choices made by applicants, resulting in a 'race to the bottom' intended to discourage arrivals), considers that it is of the utmost importance that, in the medium term, we arrive at mutual recognition of asylum decisions by Member States and direct processing of applications also by the EU Agency for Asylum (in addition to Member-State authorities);

25. recommends that the term 'minors' representatives' in the legislative text be interpreted and subject to interpretation as, and where necessary amended to, 'officers responsible for upholding minors' rights', or any other term that, in the specific national context, is to be taken to mean a person or body independent of the administration and appointed on a legal basis or by a legal authority with the sole purpose of defending the interest of the minor;

Unaccompanied minors

26. in view of the data on arrivals in Europe of unaccompanied minors (88 000 in 2015, i.e. 6,7 % of all asylum seekers), recommends that the relevant structures and provisions for assistance be strengthened (in this regard, the proposal to reform the directive on reception conditions, included in the second package submitted on 13 July, is undoubtedly relevant as local authorities often have to provide these services);

27. recommends that action be taken to reinforce psychological support and counselling for unaccompanied minors and to give them easier access to legal assistance and ensure that they understand it. The Committee would recommend that officers responsible for upholding minors' rights be supported, improving their training and making them more independent, including with support from the EASO and civil society;

28. recommends that suitable information and cultural awareness campaigns be conducted in places where unaccompanied minors are living, in order to stave off mistrust and suspicion regarding them;

29. recommends identifying alternative transition pathways to the prospect of repatriation at the age of majority (prior to which temporary protection is granted), taking into account any ongoing education;

30. considers that pre-eminence of the principle whereby minors must not be moved from the place in which they are staying must be upheld, even when they are found in a Member State other than the country of entry following unauthorised secondary movements;

31. considers that protection and assistance must be kept up even when there are doubts that the child is a minor, until appeal procedures can be brought and the dispute has been resolved;

European Union Agency for Asylum

32. is pleased that the European Union Agency for Asylum (currently the EASO) has been given responsibility for providing technical and operational assistance and training, and that the Agency now has the option to take action (Article 16) even when no such request has been received from a Member State, when that Member State is subject to extraordinary pressure (Article 22);

33. calls for more timely, standardised and complete data to be sent to Eurostat, monitored by the EASO. This should include data on the percentage of instances of imprisonment for the purpose of transfer or repatriation and the justification there for, data on the percentage of transfers carried out and data on minors;

34. suggests that more resources be invested in the reception and integration systems of Member States, regions and local authorities, so that they can become involved during the asylum procedure and solutions and good practice can be shared with the EASO's support, including between local authorities;

35. calls for improved cross-border cooperation in the exchange of information between Member-State, regional and local-authority departments and in tracing family links;

36. calls for the hot spot approach to be developed in order to ensure that the transfer procedures provided for in this regulation are carried out swiftly and properly;

Eurodac

37. endorses the lowering of the age (from 14 to 6 years) for fingerprinting minors laid down in the Eurodac proposal, given that the disappearance of many people is reported at a late stage, and the sharing of data with European agencies and Member-State authorities; conversely, and unlike the Commission, considers that the ban on sharing data with third countries should remain in effect.

Brussels, 8 December 2016.

*The President
of the European Committee of the Regions*

Markku MARKKULA

Opinion of the European Committee of the Regions — Legal migration

(2017/C 185/13)

Rapporteur: Olgierd GEBLEWICZ (PL/EPP), Marshal of the West Pomerania region

Reference document: Proposal for a Directive of the European Parliament and of the Council on the conditions of entry and residence of third-country nationals for the purposes of highly skilled employment

COM(2016) 378 final

I. RECOMMENDATIONS FOR AMENDMENTS

Amendment 1

Article 2(h)

Text proposed by the Commission	CoR amendment
'higher education qualifications' means any diploma, certificate or other evidence of formal qualifications issued by a competent authority attesting the successful completion of a post-secondary higher education or equivalent tertiary education programme, namely a set of courses provided by an educational establishment recognised as a higher education institution or equivalent tertiary educational institution by the State in which it is situated, where the studies needed to acquire those qualifications lasted at least three years and correspond at least to ISCED 2011 level 6 or to EQF level 6, according to national law;	'higher education qualifications' means any diploma, certificate or other evidence of formal qualifications issued by a competent authority attesting the successful completion of a post-secondary higher education or equivalent tertiary education programme, namely a set of courses provided by an educational establishment recognised as a higher education institution or equivalent tertiary educational institution by the State in which it is situated, where the studies needed to acquire those qualifications lasted at least three years and correspond at least to ISCED 2011 level 6 or to EQF level 6, according to national law; for persons with refugee status or subsidiary protection status resident in the territory of the EU who do not have the documents necessary to prove their qualifications, Member States will apply appropriate additional procedures to establish their level of education and skills;

Reason

It is necessary to redefine this concept, to take account of the fact that a potentially large number of refugees may not be able to document their vocational qualifications. The proposed provisions of the Directive require a much more flexible approach to this issue than at present. The CoR draws attention in this context to existing documents setting out accumulated experience in this area, in particular the Skills Profile Tool Kit for Third Country Nationals currently being prepared, as proposed in the New Skills Agenda for Europe. It is also suggested that use be made of the experience of European regions in this area.

Amendment 2*Article 2(i)*

Text proposed by the Commission	CoR amendment
'higher professional skills' means skills attested by at least three years of professional experience of a level comparable to higher education qualifications and which is relevant in the profession or sector specified in the work contract or binding job offer;	'higher professional skills' means skills attested by at least three years of professional experience of a level comparable to higher education qualifications and which is relevant in the profession or sector specified in the work contract or binding job offer; for persons with refugee status or subsidiary protection status resident in the territory of the EU who do not have the documents necessary to prove their higher-level professional skills, Member States will apply appropriate additional procedures to establish their skills and professional experience;

Reason

See previous point.

Amendment 3*Article 6(4)*

Text proposed by the Commission	CoR amendment
Member States may reject an application for an EU Blue Card in order to ensure ethical recruitment in sectors suffering from a lack of qualified workers in the countries of origin.	Member States may reject an application for an EU Blue Card in order to ensure ethical recruitment in sectors suffering from a lack of qualified workers in the countries of origin. <i>In order to ensure that the ethical dimension is given appropriate consideration in the recruitment process, Member States should refer to the standards developed by international authorities, such as those of the International Organization for Migration or the IRIS monitoring system.</i>

Reason

Ethical issues are particularly important in the context of recruiting highly skilled workers. This is because demand from European employers is often in occupations where workers are also needed in third countries as a result of severe skills shortages. A massive and uncontrolled exodus could lead to a long-term deterioration in the socioeconomic situation in the countries of origin and thus effectively increase the potential for migration. It is proposed that the ethical recruitment provisions be supplemented by practical principles drawn up, inter alia, by international organisations. In this respect, attention should be drawn to the Public Private Alliance for Fair and Ethical Recruitment (PPA) initiative of the International Organization for Migration (IOM) and the IRIS monitoring system.

Amendment 4*Article 12(1)*

Text proposed by the Commission	CoR amendment
Recognised employers: Member States may decide to provide for recognition procedures for employers in accordance with their national law or administrative practice for the purpose of applying simplified procedures for obtaining an EU Blue Card. Where a Member State decides to provide for recognition procedures, it shall provide clear and transparent information to the employers concerned about, among others, the conditions and criteria for approval, the period of validity of the recognition and the consequences of non-compliance with the conditions, including possible withdrawal and non-renewal, as well as any sanction applicable.	Recognised employers: Member States may decide to provide for recognition procedures for employers in accordance with their national law or administrative practice for the purpose of applying simplified procedures for obtaining an EU Blue Card. <i>These criteria will take account of the ethical aspects of the recruitment process (especially a company's earlier experience of employing highly skilled third-country nationals), and a list of companies will be drawn up with the participation of regional and local-level institutions.</i> Where a Member State decides to provide for recognition procedures, it shall provide clear and transparent information to the employers concerned about, among others, the conditions and criteria for approval, the period of validity of the recognition and the consequences of non-compliance with the conditions, including possible withdrawal and non-renewal, as well as any sanction applicable.

Reason

It is proposed that specific conditions for acquiring the status of 'recognised employer' be added, taking into account the regional/local dimension as well as the ethical aspects of recruitment. The Committee of the Regions suggests that a list of companies of this kind benefiting from simplified procedures be drawn up, with the involvement of local and regional bodies, and that the ethical aspects of recruitment be taken into account.

II. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

General recommendations

1. Applauds the efforts of the EU institutions to ensure an adequate supply of highly skilled workers by strengthening common EU standards and by coming up with a procedure that provides such migrants with access to the EU labour market. In this context, the proposed solutions are a step in the right direction and, to some extent at least, a response to criticism of the current Directive.
2. Considers that the establishment and promotion of effective channels for the legal/documented entry of third-country nationals should remain one of the priorities of migration policy at EU, Member State and regional level. In this sense, an improved legal framework for highly qualified migrants is one important part of the necessary development of a comprehensive EU migration policy based on the principles of respect for human rights, international obligations and solidarity.
3. Takes the view that the European Union's long-term goal of remaining a competitive global actor requires the creation and modification of a comprehensive strategy for attracting human capital as well as financial investments from third countries. The latter element is important for every economic system wishing to scale up its innovativeness, level of technology and competitiveness. It is, however, particularly important in the demographic context being experienced by some Member States and of the problems facing the EU's labour markets.
4. Points out that the EU already has to contend with structural shortages of workers in certain sectors, and that unfavourable demographic trends will exacerbate these shortages. At the same time, the European Union is currently losing the race for talent with such global players as the USA, Canada and Australia.

5. Points out that measures for the recruitment of workers from third countries cannot and should not replace large-scale, long-term investments in education and vocational training for EU residents. Taking into consideration that many countries, especially Eastern European countries, face the phenomenon of brain drain (skills emigration), which puts a country/region at risk of depopulation and the emigration of intellectuals, this investment should be geared more towards jobs identified as being strategically important or deficit occupations and it should be used to develop specific measures to support those wishing to train in these areas.

6. Welcomes the broad consultation process that accompanied the drafting of the current version of the Directive, but is concerned that too little was done at regional level, involving regional and local authorities, which have the best knowledge of the needs of local and regional labour markets.

7. Also points out that local and regional authorities play a very important role in providing public services for immigrants, in terms of access to the labour market, as well as other dimensions of integration (education, housing, health care etc.).

8. Stresses that regional-level institutions play a key role in identifying the needs of the labour market, as well as in defining conditions requiring the implementation of safeguard procedures (labour market test). In addition, however, these institutions could create a positive climate for the proposed measures and the critical mass needed to raise the profile of the Blue Card procedure.

Assessment of the current arrangements

9. Notes that the measures introduced in 2009 have not met expectations. One reason for this was that national systems were allowed to coexist with those introduced by the Directive.

10. Notes that past experience with the implementation of the Blue Card procedure shows that, while the European Commission is seeking to place migration policy and sectoral measures on a European basis, the Member States remain committed to maintaining and promoting national solutions.

11. Notes that the rules introduced in 2009 have not met many of the needs and expectations of both migrants and employers and have instead perpetuated a fragmented system in the EU, with an overall unsatisfactory provision of rights for highly skilled workers and their families, high costs for applicants, employers and national administrations and with the system having a low profile outside the EU, making it generally unattractive.

The proposed measures — potential risks and shortcomings

12. Welcomes the proposals to reduce income thresholds, introduce instruments to promote internal mobility, facilitate access to long-term residence permits and take account of migrants already residing in the EU.

13. Wonders, in view of the steadily growing competition for talent, whether consideration should be given to incorporating into the European migration system elements of a supply-driven or points-based system (PBS) or a hybrid system, modelled on that of countries which are more effective in attracting highly skilled workers (Australia, Canada).

14. Stresses that, for highly skilled individuals, considerations such as career opportunities, access to equipment, language of communication and work commensurate with qualifications play an important part in their decisions. The Committee of the Regions is concerned that the proposed measures still take little account of these issues.

15. Welcomes the recognition that the Blue Card may be granted not only to workers arriving in the EU, but also to those who are already there.

16. At the same time, however, considers that clarification is needed as to why this option should be available only to recognised refugees. The proposed Directive explicitly excludes from this possibility seasonal and posted workers, as well as persons whose application for refugee status is pending. While understanding the political reasons for this decision, the Committee of the Regions considers that opening up a path to employment commensurate with qualifications for other categories of person residing in the EU could result in more stable perspectives for the migrants and employers concerned and thus a better use of human capital.

17. Points out that measures for the recruitment of third-country nationals in occupations requiring high-level skills should aim not only to attract immigrants but also to create conditions conducive to their remaining in the EU and integrating effectively.

18. Suggests that the issue of the employment of highly skilled workers should be treated in a holistic and comprehensive way appropriate to the logic of the migration process: from recruitment, via admission and identification of skills, to effective integration and eventual freedom of movement within the EU labour market.

19. In the context of the proposed measures, considers it necessary to develop a single, generally accepted method of collecting data on the demand for highly skilled workers in various occupations and labour markets. Establishing mechanisms for filling gaps in the labour markets of the Member States more effectively than at present would require further development of initiatives such as the EURES portal, EuroPass and the actions currently foreseen under the New Skills agenda, making it possible to bring together employers looking for job seekers and prospective workers with appropriate skills. Stresses the potentially key role of European regions in the collection of this type of data.

20. Is concerned that the proposed measures may take insufficient account of young graduates, whose level of earnings may be insufficient to satisfy the criteria set out in the Directive.

21. Emphasises that the issue of recognition of qualifications — and the practical aspects of this process — will be particularly relevant in the case of a category of persons who are for the first time becoming potential beneficiaries of the scheme: recognised refugees and those granted subsidiary protection. It may be expected that in the case of these persons obtaining proof of qualifications will be especially difficult and complex.

22. Stresses that more attention should be paid to ethical issues relating to the recruitment of highly skilled workers from third countries and that effective methods should be devised for preventing a brain drain from less developed countries with already low levels of human capital.

23. Proposes that an in-depth and reliable analysis be carried out of the outflow of highly skilled workers from third countries and of the potential impact of a brain drain. The results of this study should be used to develop common actions — by the EU and the migrants' countries of origin — aimed at preventing the negative effects of migration and, where possible, creating 'win-win-win' solutions (migration that is beneficial to the countries of origin and destination and to the migrants themselves).

24. Points out that any process of migration is a complex, multi-level phenomenon, in which both the countries of destination and the countries of origin of migrants play a major role. Inter alia in the context of the ethical issues highlighted above, calls for enhanced dialogue and closer cooperation between the EU institutions and those of the countries of origin of migrants and transit countries, also at regional and local level. Taking international public law instruments as the basis, this cooperation should make use of existing bodies and platforms, such as ARLEM, CORLEAP, Task Force Ukraine, joint consultative committees and working groups; use should be made of the experience of the European Training Foundation in supporting circular migration mechanisms.

25. Considers that the proposal is in compliance with the subsidiarity principle as the objective — to compete in the international competition for highly skilled workers — cannot be sufficiently achieved by the Member States acting alone, but can by reason of the scale be better achieved at the EU level. The proposed measures do not go beyond what is necessary to improve the EU's ability to attract and retain highly skilled third-country nationals, as well as to enhance their mobility and circulation between jobs in different Member States, and they leave certain flexibility for Member States to adapt the scheme to their national situation. Thus, the proposal complies with the principle of proportionality.

The role of the regions

26. Would stress that the socioeconomic consequences of migration, such as its impact on the functioning of labour markets and on the social and cultural spheres, are felt most keenly at regional and local level. Similarly, Europe's aggregate competitiveness could be regarded as an abstract concept; what counts is ensuring competitiveness and a high level of innovativeness in Europe's cities and regions, building on the work that non-profit organisations and the third sector carry out on a daily basis.

27. Points out that bringing a regional perspective to bear on the discussion of the proposed measures highlights various paradoxes. One of them is that, while highly skilled immigrants may be attracted by the most developed regions, their presence may be most desirable in regions that are not in a position to offer them such attractive work and residence conditions.

28. Welcomes the retention of the safeguard measures which could be introduced in the event of a deterioration in the labour market in a given country.

29. Would stress, in a local and regional context, the particular importance of a question that is insufficiently addressed by the Commission proposal: how to increase the effectiveness of integration measures and how to make use of existing best practice in this area.

30. Proposes that the role of the local and regional partners be considered in various contexts, such as in relation to: the establishment of experimental fast-track systems in partnership between regions, countries and the private sector; the effective sharing of best practice, especially in connection with recognition of qualifications and reducing structural mismatches and boosting the effectiveness of integration; and the implementation of solutions ensuring the best possible match between formal qualifications and the needs of local and regional labour markets.

31. Stresses the need to establish a more direct relationship with the business world in terms of communication, involving the companies themselves in the development of employment initiatives.

Brussels, 8 December 2016.

*The President
of the European Committee of the Regions*

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