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EUROPEAN PARLIAMENT

2018-2019 SESSION

Sittings of 10 to 13 December 2018

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EUROPEAN PARLIAMENT

2018-2019 SESSION

Sittings of 10 to 13 December 2018

The Minutes of this session have been published in OJ C 92, 20.3.2020.

TEXTS ADOPTED
I

(Resolutions, recommendations and opinions)

RESOLUTIONS

EUROPEAN PARLIAMENT

P8_TA(2018)0485

Education in the digital era: challenges, opportunities and lessons for EU policy design

European Parliament resolution of 11 December 2018 on education in the digital era: challenges, opportunities and lessons for EU policy design (2018/2090(INI))

(2020/C 388/01)

The European Parliament,

— having regard to Articles 165 and 166 of the Treaty on the Functioning of the European Union,

— having regard to the Charter of Fundamental Rights of the European Union, and in particular Article 14 thereof,

— having regard to Article 2 of the Protocol to the Council of Europe Convention for the Protection of Human Rights and Fundamental Freedoms, concerning the right to education,

— having regard to Decision (EU) 2018/646 of the European Parliament and of the Council of 18 April 2018 on a common framework for the provision of better services for skills and qualifications (Europass) and repealing Decision No 2241/2004/EC (1),

— having regard to its resolution of 12 June 2018 on modernisation of education in the EU (2),

— having regard to its resolution of 14 September 2017 on a new skills agenda for Europe (3),

— having regard to its resolution of 19 January 2016 on skills policies for fighting youth unemployment (4),

— having regard to its resolution of 9 September 2015 on empowering girls through education in the EU (5),

— having regard to its resolution of 8 September 2015 on promoting youth entrepreneurship through education and training (6),

— having regard to its resolution of 15 April 2014 on new technologies and open educational resources (7),

(4) OJ C 11, 12.1.2018, p. 44.
having regard to the Council recommendation of 22 May 2018 on key competences for lifelong learning (1),

having regard to the Council conclusions of 22 May 2018 on moving towards a vision of a European education area,


having regard to the Council conclusions of 30 May 2016 on developing media literacy and critical thinking through education and training,

having regard to the Council recommendation of 19 December 2016 entitled ‘Upskilling pathways: new opportunities for adults’ (3),

having regard to the Council conclusions of 27 May 2015 on the role of early childhood education and primary education in fostering creativity, innovation and digital competence,

having regard to the Council conclusions of 20 May 2014 on effective teacher education,

having regard to the Council recommendation of 20 December 2012 on the validation of non-formal and informal learning (4),

having regard to the Council resolution of 28 November 2011 on a renewed European agenda for adult learning (5),


having regard to the Commission communication of 30 May 2017 on school development and excellent teaching for a great start in life (COM(2017)0248),

having regard to the Commission communication of 2 May 2012 on a European strategy for a better internet for children (COM(2012)0196),

having regard to the Commission communication of 10 June 2016 on a new Skills Agenda for Europe (COM(2016)0381),

having regard to the Commission communication of 7 December 2016 on improving and modernising education (COM(2016)0941),

having regard to the opinion of the Committee of the Regions of 30 November 2017 on modernising school and higher education (6),

having regard to the report of the European Centre for the Development of Vocational Training of 9 March 2018 entitled ‘Skill needs anticipation: systems and approaches. Analysis of stakeholder survey on skill needs assessment and anticipation’,

having regard to the Commission’s 2017 policy report entitled ‘DigComp 2.1: The digital competence framework for citizens: With eight proficiency levels and examples of use’,

having regard to Rule 52 of its Rules of Procedure,

having regard to the report of the Committee on Culture and Education and the opinion of the Committee on Industry, Research and Energy (A8-0400/2018).

whereas, with technology developing at an accelerating rate, the digital society and economy are now a fact of life, meaning that digital skills are essential for the successful professional realisation and personal development of all citizens;

B. whereas digital competence is a key competence for lifelong learning, as defined in the Reference Framework annexed to the Council recommendation of 22 May 2018;

C. whereas the innovative capacity of technology is conditioned, inter alia, by critical thinking, the level of people's digital and creative skills, and the quality and reach of internet connectivity;

D. whereas a basic knowledge of digital technologies is vital for completing essential administrative and everyday tasks;

E. whereas it is estimated that approximately half of the current jobs worldwide — and 30% in the European Union — will disappear over the next 25 years (1), with the emergence of new professions requiring advanced digital skills;

F. whereas digital skills, which go well beyond the requirements of the labour market, offer people better opportunities to participate in the life of society, both today and in the future, facilitate information and cultural exchange, and give people a greater say in political decision-making;

G. whereas it is essential to reclaim the internet as a common good and promote active e-citizenship;

H. whereas the technological transformation across industries means that digital tools are frequently used even in traditionally non-technical professions, with 9 out of 10 jobs in the near or immediate future estimated to require digital skills;

I. whereas currently 44% of the EU population aged between 16 and 74 lack basic digital skills and 19% have no digital skills at all, with substantial disparities across the Member States, a situation that risks creating a new social divide;

J. whereas the importance of digital skills, the skills gap, which is particularly significant between men and women, generations and different social groups, and disparities in digital skills across the Member States demand a joined-up policy response;

K. whereas it is essential that educational institutions prepare pupils and students to confront the social and economic challenges brought about by rapid technological and social developments, by equipping them with the appropriate skills to adapt to the challenges of the digital world;

L. whereas access to and the use of the internet and of technological and digital equipment have transformed social behaviour and relationships, particularly among the younger sections of society;

M. whereas the goal of ensuring that by 2025 all schools in the EU have access to internet connections with download/upload speeds of 1 gigabit of data per second has yet to be reached;

N. whereas excessive use of technological and digital equipment, such as computers and tablets, can cause problems related to health and well-being, including sleep deprivation, a sedentary lifestyle and addiction;

O. whereas digital learning strategies also need to take into account research on the detrimental effects that early use of digital technology may have on the development of young children's brains;

P. whereas digital technologies should be an integral part of a learner-focused, age-appropriate approach to education and can offer new and innovative approaches to teaching and learning; whereas it is vital to maintain personal contact between students and teachers and to prioritise the well-being and healthy development of children and adult learners;

(1) http://eskills-scale.eu/fileadmin/eskills_scale/all_final_deliverables/scale_digitalisation_report.pdf
Q. whereas technologies should be better used to support new pedagogies that focus on learners as active participants with tools for inquiry-based learning and collaborative workspaces;

R. whereas basic education in cyber hygiene, cyber safety, data protection and media literacy must be age- and development-oriented in order to help children become critical learners, active citizens, internet users and shapers of a democratic digital society, make informed decisions, and be aware of and able to counter the risks associated with the internet, such as online disinformation, harassment and personal data breaches; whereas cybersecurity-related teaching programmes should be introduced in academic and vocational training curricula;

S. whereas quality, innovative digital learning can be captivating and interactive, thus complementing lecture-style teaching methods and providing platforms for collaboration and knowledge creation;

T. whereas we are seeing the growing commercial use of education by large digital companies, which are trying to influence teaching practices by introducing equipment, software and educational resources or providing training for teachers;

U. whereas, to better deliver on the promise of technology, Member States need effective strategies to build teachers’ capacity and policymakers need to do more to build support for this agenda;

V. whereas public libraries participate in the common effort to familiarise citizens with digital skills, by providing open services for digital support in a social and helpful environment;

W. whereas adults who are out of work or in jobs that do not require digital skills tend to fall quickly behind their more digitally proficient peers, thus hampering their job prospects and exacerbating social and economic disparities;

X. whereas the progressive digitalisation of work will result in the disappearance of many professions and an increase in unemployment; whereas the new professions that will emerge with digitalisation may compensate for some of the jobs lost;

Y. whereas digital technologies can facilitate access to knowledge and learning and their use enables all training facilities at various levels to be easily accessible and inclusive;

Z. whereas without appropriate and targeted policies, older people and people with disabilities are likely to suffer the most from the digital transformation;

AA. whereas women make up only 20 % of professionals in the field of science, only 27 % of engineering graduates (1) and only 20 % of computer science graduates (2); whereas the share of men working in the digital sector is 3.1 times greater than the share of women; whereas only 19 % of workers in ICT have a female boss, compared with 45 % of workers in other sectors;

AB. whereas lifelong learning opportunities tend to be far more available to already highly-skilled workers (3);

AC. whereas ongoing monitoring and assessment of digital skills proficiency both in organisations and among individuals is a prerequisite for effective policy delivery;

AD. whereas mastering basic transversal skills, such as numeracy, critical thinking and social communication skills, is a fundamental prerequisite for the acquisition of digital skills and competences;

1. Underlines that digital skills acquisition requires a coherent, lifelong-learning approach anchored in formal, non-formal and informal education settings, with a policy response and targeted interventions appropriate to the needs of different age groups and learners;

2. Underlines the potential of digital technologies to support a shift towards more learner-centred pedagogical approaches if incorporated into the learning process in a planned and purposeful way; believes that learners need to be guided towards innovative, bottom-up practices of knowledge creation for genuine educational transformation to occur;

3. Stresses that a transformation of the educational and training systems at all levels is necessary to make full use of the opportunities offered by information and communication technologies and the media and to develop the skills and competences required to meet the demands of the society and labour market of the future; reiterates that such a transformation must continue to guarantee the right to personal fulfilment, strike the right balance between the relevant digital skills and life skills, and support individual resilience, critical thinking and innovation potential;

4. Believes that educational institutions cannot afford to neglect the all-round education of their students, involving the cultivation and development of a critical and holistic outlook that enables them to assert themselves as active citizens; understands that critical thinking cannot be strengthened only by teaching digital skills and that all-round education is also required;

5. Stresses that while it is essential to increase learners' basic and advanced digital skills, traditional and humanistic skills should nevertheless continue to be nurtured;

6. Recalls that, as the Commission acknowledges in its Digital Education Action Plan of January 2018, the necessary adaptation of educational institutions to new technologies and innovative pedagogical approaches should never be seen as an end in itself, but rather as a tool for improving the quality and inclusivity of education;

7. Stresses, while recognising the need for more digital skills, that the impact of digital technologies on education is not at present easy to assess, meaning that it is vital to take into account neurological research into the effects of digital technology on brain development; calls, therefore, for investment in unbiased and interdisciplinary research into the various impacts of digital technologies on education, linking education sciences, pedagogy, psychology, sociology, neuroscience and computer science so as to achieve as deep an understanding as possible of how the minds of children and adults are responding to the digital environment, with a view to maximising the benefits of the use of digital technology in education and minimising its risks; stresses the need to promote responsible use of digital tools that protects the physiological, neurosensory and behavioural development of learners, particularly during childhood, and strikes the right balance in the daily use of technological and digital equipment, both in educational institutions and in private life;

8. Regrets that while the use of online and mobile applications and new technologies, such as the internet of things, has become more widespread than ever, citizens, in particular minors, are often unaware of the risks associated with the use of the internet and ICT tools, such as personal data breaches, pervasive end-user tracking and cybercrime; calls, therefore, on Member States to assign an appropriate role to data protection and basic cyber hygiene in school curricula;

9. Calls on the Member States, the Commission and educational institutions to improve children's safety online and address the issues of cyberbullying, exposure to harmful and disturbing content, and other cybersecurity threats by developing and implementing prevention programmes and awareness-raising campaigns; encourages the Member States to further promote the #SafelInternet4EU campaign;

10. Stresses that in order to achieve better learning experiences and outcomes, digital tools must be adapted to the needs of students, and that this is a way for students to become active citizens and not merely passive consumers of technology;

11. Regrets that despite the potential of digitalisation for enhancing and fostering different and personalised learning methods, the impact of digital technologies on education itself has been limited; expresses its concern, in particular, that investments in ICT in schools and training centres have not yet resulted in the transformation of educational practices hoped for; recalls that schools and other learning environments need to support all students and learners and respond to their specific needs by developing appropriate and effective measures to foster digital skills, particularly among students with disabilities, minority groups, migrant communities, early school leavers, the long-term unemployed and the elderly; believes that such support can be facilitated through the use of new technologies;
12. Notes the growing gap between men and women's participation in the digital sector with respect to education, career pathways and entrepreneurship; stresses that ensuring a gender-balanced approach to the promotion of ICT and digital careers is key, and that more female students and women should be supported in pursuing a career in the digital field; underlines the importance of ensuring digital literacy and the participation of women and girls in ICT education and training; encourages the Member States to introduce age-appropriate ICT education in the early stages of school, with a particular focus on measures to overcome the digital gender gap and provide girls with alternative avenues for access to STEAM subjects, since gender stereotypes surrounding these subjects and the lack of female role models tend to be a barrier to access for girls; considers that a fine-tuned Women in Digital Strategy, coupled with the Commission's forthcoming action plan to reduce the gender divide in tech, could help to boost efforts in this field;

13. Stresses that the lack of digital equipment and connectivity in schools across Member States has a detrimental effect on the digital skills education of students and the availability of digital teaching tools; calls on the Member States to make substantial public investments to provide all schools with high-capacity broadband and to make use of existing EU programmes for this purpose, notably the Connecting Europe Facility, which can support the physical infrastructure of high-capacity broadband networks, and the WiFi4EU voucher scheme; emphasises that connectivity efforts and funding should be focused in particular on rural and disadvantaged areas, and the outermost and mountainous regions;

14. Points out that education and training institutions require assistance from the Union and Member States, as well as close cooperation between all stakeholders, industry, local and regional authorities, communities and civil society, to develop their ICT and media education in accordance with their specific pedagogical approach and to make the difficult transition to a more digitalised learning environment; underlines, in this regard, the need for a whole-school and interdisciplinary approach towards digital change in education;

15. Stresses that teachers and trainers should be at the core of the digital transformation and therefore require adequate initial preparation and continuous training, which must include modules on age- and development-oriented teaching practices; insists that this training requires time and should not come as an extra task on top of their daily activities; highlights that, even more than the teaching of other basic skills, such as numeracy and literacy, digital skills teaching requires teachers to update their knowledge and skills on a continuous basis; argues, therefore, that teachers need suitable, flexible and high-quality continuous professional development that corresponds to their needs; takes a positive view, in this regard, of the use of European online platforms to increase professional development opportunities and encourage the exchange of best practices;

16. Notes that those entrusted with education now have increased responsibilities owing to the increased use of digital applications in school work; considers that they too must be involved in the learning process and the use of technology, since if they do not have the necessary digital skills, it will be more difficult to involve their students in the learning process, which may result in more social exclusion;

17. Supports and encourages the implementation of measures concerning the digitalisation of administrative processes in schools in order to further reduce the administrative burden at all levels;

18. Encourages the Member States to promote and finance regional and local initiatives that support quality teaching practices aimed at enhancing innovation;

19. Stresses the value of school autonomy in achieving innovation in education;

20. Calls on the Commission and the Member States to offer appropriate guidance on the legal application of exceptions to copyright law in the educational sphere and straightforward access to licences for public, non-profit-making establishments in formal and informal education; takes the view that teachers and pupils need security when using digitally accessible resources and imparting and learning skills; recommends, in this regard, that the Commission provide guidance for educational institutions, educators and students to that end;

21. Points out that the lack of digital tools for mobile students can undermine the quality of educational experiences in Europe; encourages the Commission to continue its European Student Card and Erasmus without Paper pilot initiatives, with a view to launching them during the next multiannual programming period; calls on the Member States to make responsible and effective use of Union financial support and to promote funding opportunities among the wider public and educational institutions, with a view to making access to digital learning content, tools and solutions a reality for all;
22. Points out that, in line with the lifelong learning approach required for digital skills, governments, in cooperation with stakeholders such as companies and civil society organisations, and through both formal and non-formal settings, should ensure a sustainable digital transformation with nobody left behind;

23. Highlights that inclusiveness and innovation should be the leading principles for education and training in the digital age; believes that digital technologies should not reinforce existing inequalities, but instead be used to close the digital divide between students from different socio-economic backgrounds and regions of the EU; stresses that an inclusion-driven approach must take advantage of the full potential of the resources provided by new digital technologies, including personalised education and partnerships between educational institutions, and, in so doing, can enable access to quality education and training for people from disadvantaged groups and those with fewer opportunities and support the integration of migrants and refugees;

24. Stresses that the promotion of digital access in education does not necessarily imply equal access to learning opportunities and that, while technologies are becoming increasingly accessible, the acquisition of basic digital skills remains a barrier and the digital divide persists; points out that Eurostat data show that the digital divide is not closing and that 44% of people in the European Union do not have basic digital skills (1);

25. Points out that the complex digital skills required for the efficient use of ICT depend on the acquisition of basic skills, that not everyone is on an equal footing, with major gaps remaining at basic levels and particularly affecting disadvantaged groups and a large number of adults, that more educated people are three times more likely to use the internet to acquire new skills and create new opportunities than those with lower levels of education (2), and that we run the risk of technology becoming a training tool for the privileged rather than an opportunity for all;

26. Stresses the need for a change in the institutional and pedagogical practices of schools and other learning environments, including non-formal learning settings, in order to make them more equitable by providing substantially diversified and in-depth support structures for all, in particular those belonging to groups at risk of exclusion, such as the unemployed, migrants, the low-skilled, those with disabilities and the elderly;

27. Recommends that Member States develop digital literacy programmes in Europe’s minority and regional languages and introduce language technology training and tools in their school, university and vocational college curricula; stresses once more that literacy remains a significant factor and an absolute prerequisite for progress in the digital inclusion of communities;

28. Stresses that the Member States should provide the support that educational institutions need in order to improve the digitalisation of languages in the EU; recommends that schools across the EU make use of digital technologies to increase the use of cross-border educational exchanges, through video conferences and virtual classrooms; stresses that schools across the EU could benefit from cross-border access to digital content;

29. Underlines the key role played by libraries in providing citizens with digital services and making online learning and services available in a safe environment open to all; recommends, therefore, that these efforts be duly funded under European, national, regional and local schemes, complementary to one another, and that libraries are given greater recognition for their essential role in developing media literacy;

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30. Calls for a shift towards more non-formal learning and workplace training opportunities and insists on the need for high-quality, inclusive and well-resourced education and training systems; believes that opportunities for re-skilling and upskilling are essential, with relevant digital skills components mainstreamed in workplace training programmes and special training solutions for people working in small and medium-sized enterprises; stresses the importance of strengthening connections between education and employment and the role of lifelong career guidance and counselling in supporting access to suitable, flexible and high-quality training and career paths;

31. Stresses that traineeships in the digital sector can help students and young adults acquire practical digital skills on the job; welcomes, in this context, the new pilot project introducing Digital Opportunity Traineeships under Erasmus+ and Horizon 2020; calls for a renewed impetus in this direction under the new multiannual financial framework (MFF) programmes;

32. Recommends that Member States, in close cooperation with local communities and education and training providers, give adults with limited digital skills access to upskilling pathways, which provide them with the opportunity to acquire a minimum level of digital competence;

33. Calls on Member States, in collaboration with businesses, local and regional communities, education and training centres and civil society stakeholders, to identify existing skills gaps, expand digital and internet literacy, enhance media literacy, in particular among minors, and establish a high level of digital connectivity and inclusion;

34. Welcomes the participation of businesses in founding and funding schools;

35. Welcomes the establishment of strategic partnerships between academic and research institutions and public and private partners as part of Key Action 2 of the Erasmus+ programme, with a view to setting up ICT centres of excellence and fostering the development of technological start-ups;

36. Recalls that proper assessment and monitoring of digital skills is essential to achieve progress; welcomes the development of EU-level tools for organisations (e.g. the Digital Competences Framework and the Reference Framework on Key Competences for Lifelong Learning) and for individuals (e.g. SELFIE); insists, however, that effective digital skills assessment methods must be dynamic, flexible, constantly updated and tailored to learners' needs, and must also achieve much broader uptake across the Union at national, regional and local levels;

37. Calls on the Member States to work with the Commission to ensure that the SELFIE self-reflection tool is available in Member States' regional and minority languages;

38. Welcomes the Union's increased policy focus on digital skills and education, as evidenced notably by the Digital Education Action Plan, which builds on a number of successful small-scale policy initiatives, such as EU Code Week, the Digital Skills and Jobs Coalition, and the Sofia Call for Action on Digital Skills and Education; takes the view that the teaching of programming should be part of a broader educational approach to information technology and critical and computational thinking;

39. Notes, however, that Union initiatives often emanate from different Directorates-General within the Commission, frustrating a coordinated approach to digital skills policy;

40. Supports the increased funding available for digital skills across the next generation of MFF programmes; insists on the need for the Commission to promote synergies across and ensure coordination between these programmes, including Erasmus+, Horizon Europe, InvestEU and Digital Europe, so as to maximise the effectiveness of funding for high-quality digital skills development and deliver lasting results for learners of all ages and backgrounds; stresses the need, furthermore, to set aside funding under these programmes and the European Structural and Investment Funds for the digitalisation of libraries, archives and museums to increase and improve their use in education and culture;

41. Emphasises the need for the Union to develop capabilities in areas such as artificial intelligence, big data, software engineering, quantum computing and web design; welcomes, in this context, the digital skills component of the Digital Europe programme;
42. Encourages greater synergies between Member States and the wider world in the field of internet education and active e-citizenship through various EU external action mechanisms and programmes, including Erasmus Mundus;

43. Highlights that open data and collaborative digital technology tools and methods can enable innovation in education and further develop Open Science, thereby contributing to the prosperity and entrepreneurial spirit of the European economy; points out, moreover, that the collection of data on digitalisation in education and training institutions and on the use of digital technologies in learning are vital policy-making inputs; recommends, therefore, that the Commission and the Member States collect data on the degree of connectivity of education and training institutions and the arrangements for issuing digitally certified qualifications and validating digitally acquired skills, which is an objective of the Digital Education Action Plan;

44. Regrets that no overarching digital skills strategy has been developed at EU level, while the implications of the digital transformation for the EU’s internal market are clear; believes that disparities among Member States illustrate the need for such a strategy;

45. Emphasises that recommendations for a minimum level of digital competence to be acquired by students during their studies should be drawn up; calls, therefore, for the introduction across the Member States of a specific ICT module, for example based on the PISA ICT module, and for teachers to be involved in its design and implementation; stresses that the ICT module should be designed to ensure that educational establishments in Member States aim for the same level of digital competence, through ongoing assessment rather than a test-driven approach, and that any problems are pinpointed quickly; encourages Member States to share lessons and best practices, in particular in the area of educational innovation;

46. Believes that the Digital Education Action Plan should be viewed as the first step towards a fully-fledged EU strategy on digital education and skills based on a lifelong-learning approach, which can provide both a more coordinated policy framework and simultaneously be adaptable to changing realities; calls, therefore, on the Commission to critically evaluate the 11 actions under the Plan, including their social inclusiveness, to prepare for the 2020 mid-term review; recalls that a proper review should imply a willingness to focus only on the best-performing actions, to jettison those that are not delivering and to develop new actions as required; stresses that enhancing digital skills through collaborations with non-formal education providers and in the harder-to-reach adult population is currently a glaring gap in the Plan;

47. Instructs its President to forward this resolution to the Council and the Commission.
Humanitarian Visas

European Parliament resolution of 11 December 2018 with recommendations to the Commission on Humanitarian Visas (2018/2271(INL))

(2020/C 388/02)

The European Parliament,

— having regard to Article 225 of the Treaty on the Functioning of the European Union,

— having regard to the Charter of Fundamental Rights of the European Union, and in particular Articles 4, 18 and 19 thereof,

— having regard to the Convention Relating to the Status of Refugees, signed in Geneva on 28 July 1951 and the 1967 Protocol thereto,


— having regard to the United Nations Global Compact for Safe, Orderly and Regular Migration and to the United Nations Global Compact on Refugees, which followed the New York Declaration for Refugees and Migrants adopted unanimously by the United Nations General Assembly on 19 September 2016,

— having regard to the European Added Value Assessment on Humanitarian Visas prepared by the European Parliamentary Research Service,

— having regard to Rules 46 and 52 of its Rules of Procedure,

— having regard to the report of the Committee on Civil Liberties, Justice and Home Affairs (A8-0423/2018),

A. whereas, despite numerous announcements and requests for safe and legal pathways offering access to European territory for persons seeking international protection, there is currently no harmonisation at Union level of protected entry procedures (PEPs) and no legal framework at Union level for humanitarian visas, i.e. visas issued for the purpose of reaching the territory of the Member States in order to seek international protection;

B. whereas, according to the judgment of the Court of Justice of 7 March 2017 in Case C-638/16 \(^2\), X and X v État belge, Member States are not required, under Union law, to grant humanitarian visas to persons who wish to enter their territory with a view to applying for asylum, but they remain free to do so on the basis of their national law; whereas this ruling interprets existing Union law, which may be modified:

C. whereas several Member States currently have or have previously had national schemes for issuing humanitarian visas or residence permits to guarantee national PEPs for people in need;

D. whereas the number of persons admitted on the basis of national entry procedures for humanitarian protection or through resettlement remains low in comparison to global needs, with significant disparities between Member States; whereas the scope of national entry procedures for humanitarian protection and resettlement is narrowly defined and, in the case of resettlement, is strictly connected to the criteria of vulnerability and registration as a refugee of the Office of the United Nations High Commissioner for Refugees;

E. whereas, as a result, an estimated 90% of those granted international protection have reached the Union through irregular means, which leads to them being stigmatised before they even arrive at the external borders of the Member States;


F. whereas single women travelling alone or with children, women heads of household, pregnant and lactating women, people with disabilities, adolescent girls and elderly women are among those who are particularly vulnerable along migration routes to Europe and are facing particular greater risks of gender-based violence, such as rape, violence and being the target of smugglers and traffickers to be sexually and economically exploited; whereas women and girls furthermore tend to be more vulnerable to all forms of exploitation, including labour exploitation and sexual exploitation, along the migration routes to the Union and are often forced into survival sex in exchange for continuing their journey;

G. whereas the human cost of those policies has been put at at least 30,000 deaths at the Union’s borders since 2000; whereas a Union legal framework is urgently needed as one means to address the intolerable death toll in the Mediterranean and on the migration routes to the Union, to truly combat human smuggling, exposure to trafficking in human beings, to labour exploitation and violence, to manage the orderly arrival, dignified reception and fair processing of asylum claims and to optimise Member States’ and the Union’s budget for asylum, procedures, border control and search and rescue activities as well as to achieve coherent practices in the Union asylum acquis;

H. whereas Parliament has tried to include provisions in that vein in its amendments to Regulation (EC) No 810/2009;

I. whereas both the Council and the Commission have rejected those amendments on the ground, among others, that such provisions should not be included in Regulation (EC) No 810/2009 given that its scope covers short-stay visas only;

J. whereas Parliament, faced with the Commission’s inaction, has therefore decided to proceed with drawing up this resolution on humanitarian visas;

K. whereas intensive work was undertaken, including with the help of experts, to draw up the recommendations which are annexed to this resolution;

1. Requests the Commission to submit, by 31 March 2019, on the basis of point (a) of Article 77(2) of the Treaty on the Functioning of the European Union (TFEU), a proposal for a regulation establishing a European Humanitarian Visa following the recommendations set out in the Annex hereto;

2. Considers that Member States should have the possibility to issue European Humanitarian Visas to persons seeking international protection to allow those persons to enter the territory of the Member State issuing the visa for the sole purpose of making an application for international protection in that Member State;

3. Considers that European Humanitarian Visas should be complementary to, and not substitute, the existing national entry procedures for humanitarian protection, resettlement procedures and spontaneous applications under international refugee law, and that the decision to issue European Humanitarian Visas should remain the sole competence of the Member States;

4. Considers that any initiative on European Humanitarian Visas should be without prejudice to other migration policy initiatives, including those aiming to address the root causes of migration;

5. Emphasises the pressing need for safe and legal pathways to the Union, of which the European Humanitarian Visa should be one, which is also especially important from a gender perspective since women are particularly vulnerable and therefore more exposed to sexual and gender-based violence along routes and in reception centres; emphasises that vulnerable economic and other types of dependencies often put women and girls in third countries in a situation where it is even more difficult for them than for men to safely seek asylum;

6. Considers that part of the financial implications of the requested proposal should be covered by the general budget of the Union as a practical expression of the principle of solidarity and fair sharing of responsibility, including its financial implications, between the Member States, in accordance with Article 80 TFEU;
7. Instructs its President to forward this resolution and the accompanying recommendations to the Commission and the Council, and to the national parliaments, the Court of Justice of the European Union, the European External Action Service, the European Asylum Support Office, the European Border and Coast Guard Agency, the European Union Agency for Law Enforcement Cooperation and the European Union Agency for Fundamental Rights.
The European Parliament considers that the legislative act to be adopted should:

1. **FORM AND TITLE OF THE INSTRUMENT TO BE ADOPTED**

   — be a separate legal act to be adopted in the form of a regulation entitled ‘Regulation of the European Parliament and of the Council establishing a European Humanitarian Visa’;

2. **LEGAL BASIS**

   — have point (a) of Article 77(2) of the Treaty on the Functioning of the European Union (TFEU) as its legal basis,

3. **JUSTIFICATION**

   — be justified by:

   — the current legal gap in Union law which, in addition to resettlement procedures applicable to vulnerable refugees, does not provide for procedures, either in the visa acquis or in the borders or asylum acquis, for the admission to the territory of the Member States of persons seeking protection, with an estimated 90% of the persons subsequently being recognised as refugees and beneficiaries of subsidiary protection reaching the territory of the Member States irregularly (1), often through life-threatening routes,

   — the risk of fragmentation as Member States increasingly set up their own programmes of humanitarian admission and procedures, going against the general aim under Article 78(1) TFEU to develop a common policy on asylum, subsidiary protection and temporary protection, and leading also to the risk that these different schemes undermine the uniform application of the common provisions on entry to the territory of the Member States of third-country nationals as laid down in the Regulations (EC) No 810/2009 (2) and (EU) 2016/399 (3) of the European Parliament and of the Council,

   — the high costs, in human but also in social, economic and budgetary terms, associated with the status quo for the third-country nationals concerned (smuggler fees, risk of trafficking and exploitation, risk of persecution, risk of death and ill treatment, etc.) and for Member States and the Union (elevated budget for search and rescue, including for private shipping, border protection, cooperation with third countries, asylum procedures and possibly return in case of rejected applications for international protection as well as the fight against organised crime, trafficking and smuggling etc.),

   — the added value of Union action, in terms of ensuring compliance with Union values, including fundamental rights, mutual trust between Member States and confidence in the system by asylum seekers, legal certainty, foreseeability, and the uniform application and implementation of the rules, the achievement of economies of scale, and the reduction of the above-cited costs of the status quo,

   — recall that Directive 2013/32/EU of the European Parliament and of the Council (4) and Regulation (EU) No 604/2013 of the European Parliament and of the Council (5) only apply on the territory of the Member States, while there are, at present, insufficient legal ways for asylum applicants to reach that territory,

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(1) HEIN / DONATO (CIR) 2012: exploring avenues for protected entry in Europe, p. 17.
(5) Regulation (EU) No 604/2013 of the European Parliament and of the Council of 26 June 2013 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 (OJ L 180, 29.6.2013, p. 31).
— recall that, after the submission of an asylum application in a Member State, the provisions of the Union’s Common European Asylum System apply,

— stress that a refusal of an application for a European Humanitarian Visa does not affect in any way the right to apply for asylum within the Union nor does it prevent the applicant from entering other available protection schemes,

4. GENERAL PROVISIONS

— have as an objective the laying down of provisions on the procedures and conditions under which a Member State may issue a European Humanitarian Visa to persons seeking international protection to allow those persons to enter the territory of the Member State issuing the visa for the sole purpose of making an application for international protection in that Member State,

— cover in its scope third-country nationals who must be in possession of a visa when crossing the external borders of the Member States, pursuant to Council Regulation (EC) No 539/2001 (1), and where the claims of exposure to or risk of persecution as defined in Directive 2011/95/EU of the European Parliament and of the Council (2) are manifestly well founded, but who are not already in a resettlement process as defined in national resettlement schemes or in the proposed Regulation establishing a Union Resettlement Framework and amending Regulation (EU) No 516/2014 of the European Parliament and of the Council (3) or Council Directive 2001/55/EC (4),

— exclude from its scope family members who would otherwise have a right to join their family in a Member State in a timely manner in accordance with other legal acts of the Union or national law,

5. PROCEDURES FOR ISSUING HUMANITARIAN VISAS

— provide for such visa applications to be lodged directly, by electronic means or in writing, at any consulate or embassy of the Member States,

— provide for practical modalities for such visa applications, including the filling out of an application form, the provision of information on the applicant’s identity, including biometric identifiers, and the provision of reasons, as far as possible documented, of the fear of persecution or serious harm,

— provide that the applicant for such a visa be invited to an interview (with the assistance of an interpreter if necessary), which may also be conducted by remote means of audio and video communication, which ensure an appropriate level of safety, security and confidentiality,

— provide that the documents submitted be assessed, including as regards their authenticity, by a competent, independent, and impartial authority, with adequate knowledge and expertise in matters of international protection,

— provide that applications for such a visa be assessed on the basis of the applicant’s declaration and interview and, where available, supporting documentation, without conducting a full status determination process,

— provide that, before the issuing of such a visa, each applicant be subject to a security screening, through the relevant national and Union databases in full respect of applicable data protection provisions, in order to ensure that he or she does not pose a security risk,

(1) Council Regulation (EC) No 539/2001 of 15 March 2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement (OJ L 81, 21.3.2001, p. 1).
(3) 2016/0225(COD).
— provide that such visa applications be decided on within 15 calendar days of the date of lodging the application,

— provide that the decision on the application be communicated to the applicant and that it be individualised, written and motivated,

— provide that a third-country national refused such a visa has the possibility for an appeal as is currently foreseen in the case of a refusal of a short-stay visa or a refusal of entry at the border,

6. ISSUING A HUMANITARIAN VISA

— provide for such visas to be issued by means of a common sticker and inserted into the Visa Information System,

— provide that once a humanitarian visa is issued it allows its holder to enter the territory of the Member State issuing the visa for the sole purpose of making an application for international protection in that Member State,

7. ADMINISTRATIVE MANAGEMENT AND ORGANISATION

— provide that applications for such a visa be assessed by properly trained staff,

— provide that such staff may either be posted in embassies or consulates or in Member States, in the event of which applications be electronically transmitted and interviews conducted remotely,

— provide that certain aspects of the process, which do not entail any pre-selection of cases, assessment or decision making of any kind, may be managed by external service providers, including the provision of information, the management of appointments for interviews, and the collection of biometric identifiers,

— provide that appropriate measures be put in place to ensure data protection, data security and confidentiality of communications,

— provide that Member States cooperate with each other, Union agencies, international organisations, governmental and non-governmental organisations and other relevant stakeholders to ensure its harmonised application,

— provide that information on the procedures and conditions of such a visa as well as about the conditions and procedures to obtain international protection in the territory of the Member States be made widely available, including on the websites of the Member States’ embassies and consulates and via the European External Action Service,

8. FINAL PROVISIONS

— provide for significant financial support from the Integrated Border Management Fund to be made available to Member States for its implementation,

— provide that a Member State that issues such a humanitarian visa has access to the same compensation from the Asylum, Migration and Integration Fund as when a Member State receives a refugee through the European Resettlement Framework,

9. AMENDMENT OF OTHER LEGAL ACTS

— provide for amendments to:

— Regulation (EC) No 810/2009 to clarify that for persons seeking international protection the provisions of the Regulation establishing a European Humanitarian Visa apply.
— Regulation (EC) No 767/2008 of the European Parliament and of the Council (1) to provide for applications for a European Humanitarian Visa to be entered into the Visa Information System,

— Regulation (EU) 2016/399 to adjust the entry conditions for persons who have obtained a European Humanitarian Visa,

— the Integrated Border Management Fund to provide funding for Member States for the implementation of the Regulation establishing a European Humanitarian Visa,

— Article 26 of the Convention implementing the Schengen Agreement of 14 June 1985 between the Governments of the States of the Benelux Economic Union, the Federal Republic of Germany and the French Republic on the gradual abolition of checks at their common borders (2) and to Council Directive 2001/51/EC (3) in order to exempt carriers transporting third-country nationals from liability, obligations and penalties where the third-country nationals involved declare their intention to apply for international or humanitarian protection in the territory of the Member States.


Full application of the provisions of the Schengen acquis in Bulgaria and Romania

European Parliament resolution of 11 December 2018 on the full application of the provisions of the Schengen acquis in Bulgaria and Romania: abolition of checks at internal land, sea and air borders (2018/2092(INI))

The European Parliament,

— having regard to the Protocol integrating the Schengen acquis into the framework of the European Union (11997D/PRO/02),

— having regard to Article 4(2) of the 2005 Act of Accession,

— having regard to the draft Council decisions on the full application of the provisions of the Schengen acquis in the Republic of Bulgaria and Romania of 29 September 2010 (14142/2010) and of 8 July 2011 (14142/1/2010),

— having regard to the draft Council decision on the framework for the full application of the provisions of the Schengen acquis in the Republic of Bulgaria and Romania of 7 December 2011 (14302/3/11),

— having regard to its legislative resolution of 8 June 2011 on the draft Council decision on the full application of the provisions of the Schengen acquis in the Republic of Bulgaria and Romania (1),

— having regard to the conclusions of the Justice and Home Affairs Council of 9 and 10 June 2011, 22 and 23 September 2011, 25 and 26 October 2012, 7 and 9 March 2013, and 5 and 6 December 2013,

— having regard to its resolution of 13 October 2011 on the accession of Bulgaria and Romania to Schengen (2),

— having regard to the Commission's eighth biannual report on the functioning of the Schengen area of 15 December 2015 (COM(2015)0675),

— having regard to its resolution of 30 May 2018 on the annual report on the functioning of the Schengen area (3),

— having regard to the Council decision (EU) 2017/1908 of 12 October 2017 on the putting into effect of certain provisions of the Schengen acquis relating to the Visa Information System in the Republic of Bulgaria and Romania (4),

— having regard to the draft Council decision on 18 April 2018 on the putting into effect of the remaining provisions of the Schengen acquis relating to the Schengen Information System in the Republic of Bulgaria and Romania (15820/1/2017),

— having regard to its legislative resolution of 13 June 2018 on the draft Council decision on the putting into effect of the remaining provisions of the Schengen acquis relating to the Schengen Information System in the Republic of Bulgaria and Romania (5),

— having regard to Rule 52 of its Rules of Procedure,

— having regard to the report of the Committee on Civil Liberties, Justice and Home Affairs (A8-0365/2018),

(2) OJ C 94 E, 3.4.2013, p. 13.
A. whereas Bulgaria and Romania adopted the Schengen acquis upon their accession to the European Union in 2007; whereas in 2008 Bulgaria issued its declaration of readiness to start the evaluations carried out by the Schengen Evaluation Working Group (SCH-EVAL), comprising experts from Schengen Member States; whereas in 2007 and 2008 Romania issued its declaration of readiness to start the evaluations carried out by SCH-EVAL;

B. whereas the completion of the Schengen evaluation process for Bulgaria and Romania and the state of preparedness of the two countries to implement all the provisions of the Schengen acquis were confirmed by SCH-EVAL experts, and by the Council in its conclusions of 9 and 10 June 2011; whereas in its draft decision of 8 July 2011, the Council verified that the necessary conditions for the application of the Schengen acquis had been met in all areas, namely data protection, air borders, land borders, police cooperation, the Schengen Information System, sea borders and visas; whereas in addition to the challenge of managing external borders of the European Union, the completion of the Schengen evaluation process has entailed both countries fundamentally restructuring their border surveillance systems and investing in increased law enforcement capacity; whereas according to the 2005 Act of Accession, the successful completion of the Schengen evaluation procedures is the only prerequisite for the full application of the Schengen acquis, including the abolition of checks at internal land, sea and air borders; whereas Bulgaria and Romania’s state of preparedness to apply the Schengen acquis in full has been acknowledged by heads of state and government in the Council on multiple occasions, as well as by the Commission and Parliament, most recently in the Commission communication of 27 September 2017 and Parliament’s resolution of 30 May 2018;

C. whereas in its draft decision of 29 September 2010, the Council proposed the full application of the Schengen acquis in Bulgaria and Romania and the abolition of checks at internal land, sea and air borders; whereas in its legislative resolution of 8 June 2011, Parliament approved this decision and asked the Council to consult Parliament again if it intended to substantially amend it;

D. whereas in September 2011 the Council Presidency presented a proposal for partial implementation of the provisions of the Schengen acquis in Bulgaria and Romania, namely the abolition of checks at internal sea and air borders only, while envisaging a separate decision, at a subsequent stage, as regards land borders;

E. whereas in its conclusions, the Justice and Home Affairs Council confirmed on multiple occasions its commitment to base any future decision on the abolition of checks at internal borders for Bulgaria and Romania on a two-step approach; whereas the adoption of that decision by the Justice and Home Affairs Council has been repeatedly deferred;

F. whereas with the Council decision of 12 October 2017 Bulgaria and Romania were granted passive access to the Visa Information System; whereas in its draft decision of 18 April 2018 the Council proposed the full application of the remaining provisions of the Schengen acquis relating to the Schengen Information System in both Member States;

G. whereas neither the 2005 Act of Accession nor the Schengen evaluation mechanism provide for setting different timeframes for the abolition of checks at internal land, sea and air borders; whereas all previous enlargements of the Schengen area were established with a single legal act;

H. whereas the Schengen area is an unique arrangement and one of the greatest achievements of the European Union, allowing the free movement of people through internal Schengen borders; whereas this has been made possible through a variety of compensatory measures, such as the establishment of the Schengen Information System (to reinforce the exchange of information), as well as the creation of an evaluation mechanism to verify the implementation of the Schengen acquis by Member States and foster mutual trust in the functioning of the Schengen area;
I. whereas the maintenance of internal border controls in the Union and their reintroduction in the Schengen area has a serious impact on the lives of European citizens and all those who benefit from the principle of free movement within the EU, and seriously undermines their trust in the European institutions and integration; whereas this entails direct operational and investment costs for cross-border workers, tourists, road freight transporters and public administrations, with crippling effects on the economies of the Member States and the functioning of the internal market of the EU; whereas the maintenance of internal border controls for Bulgaria and Romania has a negative impact on the exports and imports from and to both Member States, as well as on the transport operations from and to some of Europe's largest southern civilian fleet and freight ports, meaning lost benefits and increased spending; whereas estimates of the costs linked to the reintroduction of border controls for the European Union range between EUR 0.05 billion and EUR 20 billion in one-off costs and EUR 2 billion in annual operating costs (1);

J. whereas the maintenance of internal border controls in the Union and their reintroduction in the Schengen area appears linked to a perception of threats to public policy and internal security, rather than sound evidence of the actual existence of a serious threat; whereas the abolition of checks at internal borders as a result of the full application of the Schengen acquis in Member States that have already acceded has not led to higher crime rates; whereas the Schengen enlargement of 2007 is associated with lower acquisitive crime rates in both the newly acceding Schengen Member States and existing Schengen Member States, and has not increased the perception of insecurity among EU citizens (2);

1. Recalls that all the necessary conditions for the full application of the Schengen acquis were met by Bulgaria and Romania in 2011;

2. Regrets the fact that in the seven years since, the Council has failed to take a decision on the full application of the Schengen acquis in Bulgaria and Romania despite the repeated calls to this end by both the Commission and Parliament;

3. Considers the proposal for splitting the abolition of checks at internal borders into two legal acts in order to set different timeframes for the abolition of checks at land, sea and air borders a significant departure from the text of the draft Council decision of 29 September 2010 approved by Parliament;

4. Recalls that the Council may only take a decision on the application of the provisions of the Schengen acquis in Bulgaria and Romania after consulting Parliament — an obligation stemming from Article 4(2) of the 2005 Act of Accession; reiterates its call on the Council to notify Parliament if it intends to depart from the text approved by Parliament in its legislative resolution of 8 June 2011;

5. Expresses concern that the introduction of a two-step approach could negatively impact the future enlargement of the Schengen area; emphasises that the failure to reach consensus in the Council calls into question the unitary application of the provisions of the EU Treaties and the credibility of the EU, which continuously erodes public support for common EU policies by demonstrating unequal treatment of Member States and their citizens and introducing artificial lines of division within the Union; voices its concern that such practices contribute to the rise of populism and nationalism across the continent, which poses a fundamental challenge to the functioning of the EU;

6. Underlines the fact that the free movement of persons across internal borders, stemming from the incorporation of the Schengen acquis into the EU legal framework, is one of the main achievements of the EU; stresses that the functioning and enlargement of the Schengen area should not be negatively impacted by shortcomings in other EU policies, such as the Common European Asylum System;

(1) van Ballegooij, W., ‘The Cost of Non-Schengen: Civil Liberties, Justice and Home Affairs aspects’, Cost of Non-Europe Report, European Added Value Unit, 2016, p. 32.
(2) Ibid. p. 28 & 31.
7. Welcomes the adoption of the Council decision of 12 October 2017 granting Bulgaria and Romania passive access to the Visa Information System and the Council’s proposal for the full application of the remaining provisions of the Schengen acquis relating to the Schengen Information System in both Member States; regrets the fact that the adoption of these decisions did not immediately follow verification of the successful completion of the Schengen evaluation process in 2011, but was initiated as an ad-hoc measure to ensure compliance with the preconditions for the implementation of the Entry/Exit System, expected to be operational by 2020; considers that these legal acts constitute a step towards closing information gaps between those Member States applying the Schengen acquis in full and those applying it partially; firmly insists that the adoption of these acts should not serve to further delay the abolition of checks at internal land, sea and air borders; notes that with the adoption of these decisions, Bulgaria and Romania will share all the responsibilities and obligations, but not all the benefits, of fully fledged Schengen area membership;

8. Emphasises that the Schengen acquis was not designed to accommodate Member States with different legal statuses; draws attention to the fact that the Council's prolonged inaction has created the need for making a clear distinction in EU legislation, relating to information and border management systems, between those Member States applying the Schengen acquis in full and those applying it partially; voices its concern that this legally codifies a de facto parallel existence of a Schengen area with free movement and a Schengen area without free movement, at the risk of information exchange gaps, legislative deficiencies and a lack of connectivity between justice and home affairs systems;

9. Stresses that with regard to the full application of the Schengen acquis, no additional criteria other than the specified prerequisites laid down in the 2005 Act of Accession should be introduced or links to other Union mechanisms and policies made, including and without prejudice to the Cooperation and Verification Mechanism; calls on the Member States to take a decision on the enlargement of the Schengen area solely on the basis of fulfilment of the relevant conditions for applying the Schengen acquis following the completion of the Schengen evaluation process;

10. Urges the Council to present a new draft decision on the full application of the provisions of the Schengen acquis in Bulgaria and Romania on the basis of its draft decision of 29 September 2010 (14142/2010) as soon as possible and, by means of a single legal act, take an immediate decision for the abolition of checks at internal land, sea and air borders;

11. Calls on the Council to apply the same approach to Croatia and confirm the country’s full accession to the Schengen area as soon as it has successfully completed the Schengen evaluation process and the relevant criteria have been met;

12. Instructs its President to forward this resolution to the Council, the Commission and the national parliaments.
Military mobility

European Parliament resolution of 11 December 2018 on military mobility (2018/2156(INI))
(2020/C 388/04)

The European Parliament,

— having regard to the Treaty on European Union (TEU) and the Treaty on the Functioning of the European Union,

— having regard to the document entitled ‘Shared Vision, Common Action: A Stronger Europe — A Global Strategy for the European Union’s Foreign and Security Policy’, presented by the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy (VP/HR) on 28 June 2016,


— having regard to the Council conclusions of 13 November 2017 and 25 June 2018 on security and defence in the context of the EU Global Strategy,

— having regard to the Commission communication of 7 June 2017 entitled ‘Reflection Paper on the Future of European Defence’ (COM(2017)0315),

— having regard to the joint communication from the Commission and the VP/HR of 10 November 2017 on improving military mobility in the European Union (JOIN(2017)0041),

— having regard to the joint communication from the Commission and the VP/HR of 28 March 2018 on the Action Plan on Military Mobility (JOIN(2018)0005),

— having regard to Council Decision (CFSP) 2017/2315 of 11 December 2017 establishing permanent structured cooperation (PESCO) and determining the list of participating Member States (1),

— having regard to the Council recommendation of 6 March 2018 concerning a roadmap for the implementation of PESCO (2),

— having regard to Council Decision (CFSP) 2018/340 of 6 March 2018 establishing the list of projects to be developed under PESCO (3),

— having regard to the joint declarations by the Presidents of the European Council and the European Commission and the Secretary-General of NATO of 8 July 2016 and of 10 July 2018, to the common sets of proposals for the implementation of the joint declarations endorsed by the EU and NATO Councils on 6 December 2016 and 5 December 2017, and to the progress reports on the implementation thereof of 14 June and 5 December 2017 and of 6 June 2018, including the relevant Council conclusions,

— having regard to the Council conclusions of 5 December 2017 and 25 June 2018 on the implementation of the joint declarations,

— having regard to the Brussels Declaration on Transatlantic Security and Solidarity and the NATO Brussels Summit Declaration, both of 11 July 2018,

— having regard to its resolution of 22 November 2016 on the European Defence Union (4) and its resolution of 13 June 2018 on EU-NATO relations (5).

— having regard to its resolution of 13 December 2017 on the implementation of the common security and defence policy (CSDP) (1),

— having regard to Rule 52 of its Rules of Procedure,

— having regard to the report of the Committee on Foreign Affairs and the opinion of the Committee on Transport and Tourism (A8-0372/2018),

A. whereas the basic values on which the EU is founded — democracy, respect for human rights, and the rule of law, as well as the rules-based international system and European unity, are being increasingly challenged in an era of geopolitical turbulence and degradation of the strategic environment;

B. whereas credible deterrence, as well as planning for a response to crises and for the defence of continental Europe, depends on the ability to rapidly and efficiently deploy forces forward, including external allied forces;

C. whereas the post-1989 ‘peace dividend’ saw the gradual erosion of defence needs in terms of infrastructure and mobility of forces across Europe;

D. whereas the EU, in full cooperation with NATO, aims to act globally as a security provider, contributing to peace and stability both internally and externally and guaranteeing the security of its citizens and territory through a unique and wide array of policies, instruments and tools at its disposal to fulfil these ambitions;

E. whereas, in line with the objectives of the Global Strategy, the EU is increasing its responsibility for its own security and defence and its role as a partner for international peace and security, in particular in its neighbourhood, but also beyond, as well as its strategic autonomy, based on the implementation of a common foreign and security policy;

F. whereas the EU must develop its own strategic autonomy through an efficient foreign and security policy, in order to maintain peace, prevent conflicts and reinforce international security, while guaranteeing the security of its own citizens and the people involved in CSDP missions, with a view to protecting its interests and defending its founding values, all while contributing to effective multilateralism;

G. whereas the EU must be able to decide and act without depending on third-party capacities if it is to build its own resilience and consolidate its strategic autonomy in the field of defence, the fight against terrorism and cybersecurity;

H. whereas standardisation and interoperability at infrastructure and procurement level are key prerequisites for the achievement of strategic autonomy, the Defence Union and efficient military mobility;

I. whereas effective military mobility can only be achieved with the full involvement and commitment of all Member States, cooperating effectively with NATO, taking into account each Member State’s available resources, needs and regional specificities and in a manner consistent with relevant EU-level initiatives with the purpose of building an efficient European infrastructure for security needs through coherent and complementary projects;

J. whereas military mobility is a strategic and operational means of supporting military action, boosting the strategic autonomy of the Union and helping with the deployment and redeployment of, and support for, the Member States’ forces, with a view to achieving the EU’s military ambitions;

K. whereas the EU is facing hybrid and multidirectional challenges, notably coming from the High North, the East, the Balkans and the South / Mediterranean; whereas a faster and smoother deployment of assets and goods on these axes (North-South, West-East) could be crucial to enable a credible response;

L. whereas at the NATO Warsaw Summit in 2016 Allied leaders agreed to strengthen the Alliance’s Deterrence and Defence Posture, and have increased the readiness of response forces while having launched the ‘enhanced forward presence’ and ‘tailored forward presence’ to accomplish these goals;

M. whereas military mobility is a concrete step that is designed to meet the EU’s specific security and defence needs, and one which forms part of the CSDP; whereas the collective security and defence of the EU Member States and their ability to intervene in crises abroad is fundamentally dependent on the ability to move allied troops and civilian crisis management personnel, material and equipment across each other's territory and outside the EU freely and rapidly; whereas 22 EU Member States are also NATO allies and have a commitment to collective defence, possessing only a single set of armed forces and transport infrastructure; whereas the planned investments in transport infrastructure need to be better harmonised with security and defence needs;

N. whereas a substantial number of obstacles, physical, legal and regulatory, often make these movements difficult by imposing significant delays, thus threatening to undermine their purpose, especially in crisis situations; whereas the European military exercises carried out under the auspices of NATO in recent years have shown the huge importance of suitable transport infrastructure for the success of military objectives;

O. whereas the EU has substantial policies and tools at its disposal to help Member States meet their military mobility needs and international commitments;

P. whereas on 28 March 2018 the Commission and the VP/HR published an Action Plan on Military Mobility, which provides a timetable for steps to be taken by the EU and its Member States; whereas implementation has commenced with the identification of common military requirements for military mobility within and beyond the EU and the presentation of a proposal for funding military mobility via the Connecting Europe Facility (CEF) in the next multiannual financial framework (MFF), making it possible to fund projects pertaining to the dual use (civil and defence) of transport infrastructure;

Q. whereas the Council conclusions of 25 June 2018 call on the Member States to take measures at national level to improve the effectiveness of military mobility and simplify the relevant rules and procedures in line with the Action Plan and military requirements applicable to military mobility in the Union and beyond, in accordance with the national legislation of the Member States, as soon as possible and not later than 2024;

R. whereas a PESCO project on military mobility has been launched with a view to complementing the activities of the Commission and the VP/HR; whereas a further PESCO project on a network of logistic hubs in Europe and support to operations should complement this effort; whereas the purpose of enabling dual use of infrastructure is of the utmost importance for these logistical needs; whereas Member States have furthermore made commitments on military mobility as part of the more binding commitments required by the PESCO protocol; whereas PESCO projects should be developed in coordination with NATO; whereas there is a need for a PESCO project on the challenge of mobility as regards the military tasks set out in Article 43(1) of the TEU, in particular air and sea lift actions;

S. whereas the CEF is a common, centrally managed funding programme designed to promote the development of a high-performing, sustainable, interconnected trans-European network (TEN) in the fields of transport, energy and digital services, focusing on facilitating cross-border connections and removing bottlenecks, and providing clear EU added value in facilitating transnational cooperation and coordination; whereas the draft MFF for the period 2021-2027 includes, under the CEF budget line for the transport sector, a new envelope dedicated to military mobility needs; whereas it is highly desirable to maintain and further increase the efficiency of the CEF;
T. whereas the European Defence Agency is running several projects in the field of military mobility, on diplomatic clearances and on EU multimodal transport hubs, as well as the recently established ad hoc programmes on cross-border movement permission procedures and on harmonising customs-related military requirements; whereas the work of the European Defence Agency and the Commission must be coordinated in a clear and coherent manner to help the Member States finalise certain aspects of the Action Plan; whereas account is to be taken of the Member States’ needs, priorities and military requirements during a consultation process;

U. whereas military mobility has recently been identified as a priority area for EU-NATO cooperation in the common set of proposals for the implementation of the joint declaration, and has been reaffirmed as a priority in the new joint declaration and in the Brussels Declaration on Transatlantic Security and Solidarity; whereas NATO has transmitted to the EU its standards relating to military mobility, including NATO’s generic parameters for transport infrastructure;

V. whereas NATO is also focusing on improving its own logistical capabilities through the Enablement Plan for SACEUR’s Area of Responsibility, notably by adjusting legislation and procedures, enhancing command and control, increasing transport capabilities and upgrading infrastructure; notes in this context the establishment of two new commands, the Joint Force Command in Norfolk and the Joint Support and Enabling Command in Ulm;

W. whereas three out of four framework nations which deploy forces in NATO’s enhanced forward presence on the eastern flank as of 2019 will be from outside of the EU; whereas permanent presence on the continent and transport of reinforcements from the US, Canada and the UK is decisive for Europe’s security;

X. whereas enhanced pre-positioning of military logistic stocks, including munitions and fuel, will help alleviate some mobility pressures;

Y. whereas, despite all these institutional measures, the main improvements in military mobility capabilities will have to come from EU Member States, which need to adjust their national infrastructure and regulatory environments; whereas this will require a whole-of-government approach owing to the broad range of issues that need to be tackled; whereas this common effort is to be implemented with full respect for the national decision-making procedures and constitutional requirements of EU Member States, while also taking into account military mobility requirements identified by EU-NATO cooperation;

Z. whereas according to the Action Plan on Military Mobility and a pilot analysis initiated by the Estonian Presidency in 2017 for the countries of the North Sea-Baltic Corridor of the trans-European transport network showed that the maximum height clearance and weight tolerance of many road bridges is not sufficient for military vehicles and that there is insufficient loading capacity to move oversized military equipment by rail;

1. Underlines that military mobility is a central strategic tool enabling the EU to pursue its security and defence interests effectively and in a complementary manner with other organisations such as NATO and should not be limited only to the removal of physical, legal and infrastructural obstacles; emphasises the need to improve military mobility for NATO’s rapid reinforcement capabilities, which would enhance our collective security and potentially increase the EU’s contribution to international security and stability; welcomes the fact that military mobility has recently gained a substantial level of attention from all relevant actors; notes that it enhances Europe’s preparedness and defence posture in the face of potential adversaries and crisis situations while helping to achieve the EU’s level of ambition in defence and security policy, including political, operational and industrial strategic autonomy;

2. Stresses that the introduction of the Action Plan on military mobility in the Union is part of the major objective of improving mobility in the EU, and at the same time of responding to the logistics and mobility challenges set out in the CSDP; to that end, it is vital to harmonise cross-border standards and customs regulations, as well as administrative and legislative procedures; underlines that the role of EU joint ventures is vital for the harmonisation of administrative and legislative procedures, both for the CEF and for the Action Plan on military mobility; it is to be hoped that dual mobility will have positive effects on the development of the CEF, helping in budgetary matters and meeting new and future needs;
3. Stresses that furthering the European Defence Union and building on strategic autonomy and self-resilience should not lead to increasing tensions in the relations of the EU with strategically relevant regional actors;

4. Stresses that achieving military mobility in Europe is an undertaking derived first and foremost from the expressed commitment and political will of Member States, while the EU should contribute by guiding the process by setting a framework for requirements, providing funding, drafting protocols to facilitate the efficient movement of technical equipment and human resources, fostering cooperation and providing forums for an exchange of best practices, information and experiences involving both civilian and military authorities; emphasises that effective military mobility will benefit all Member States by enhancing their connectivity in both military and civilian spheres; stresses that the national decision-making procedures and constitutional roles of each Member State are to be respected;

5. Emphasises the importance of promoting intersectoral cooperation (synergies) between the Member States in order to develop dual mobility that is efficient, interoperable, safe, multimodal, smart and sustainable and which meets the new challenges of the digitalisation of transport (auto-motion and connectivity) and of reliably fulfilling the EU’s obligations and responsibilities in the field of dual (civil and defence) logistics, given its role as a global player;

6. Strongly supports the Council’s call for Member States to develop national plans for military mobility by the end of 2019 and to give their implementation high priority; welcomes the other measures agreed in the Council conclusions in the context of the EU Global Strategy of 25 June 2018, and urges the Member States to meet the deadlines set therein; emphasises that successful efforts to foster military mobility would enable Member States to effectively pursue both their national and collective European defence planning and efficient participation in joint exercises, training and CSDP missions and operations;

7. Emphasises the importance of crisis reaction mobility, i.e. the need to be rapid and efficient when deploying assets for missions and operations, so as to ensure that the EU maintains its standing as a reliable global security provider and peace actor and is able to deal effectively with natural disasters, humanitarian crises, the military tasks of Article 43(1) of the TEU as exemplified by the illustrative scenarios, and the implementation of the mutual assistance and solidarity clauses;

8. Believes that an efficient military mobility policy will strengthen the EU’s CSDP missions, given their international dimension and their peace-keeping objective by increasing synergies between defence needs and will strengthen the EU’s capacity to respond to emergency situations and that humanitarian missions and natural disaster responses in the EU should also benefit from increased military mobility; notes that the type of missions which would most benefit from increased military mobility in the EU and beyond are in the field of collective defence and national or European crisis management missions and operations; stresses in this context that progress in this field will help those EU Member States that are also NATO members to meet their Article 5 commitments; emphasises the particular role played by the neutral Member States; recognises, however, that, under Article 42(7) of the TEU, EU Member States also have an unequivocal obligation of aid and assistance by all the means in their power if a Member State is the victim of armed aggression on its territory, consistent with commitments under NATO;

9. Recognises the importance of a thorough analysis regarding which parts of the EU or Member States are more in need of military mobility investments and more exposed to the risk of external security threats;

10. Acknowledges the complex nature of the challenge, involving, among other aspects, questions of infrastructure construction, common standards, transport regulations, customs, taxes, and movement permissions, as well as all levels of government from municipal administrations to international organisations; calls in this regard for frameworks to bring together both military and civilian actors at all levels, including from NATO and NATO partners, to discuss the relevant issues and thus ensure added value and effective coordination and implementation, and points out that in order to achieve the optimal outcome, Member States must invest in the joint training of administrative and institutional staff; welcomes the fact that the Commission has undertaken to explore options for standardising and simplifying customs procedures by the
end of 2018; highlights that institutional cooperation among the Member States, organisations and agencies involved is key to ensuring the harmonisation of EU legislation; emphasises that there should be special coordination and exchange of experiences in the case of dual use of infrastructure for dangerous goods in order to prevent the risk of accidents while optimising safety across the network as a whole;

11. Notes the significant decline in the quantity of rolling stock available, in particular of flatbed railcars, for moving heavy equipment and vehicles at short notice;

12. Recognises that operating in such a complex environment creates numerous difficulties with regard to duplication and coordination, as well as with regard to expenditure, which could fundamentally threaten the overall project if not adequately managed; acknowledges that projects have already been run in the EU in the transport sector on the basis of dual cooperation, such as the Single European Sky project; calls on the Member States and the Commission to ensure a more efficient framework for cooperation; emphasises that in order to implement military mobility projects, greater collaboration between Member States will be required and it will be necessary to encourage cooperation between the civilian and military spheres; stresses the need for coordination with the projects on military mobility prepared within the framework of PESCO, as well as those taking place in the context of the European Defence Fund;

13. Stresses therefore that an understanding of the common strategic purpose and the development of a common plan and cooperation among Member States is absolutely vital for success; highlights that coherent military planning is imperative for effective strategic autonomy, based on standardisation and interoperability of equipment and weaponry, as well as strategic doctrine and command and control processes; welcomes in this context the Action Plan on Military Mobility, which outlines concrete steps for different institutional actors and EU Member States and which recognises the strategic role played by the trans-European transport network; welcomes the commitments made by Member States;

14. Regrets that the Action Plan fundamentally describes a bottom-up approach, with only a limited strategic vision of what concrete defence goals the EU is aiming to achieve through the various activities described in the Action Plan: deplores in this regard the continuing absence of an EU white paper on defence, which could have provided this overarching sense of purpose; believes nonetheless that the current approach has considerable merit and will serve the interests of all EU Member States, both neutral states and EU Member States in their role as NATO allies;

15. Stresses that the ambitious timetable in the Action Plan should be adhered to, both by the EU institutions and by Member States, to ensure that the current mobility gaps are filled as soon as possible and the level of ambition in defence and security policy are achieved; welcomes the Action Plan’s calls to improve military mobility by taking into account hybrid threats, especially to transport and critical infrastructure, and to improve the resilience of transport infrastructure to hybrid threats;

16. Notes the progress made in the development of military requirements for military mobility within and beyond the EU, in particular for dual-use infrastructure, and welcomes the close involvement of Member States at all stages of the process, the Netherlands’ leadership with respect to the PESCO project and the input provided by NATO;

17. Welcomes the Commission proposal on the use of the CEF and the substantial funds envisaged for dual-use military mobility projects to ensure that infrastructure is adjusted to take into account dual-use needs; believes that dual use of infrastructure is an essential precondition for the civil transport network to benefit from the Action Plan and the military mobility envelope; sees the implementation of the Action Plan as an opportunity to enable the civilian transport network to benefit from increased network capacity and to foster multimodal connections; welcomes the calls to assess and adapt the trans-European transport network to cover identified military requirements that will be applied also to new civilian transport projects, especially airports, ports, motorways and railways as intermodal hubs in key corridors; points, therefore, to the need to establish — in cooperation with the Member States — a list of national infrastructures and corridors, taking account of the Member States’ specific military characteristics; notes that the development of dual-use projects should be sustainable and in line with environmental standards;
18. Is of the opinion that, for the purpose of optimising the use of EU funds, any transport project of common interest financed by the CEF should integrate, if necessary, the military mobility requirements at the conception phase, in order to avoid unnecessary upgrading of the infrastructure at a later stage and therefore uneconomical use of funding; considers that any contribution from the CEF military mobility envelope should, whenever possible, give priority to multimodal projects, as they bring the most opportunities for dual use, and to cross-border projects as they contribute to addressing existing missing links and bottlenecks, which are the major current physical barriers to rapid and seamless mobility both for civilians and for the transfer of troops and heavy military equipment; stresses that the process of identifying the sections of the Trans-European Transport Network (TEN-T) suitable for military transport must unconditionally maximise civilian and military synergies and comply with the dual-use principle; believes that additional investment along the network could yield comprehensive networks by 2050; underlines that it should be possible to use funding from the military mobility envelope for adapting transport infrastructure within both the core and the comprehensive TEN-T networks;

19. Supports the decision to allocate the military mobility envelope under the centralised management of the CEF programme with a strict dual-use mobility objective; takes note of the preliminary actions set by the Action Plan; calls on the Commission to adopt, by 31 December 2019, delegated acts in order to further specify military requirements, list the parts of the TEN-T suitable for military transport, list priority dual-use infrastructure projects, and set out the assessment procedures regarding the eligibility of the actions connected with military mobility and award criteria;

20. Recalls that several technologies used in the defence sector have been successfully translated into the civilian sector; highlights that the deployment of an intelligent transport system relying on telematic application systems such as ERTMS and SESAR and the uptake of Galileo/EGNOS/GOVSATCOM-related technologies represent one of the most challenging opportunities ahead for the civilian transport sector; considers, therefore, that future revisions of the Action Plan should ultimately explore the possibility for civilian transport to exploit military responses to those challenges, for instance in the field of cybersecurity and secure communication; calls for further measures to increase cooperation and trust between cybersecurity and defence actors and to enhance cooperation as part of PESCO; underlines the need to continue developing a joint network on countering hybrid threats so as to ensure the resilience of those infrastructures which are strategic in light of the work to improve military mobility in the EU; stresses the importance of the ongoing efforts of the EU institutions to update the dual-use export control regulation;

21. Recognises the value of potential proposals on regulating the transport of dangerous goods for military use, updating the EU customs code, and adapting VAT rules;

22. Welcomes the exchange of information and best practices between military and civilian actors in this regard, and emphasises the need to work jointly to establish common ground for regulating the transport of dangerous goods for military use;

23. Notes that the Action Plan identifies a considerable number of tasks that need to be accomplished at Member-State level, to which end the European Defence Agency and the Commission are to provide support and guidance for their swift and efficient implementation; recalls the need for a customs and tax regulatory framework, in particular with regard to VAT; emphasises in particular the importance of achieving harmonised rules for cross-border movement permissions, which are a major obstacle to rapid movements; considers that Member States should work together to maximise the effectiveness of cross-border dual use and to reduce administrative costs; supports, in that context, the ambition to speed up border crossing times by 2019, and — with that aim in mind — for diplomatic authorisations for land, sea and air movements to be issued within five days, and for that deadline to be even shorter for rapid reaction units;

24. Supports the decision made by the Member States participating in PESCO to include military mobility on the initial list of 17 priority projects to be developed within the PESCO framework; emphasises in this context that the PESCO project on military mobility could constitute a useful tool for coordinating the efforts of Member States envisaged in the Action Plan, as well as other activities beyond the EU’s immediate competences; believes that this division of labour, accompanied by proper coordination, is vital if the PESCO project is to provide added value; welcomes also the more binding commitments on simplifying cross-border military transport made in the PESCO notification; calls on the Member States to actively take part in the PESCO military mobility project;
25. Underlines the importance of duly informing and involving local communities with regard to the planning and impact of major military mobility infrastructure;

26. Underlines that, ultimately, the EU can only supplement Member States' efforts; stresses that success fundamentally relies on Member States' acceptance of and ability to implement a whole-of-government approach to tackle the relevant issues; underlines the importance of the Member States' political commitment to making effective military mobility in the EU and beyond a reality; underlines that to succeed, military mobility will require cooperation and coordination with all NATO allies;

27. Welcomes the new joint declaration on EU-NATO cooperation and the Brussels Declaration on Transatlantic Security and Solidarity, and the emphasis that both place on military mobility issues; welcomes also NATO's new initiatives, particularly the Enablement Plan for SACEUR's Area of Responsibility; welcomes NATO's work on ensuring military mobility in this respect and urges both the EU and NATO to prevent unnecessary duplication of efforts; underlines the importance of ports as points linking the EU with its NATO allies and for intra-European short-distance maritime transport links; emphasises the importance of transparency and communication about EU defence initiatives, including PESCO, to the United States and other NATO allies in order to avoid any misconceptions, and welcomes the EU defence initiatives for strengthening the European pillar within the NATO Alliance;

28. Urges, therefore, the EU, its Member States and NATO to intensify their cooperation and coordination, including by using funds for common projects, increasing political flexibility, formalising the EU-NATO relationship, expanding the areas of cooperation and sharing information more broadly, where in the security interests of the EU, so as to ensure that synergies are achieved; expresses hope that the obstacles to sharing classified information between the two bodies will be cleared as soon as possible to enable this closer cooperation;

29. Instructs its President to forward this resolution to the European Council, the Council, the Commission, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, the EU agencies in the field of defence, the NATO Secretary-General, and the governments and parliaments of both EU and NATO member states.
New European Agenda for Culture

European Parliament resolution of 11 December 2018 on the New European Agenda for Culture (2018/2091(INI))

(2020/C 388/05)

The European Parliament,

— having regard to the Social Summit for Fair Jobs and Growth held in Gothenburg on 17 November 2017, to the Leaders’ Agenda on education and culture of November 2017 and to the European Council conclusions of 14 December 2017 on the social dimension of the Union, education and culture,

— having regard to its resolution of 12 May 2011 on unlocking the potential of cultural and creative industries (1),

— having regard to its resolution of 12 September 2013 on promoting the European cultural and creative sectors as sources of economic growth and jobs (2),

— having regard to its resolution of 13 December 2016 on a coherent EU policy for cultural and creative industries (3),

— having regard to its resolution of 10 April 2008 on cultural industries in Europe (4),

— having regard to its resolution of 7 June 2007 on the social status of artists (5),

— having regard to its resolution of 12 May 2011 on the cultural dimensions of the EU’s external actions (6),

— having regard to its resolution of 8 September 2015 entitled ‘Towards an integrated approach to cultural heritage for Europe’ (7),

— having regard to its resolution of 19 January 2016 on the role of intercultural dialogue, cultural diversity and education in promoting EU fundamental values (8),

— having regard to its resolution of 12 April 2016 on learning EU at school (9),

— having regard to its resolution of 10 April 2008 on a European agenda for culture in a globalising world (10),

— having regard to its resolution of 14 June 2018 on structural and financial barriers in the access to culture (11),


(2) OJ C 93, 9.3.2016, p. 95.
(3) OJ C 238, 6.7.2018, p. 28.
(9) OJ C 58, 15.2.2018, p. 57.
— having regard to the Convention on the Protection and Promotion of the Diversity of Cultural Expressions, adopted by
the UN Educational, Scientific and Cultural Organisation (UNESCO) on 20 October 2005,

— having regard to the Council of Europe Framework Convention on the Value of Cultural Heritage for Society (Faro
Convention) of 27 October 2005,

establishing the Creative Europe Programme (2014 to 2020) and repealing Decisions No 1718/2006/EC, No 1855/2006/EC
and No 1041/2009/EC (\(^1\)),

— having regard to the Council resolution of 16 November 2007 on a European Agenda for Culture (\(^2\)),

— having regard to the Council conclusions of 23 December 2014 on a Work Plan for Culture (2015-2018) (\(^3\)),

— having regard to the EU Work Plan for Culture for the period 2015-2018,

— having regard to the Council conclusions of 27 May 2015 on cultural and creative crossovers to stimulate innovation,
economic sustainability and social inclusion (\(^4\)),

— having regard to the joint communication by the Commission and the Vice-President of the Commission / High
Representative of the Union for Foreign Affairs and Security Policy (VP/HR) of 8 June 2016 entitled ‘Towards an EU
strategy for international cultural relations’ (JOIN(2016)0029),

— having regard to the Commission report on the implementation of the European Agenda for Culture (COM(2010)0390)
(\(^5\)),

— having regard to the Commission Green Paper of 27 April 2010 entitled ‘Unlocking the potential of cultural and
creative industries’ (COM(2010)0183),

— having regard to the proposal for a decision of the European Parliament and of the Council on a European Year of

— having regard to the Commission communication of 26 September 2012 entitled ‘Promoting cultural and creative
sectors for growth and jobs in the EU’ (COM(2012)0537),

— having regard to the Commission communication of 18 December 2012 on content in the Digital Single Market
(COM(2012)0789),

— having regard to the Commission communication of 22 July 2014 entitled ‘Towards an integrated approach to cultural
heritage for Europe’ (COM(2014)0477),

— having regard to the 2012 report by the Working Group of EU Member States’ Experts on Access to Culture,

— having regard to the Communication of 20 December 2010 on removing cross-border tax obstacles for EU
citizens (COM(2010)0769),

— having regard to the Commission communication of 11 November 2011 on double taxation in the single market
(COM(2011)0712),

— having regard to the 2015 report on ‘Ways to tackle cross-border tax obstacles facing individuals within the EU’ by the
Commission’s expert group on removing tax problems facing individuals who are active across borders within the EU,

\(^3\) OJ C 463, 23.12.2014, p. 4.
\(^4\) OJ C 172, 27.5.2015, p. 13.
— having regard to the 2017 report by the Working Group of EU Member States’ Experts on intercultural dialogue under the open method of coordination (OMC), entitled ‘How culture and the arts can promote intercultural dialogue in the context of the migratory and refugee crisis’,

— having regard to the Rome Declaration of 25 March 2017, in which the leaders of 27 EU Member States and EU institutions stated their wish for an ambitious Union, ‘where citizens have new opportunities for cultural and social development and economic growth’, ‘a Union which preserves our cultural heritage and promotes cultural diversity’,

— having regard to the Davos Declaration of 22 January 2018 on high-quality Baukultur for Europe, in which European Ministers of Culture highlighted the ‘urgent need […] to develop new approaches to protecting and advancing the cultural values of the European built environment’ and for ‘a holistic, culture-centred approach to the built environment’,

— having regard to Rule 52 of its Rules of Procedure,

— having regard to the report of the Committee on Culture and Education (A8-0388/2018),

A. whereas the priorities for the New Agenda and the sector-specific approach are welcome; whereas equal, tailor-made support focusing on sector-specific challenges should be given to all cultural and creative sectors, and whereas cultural diversity and intercultural dialogue should be maintained as cross-cutting priorities; whereas culture is a public good and the New Agenda for Culture should aim at preserving, expanding and disseminating a vibrant and diverse cultural scene, ensuring access for all and fostering participation;

B. whereas the New Agenda for Culture should provide a flexible framework for changing cultural ecosystems and fostering synergies between sectors;

C. whereas Europe is emerging from a severe financial crisis, during which national and regional budgets for culture have, unfortunately, often been among the first to suffer cuts;

D. whereas Europe is facing growing social inequalities and youth unemployment, rising populism and radicalisation, as well as having an increasingly diverse population; whereas culture is therefore more important than ever in achieving social cohesion and intercultural dialogue and in guaranteeing citizens’ freedom and diversity of expression, communication, and creation, and in building bridges among individuals;

E. whereas Europe’s creative and cultural sectors are the EU’s strongest assets; whereas they represent 4.2 % of the EU’s GDP, create 8.4 million jobs, equal to 3.7 % of total employment in the EU, and are economically resilient, even in times of crisis; whereas these sectors encourage creativity, which feeds into all sectors of activity, while providing a higher percentage of employment among young people and women than other sectors;

F. whereas Europe’s music sector is very dynamic, accounting for 1 million jobs and a turnover of EUR 25 billion; whereas, however, it remains severely underfunded, particularly when taking into account new online distribution models; whereas, out of a total budget of EUR 1.46 billion for Creative Europe, as of July 2018 only EUR 51 million have gone to music projects, and mainly towards classical music; whereas this does not reflect the diversity of Europe’s music sector, nor its economic, social and cultural contribution;

G. whereas culture plays an important role in social cohesion and integration, particularly through the participation of minorities, disadvantaged groups, marginalised communities, migrants and refugees in cultural and social life, and whereas the special call for migrants’ integration in the Creative Europe programme has proved to be efficient but oversubscribed and underfunded;

H. whereas artists and cultural professionals often face precarious and unstable situations with weak or no social security and unpredictable incomes;

I. whereas cultural awareness and expression has been recognised at EU level in the revised recommendation on Key Competences for Lifelong Learning; whereas the arts and humanities should be fully incorporated into education systems so as to contribute to shaping a Europe that is collaborative, creative and mobilised to promote sustainability, integration and civic cohesion;
J. whereas cultural networks are a powerful tool in forging interpersonal bonds and long-lasting peaceful connections and dialogue across national borders and therefore in fostering international cultural relations, which are at the heart of global regulations and the emergence of a European cultural space;

**General remarks**

1. Welcomes the New Agenda for Culture and stresses that it represents a huge opportunity to adopt a comprehensive and coherent policy for culture at European level recognised by European citizens and outside the EU; stresses however that it can only be successful if supported by a significant budgetary increase for Creative Europe and by the development of synergies and interactions with other EU-funded programmes in order to create a holistic, cross-cutting approach to culture;

2. Reaffirms the role of culture and the cultural and creative sectors (CCSs) as a driving force in pursuing the objectives of cohesion policy and social inclusion across the Union, and calls for this to be taken into account in the assignment of structural and cohesion funding;

3. Recognises that the 2018 European Year of Cultural Heritage (EYCH) represents an opportunity to increase awareness of the unique strength and diversity and intrinsic value of EU culture and cultural heritage and the vital role they play in our societies and economies in creating a sense of belonging, promoting active citizenship and defining our identity and fundamental values of freedom, diversity, equality, solidarity and social justice;

4. Welcomes the Commission’s intention to present an Action Plan for Cultural Heritage and emphasises the need to focus on both tangible and intangible aspects of Europe's heritage and on the links it has with contemporary artistic and creative projects and expression; stresses, moreover, the need to create a permanent structured dialogue with stakeholders for gathering knowledge, capacity-building and coordinating advocacy for cultural heritage in Europe, as a way to consolidate the long-term legacy of the European Year of Cultural Heritage, and to assist with the implementation of the Action Plan; underlines that this structured dialogue should include all cultural, creative and heritage sectors; calls on the Member States, furthermore, to prepare complementary Action Plans at national level, and considers the Action Plan to be an opportunity to address all the issues raised within the 10 European initiatives beyond the EYCH 2018 and to bring forward the recommendations issued during the EYCH 2018;

5. Calls on the Commission to ensure that the need to respond to new unforeseen circumstances will not hinder the attainment of already agreed objectives in the field of culture; recalls that new initiatives should be financed by a new budget from new sources and not via a reallocation of existing funds;

6. Calls on the Commission to set up a single EU portal dedicated to cultural heritage, bringing together information from all the EU programmes funding cultural heritage and structured into three main sections; funding opportunities for cultural heritage, a database with examples of best practices and excellence from the field of cultural heritage and relevant references, and news and links concerning cultural heritage-related policy developments, actions and events;

7. Calls on the Commission and the Member States to develop new approaches to systematic data collection for all CCSs and to ensure that effective statistical codes and more qualitative indicators are used, bridging the divide between the increasingly data-poor public sector and the information-rich digital operators who use this information to acquire market share and destabilise market players;

8. Calls on the Commission to introduce EU scoreboards to measure cultural and media pluralism, to develop indicators and to monitor freedom of artistic expression at European level and diversity in the creation, distribution and supply of creative works;

9. Welcomes the launch of ‘Music Moves Europe’ as a significant first step in stimulating creativity, diversity and innovation in Europe's music sector and the sectoral action on music in the Creative Europe programme; calls on the Commission to focus on mobility of artists and repertoire within and beyond Europe, distribution, funding for small and medium-sized enterprise (SMEs), transparency and responsibility of digital platforms to artists, diversity of streaming services, accessibility of information online and a mapping of the sector when developing further EU action on music;
10. Welcomes the creation of an online directory of European films and the launch of the first EU Film Week and encourages the Commission and the Member States, in collaboration with artists and the creative industries, to reinforce the visibility of European cinema in Europe and on a global scale, notably through enhancing the availability of European films and through promoting the development of European platforms providing access to licensed EU films, while remunerating artists and right holders fairly and respecting the principle of territoriality; emphasises furthermore the positive experience of the LUX Prize in promoting European films and facilitating their distribution;

11. Calls on the Commission to recognise the importance of the Urban Agenda for the EU and to encourage cooperation between Member States and cities, among other stakeholders, in order to stimulate growth, liveability and innovation in the cities of Europe and to identify and successfully tackle social challenges;

12. Calls on the Commission to introduce a dedicated action for the mobility of art works, possibly in the form of a touring grant, as this would extend the lifecycle of many projects that are funded through the Creative Europe programme;

**Cultural and artistic dimension**

13. Recognises the intrinsic value of free cultural, artistic and creative expression and of the broadest possible public access to culture, including through dedicated measures;

14. Calls on the Commission to ensure that European festivals receive support, as they are an essential element in bringing citizens together from across Europe and beyond, while strengthening links between them; underlines that festivals are a unifying force with an impact on society, citizenship, the economy, cultural heritage and external development;

15. Calls on the Commission to consider designating a European Cultural Personality of the year, the event for which would include a series of activities and projects across Europe that would honour the life and work of this person and emphasise his or her impact on fostering European values and identity;

16. Calls for the professionalism of artists, authors, cultural operators, copywriters and audiovisual operators to be used as vital support for the development of a European cultural dimension, intercultural dialogue, cultural and artistic innovation, territorial cohesion and social inclusion;

17. Calls on the Commission to recognise culture as a ‘soft power’ that enables and empowers its citizens to be responsible leaders in society, with integrity, enthusiasm and empathy;

18. Calls on the Commission to enable Europe to be a place of responsible citizens who build relationships beyond their own cultures, challenge thinking and encourage innovation, and develop and engage others;

19. Calls on the Commission to encourage cultural diversity, integration of migrants and quality of citizenship;

20. Calls on the Commission to encourage collaboration between culture professionals, educators, engaged citizens and business professionals in order to stimulate a renewed public interest in culture;

21. Calls on the Commission to ensure that cultural networks are supported as a means of collective knowledge, experience and memory, providing an informal exchange of information, stimulating discussion and development of culture to improve further mobility and cooperation possibilities and contributing to an integrated Europe cultural space;

**Social dimension**

22. Welcomes the Commission’s intention to introduce a dedicated action on mobility within Creative Europe, but underlines that this requires an appropriate budget and simplified administrative procedures in order to avoid obstacles, such as those linked to visas, in particular those from third countries; stresses that specific action is needed to address the hindrances and obstacles resulting in excessive or double taxation for artists;
23. Calls on the Commission to put in place a single portal containing information on all available residency programmes and mobility opportunities;

24. Invites the Member States to consider removing Article 17 of the OECD Model Tax Convention from bilateral tax treaties between EU Member States; calls on the Commission, as an intermediate solution, to establish a sector-specific Code of Conduct on Withholding Taxes detailing the options for reducing costs and simplifying procedures by presenting best practice and available exceptions;

25. Calls for a guarantee of the right of creative and artistic workers to fair remuneration, contractual agreements and working conditions; points to the project-based, precarious and atypical employment of cultural workers in Europe; calls on the Member States, therefore, to adopt comprehensive measures in order to reduce the grey area through harmonisation and improve the contractual conditions of artists and creators across the EU and on a European scale, with respect to collective representation, social security and direct and indirect taxation; calls for security systems across the Union to fully take into account the specificities of non-standard forms of employment;

26. Underlines that cultural heritage and cultural spaces play an important role in city regeneration and the promotion of cohesion between residents; therefore encourages the Commission and its Joint Research Centre (JRC), whose work gives a sense and direction to cities’ stories, to further develop the Cultural and Creative Cities Monitor, and calls on cities and municipalities to make better use of it;

27. Recognises the added value of neighbourhood-based cultural activities in providing social, economic and health benefits to local communities, notably in low-income and marginalised areas, such as outskirts and rural areas; calls on the Member States, cities and municipalities therefore to support these activities through concrete measures, such as tailored zoning regulations, funding initiatives and the reuse of abandoned facilities;

28. Underlines that culture has a demonstrated impact in fostering social cohesion and enhancing life satisfaction and wellbeing and that it therefore plays a crucial role in easing the pressure that Europe faces in hosting an increasingly culturally diverse population; stresses the role that culture and intercultural dialogue can play in empowering migrants and facilitating their integration;

29. Regrets that, according to the 2017 Eurobarometer, 36% of Europeans did not participate in any cultural activity the previous year; calls on the Commission and the Member States therefore to strengthen the links between culture, art, creation, education, innovation, and artistic research; calls on them furthermore to invest in audience engagement, community involvement, and cultural capability, and to implement the necessary measures in order to guarantee access to and participation in cultural life, especially for the most disadvantaged groups;

30. Encourages closer synergies between the cultural sector and education, for example by encouraging extracurricular activities or artists’ involvement in schools; recalls in this respect the need to provide artists, managers, teachers, facilitators, social workers and other professionals engaged in these contexts with sufficient public financial support;

31. Stresses the importance of effective measures to promote the intellectual and cultural development of children; calls on the Commission and the Member States, within their respective spheres of competence, to provide adequate funding for the support of cultural production projects targeting children;

32. Stresses the added value of the arts, music and humanities in school curricula as they contribute to increased creativity, inspire an interest in culture and promote critical thinking; underlines that cultural and creative skills are increasingly needed in the digital landscape and calls on the Commission and the Member States, therefore, to overcome a strict division between disciplines and transition from the Science, Technology, Engineering and Mathematics (STEM) approach to a STEAM approach both in formal and non-formal education, and to adopt a lifelong-learning approach to cultural, creative and audiovisual practitioners; acknowledges the important role of music and the arts in school curricula; invites the Commission and the Member States to examine the development of a textbook on European cultural history;
33. Stresses that for culture to thrive it is essential to ensure a safe and adequate learning environment for students and teaching staff; calls, in this regard, on the Member States to make robust investment in maintaining public facilities, especially schools, with a view to improving seismic safety and eliminating architectural barriers;

34. Notes that the pace of technological change makes it imperative to adopt a lifelong-learning approach that is accessible to cultural practitioners and to enhance synergies between culture and education in formal and non-formal domains;

35. Recognises the potential of creative hubs as co-working spaces for CCS professionals; stresses nevertheless that the sectors primarily need capacity-building in terms of digital and managerial skills instead of merely concentrating on new digital innovation;

36. Notes that democratic principles and European values such as freedom of expression, respect for human rights and the rule of law, democracy and solidarity are faced with increasing challenges due to growing polarisation both within Europe and globally; calls on the Commission and the Member States, therefore, to develop a strategic approach for the protection of cultural rights, freedom of artistic expression and media pluralism, and the right to freely participate in cultural life, including by supporting the development of indicators and monitoring systems at European level;

37. Agrees that cultural participation and everyday creativity contribute greatly to fostering intercultural dialogue and building healthy societies; stresses the need, however, to guarantee enough scope within EU funding instruments to account for the intrinsic and unique value of artists' work;

38. Points to the need to promote women's access to all artistic, cultural and creative professions and encourages the Member States to remove obstacles preventing women from accessing managerial roles in cultural institutions and foundations, academies and universities;

Economic dimension

39. Stresses that the Commission and the Member States should contribute to the development of cultural organisations by providing stable, reliable and sustained financial support; regrets that, despite the EU added value of cultural investment, Creative Europe merely represents 0.15 % of the overall EU budget, of which only 31 % is earmarked for culture; notes that the policy areas of Creative Europe will be expanded; takes note of the new multiannual financial framework (MFF) proposal and welcomes the proposed increase in funding as a good first step, but calls for the budget to be doubled for the new Creative Europe programme and for it to be made more accessible for smaller organisations;

40. Stresses that the popularity of Creative Europe, combined with its underfunding and administrative complexity, led to a mere 16.2 % success rate, and significant regional and geographic imbalances in terms of the projects receiving support; points out that this, combined with the administrative complexity, acts as a dissuasive factor, generating frustration about the programme and EU cultural action, and prevents many CCS actors from applying; calls, therefore, for a rethink of the selection process on the basis of the shortcomings identified in the mid-term evaluation report;

41. Underlines the importance of facilitating and streamlining access to Creative Europe for small cultural operators and SMEs; stresses, in this regard, the need to introduce a dedicated strand reserved for these operators and businesses, in particular those from areas affected by natural disasters;

42. Regrets that in the Commission's MFF proposal culture and the arts are not mentioned in the majority of the policy fields to which they contribute, and calls on the Commission, therefore, in collaboration with CCSs, to design holistic and coordinated strategies for mainstreaming culture and the arts in other policy areas, with a particular focus on accessibility of funding for smaller organisations;

43. Underlines the crossover impact of culture and calls on the Commission and the Member States to report on how much funding is allocated to culture across all funding programmes and ensure that it amounts to at least 1 % of the next MFF; invites the EU regions to designate culture, cultural heritage and CCSs as a priority in the structural funds and to encourage Member States to include a cultural dimension in the strategic objectives of their operational programmes;
44. Calls on the Commission to develop a ‘one-stop shop’ portal listing all existing EU funding instruments in a user-friendly, comprehensive, innovative and efficient manner, with clear application guidelines and assistance;

45. Calls on the Commission and the Member States to guarantee that enough resources within EU funding instruments are allocated on the basis of the intrinsic value of artistic and creative projects;

46. Calls on the Commission to give particular attention to cultural areas that are endangered because of lack of funding or attention, one such area is poetry.

47. Calls on the Commission and the Member States to adopt a tailored approach to each sector; points out that grants are vital when considering the cultural ecosystem as a whole, valuing intangible assets correctly and supporting innovative artistic and cultural practices; points out that, while financial instruments such as guarantees, loans and own funds are suitable for profit-generating projects, grants should remain the primary source of funding, in particular for smaller entities;

48. Calls on the Commission to report on the implementation of the Cultural and Creative Sector Financial Guarantee Facility; regrets its limited geographical coverage and suggests that micro finance should be provided when dealing with very small actors, given that CCSs are overwhelmingly composed of SMEs, 95% of which are microenterprises; stresses the need to ensure that banks better value copyright and intangible assets;

49. Encourages further development of the European Capitals of Culture initiative and sustainable cultural tourism, in collaboration with the cultural sectors, communities and citizens, as well as UNESCO, on the designation of heritage sites, and with the Council of Europe, through the development of cultural routes; calls for the promotion of EU regions as European destinations of excellence (EDEN);

Digital4Culture

50. Notes that the digital revolution has radically transformed the way art and culture are produced, distributed and enjoyed, presenting opportunities but at the same time posing great challenges to the already strained working conditions of artists and creators and threatening their economic survival; calls on the Commission and the Member States therefore to promote fair remuneration, decent working conditions and the modernisation of welfare systems for the cultural and creative sectors, as well as recognition of the status of artists;

51. Recognises the positive contribution of digital technologies in facilitating and broadening the scope for conservation of, and access to, cultural, artistic, creative and audiovisual content and services, for instance through augmented and virtual reality and human-machine interfaces, but also the production of educational and narrative video games and the creation of a Cultural Heritage Cloud; calls on the Commission and the Member States in this regard to encourage synergies in this area, in particular with the Digital Europe and Horizon Europe programmes;

52. Considers that the protection of copyright is at the core of CCS revenue and welcomes the new copyright directive proposal and its measures to protect news publishers, close the value gap between creative industries and digital platforms, increase transparency and balance in the contractual relations of authors and performers, and guard against the seizure of intellectual property; stresses that it is vital to create a fair digital marketplace in which creators are fairly compensated;

53. Calls on the Commission and the Member States to ensure that digital platforms that play an active role in distributing, promoting and monetising copyright-protected content have a clear obligation to obtain licences from right holders and to fairly remunerate artists, authors, news publishers, producers, journalists and creators for the digital use of their work;

54. Stresses the need for the link between the European Agenda for Culture and the Digital Agenda to be maintained if existing synergies are to be stepped up;
55. Recalls the importance of fostering, especially among minors, data protection and digital and media literacy, this being the most effective solution to tackling, among other issues, online manipulation and microtargeting;

56. Stresses that is crucial to provide cultural workers with adequate digital skills and competences, in order to foster the promotion and fruition of cultural heritage;

**External dimension**

57. Regrets that the safeguarding and promotion of culture was not included as a goal in the 2030 Agenda for Sustainable Development; stresses that culture is an engine for sustainable development and intercultural dialogue, and that synergies could be used given Creative Europe’s neighbouring and international dimension;

58. Calls on the Commission to report regularly to Parliament on the implementation of the strategy for international cultural relations and to increase resources for EU delegations for cultural promotion initiatives and projects, also in collaboration with the European Union National Institutes for Culture (EUNIC);

59. Supports the Council initiative to draw up a comprehensive approach to international cultural relations and calls for the creation of cultural focal points in all EU delegations, the appropriate training of officials and the involvement of local and grassroots actors, civil society and international cultural networks, including in the preparatory action on European Houses for culture; reiterates its request for the Commission and the European External Action Service to report on the state of implementation of international cultural relations every two years;

60. Instructs its President to forward this resolution to the Council and Commission and to the governments of the Member States.
Single Market package

European Parliament resolution of 12 December 2018 on the single market package (2018/2903(RSP))

(2020/C 388/06)

The European Parliament,

— having regard to the Commission communication of 28 October 2015 entitled ‘Upgrading the Single Market: more opportunities for people and business’ (COM(2015)0550),

— having regard to the Commission staff working document of 28 October 2015 entitled ‘Report on single market integration and competitiveness in the EU and its Member States’ (SWD(2015)0203),


— having regard to the Commission communication of 13 April 2011 entitled ‘Single Market Act — Twelve levers to boost growth and strengthen confidence — Working together to create new growth’ (COM(2011)0206),


— having regard to the report of 9 May 2010 by Mario Monti to the President of the Commission entitled ‘A New Strategy for the Single Market — At the Service of Europe’s Economy and Society’,

— having regard to its resolution of 11 March 2015 on single market governance within the European Semester 2015 (1),

— having regard to its study of September 2014, commissioned by the Committee on the Internal Market and Consumer Protection, entitled ‘The cost of non-Europe in the single market’,

— having regard to its study of January 2016, commissioned by the Committee on the Internal Market and Consumer Protection, entitled ‘A strategy for completing the single market: the trillion euro bonus’,

— having regard to its resolution of 26 May 2016 on non-tariff barriers in the single market (2), based on a report by the Committee on the Internal Market and Consumer Protection,

— having regard to its resolution of 26 May 2016 on the single market strategy (3), based on a report by the Committee on the Internal Market and Consumer Protection,


— having regard to the Commission communication of 22 November 2018 entitled ‘The Single Market in a changing world — A unique asset in need of renewed political commitment’ (COM(2018)0772),

— having regard to Rule 123(2) and (4) of its Rules of Procedure,

A. whereas the single market has been, and remains, the cornerstone of European integration and a highly competitive social market economy, as well as an engine of growth and jobs; whereas this has been highlighted further during the recent negotiations on the withdrawal of the UK from the EU;

(3) OJ C 76, 28.2.2018, p. 112.
B. whereas the world is going through a process of rapid and significant change that also has an impact on the EU single market;

C. whereas the single market is not fully exploiting its potential;

D. whereas the single market cannot be considered in purely economic terms;

E. whereas, according to Parliament's own research, the anticipated gain from completing the single market stands at EUR 1 trillion in increased GDP collectively across the Union, including significant gains to be made in the services sector;

F. whereas a strategic and comprehensive approach is needed, and whereas the response to the challenges faced should be as much political as technical in nature;

G. whereas recent signs of transposition are not reassuring; whereas, according to the Commission communication on the single market in a changing world, the transposition deficit for 16 directives with transposition dates between December 2017 and May 2018 was 25% in June 2018;

1. Welcomes the overall objectives of the Commission communication on the single market in a changing world, just months before the European elections of 2019 and on the 25th anniversary of the single market;

2. Emphasises that a well-functioning single market is one of the essential foundations of the European Union, and the deepening of the single market should therefore be brought back to the top of the political agenda, as it contributes to freedom, opportunity and prosperity for Europe, creates specific rights and obligations for citizens, workers, consumers, entrepreneurs and businesses, and benefits more than 500 million Europeans and more than 21 million SMEs;

3. Emphasises the urgent need to eliminate the unjustified remaining barriers from the single market in order to achieve tangible and quick results in terms of growth, innovation, job creation, consumer choice and new business models;

4. Stresses that the Union must work to ensure that the free movement of services is given the same priority as the free movement of goods within the single market; underlines that the free movement of services is far less developed than the free movement of goods;

5. Stresses that, despite the abolition of tariff barriers in the single market, a vast number of various unjustified non-tariff barriers still exist; highlights that strengthening the single market requires urgent action at both EU and national level in order to address these unjustified barriers;

6. Believes that deeper integration of the single market requires more political courage and commitment than 25 years ago and greater efforts to close the gap between rhetoric and delivery and to tackle its weaknesses;

7. Is convinced that in order to achieve deeper integration a level playing field is key, applying to all players in all Member States;

8. Notes that only 7% of SMEs offer goods and services online to customers in other Member States and only 15% of consumers make use of this possibility, and points out that through the completion of the digital single market more than EUR 415 billion could be gained and new jobs created in this area;

9. Highlights that this data clearly demonstrates the urgent need to continue working to make the digital sphere fully accessible to citizens and businesses and to improve consumer trust in the digital dimension;

10. Urges the outdated separation of the ‘digital’ single market from the ‘offline’ single market to be stopped, as digital solutions are an indispensable part of the modern economy and the products and services it provides, and every aspect of the single market should be digitally fit;

11. Asks the Commission to continue working towards completing the digital single market with ambitious proposals, with a view to establishing modern and effective common rules in order to protect consumers, help public administrations, enhance the competitiveness of European businesses and SMEs, and generate fair competition;
12. Believes that in order to defend and deepen the single market it is crucial to strongly defend the four freedoms, namely the free movement of people, services, goods and capital, both physically and online, and stresses that all EU actors need to play by commonly agreed rules;

13. Points out that new legislation should consistently reflect the market integration ambition, the need to eliminate unjustified regulatory and administrative barriers and the need to be future-proof;

14. Points out that the single market is increasingly coming under pressure from national rules that run counter to the principles underpinning it, especially rules at national level that impact the free movement of goods and services; recognises that unjustified and disproportionate national measures, as well as uncoordinated measures, could put at risk the unity and the effectiveness of the Single Market; recalls, however, that certain measures may be legitimate and necessary to protect public interest objectives as recognised in the treaties;

15. Stresses that it is important to ensure that rules deliver in practice: citizens and businesses can only enjoy the many advantages of the single market if the rules that have been jointly agreed actually work in practice and benefit those citizens and businesses;

16. Urges the Commission to make better use of existing instruments to take action against national rules not in line with single market legislation;

17. Acknowledges that the single market governance structure clearly needs to be strengthened with a view to ensuring effective monitoring mechanisms and detecting inadequate transposition of single market legislation or inadequate implementation and application, thus ensuring that infringement procedures are applied where necessary;

18. Strongly supports the Commission's invitation to the European Council to dedicate an in-depth discussion at the level of heads of state or government to the single market in all its dimensions, with a view to identifying common priorities for action and appropriate mechanisms to match the much-needed renewed political commitment to the single market;

19. Urges the next Commission, in view of the upcoming political term 2019-2024, to ambitiously plan single market actions; regrets that the Commission presented a number of legislative proposals too late for the co-legislators to be able to work on them properly and adopt them by the end of the mandate;

20. Asks the European Council to commit to a new pledge to complete the single market by 2025, including a new public timetable for actions, as European leaders did in 1985; is very concerned, however, by the fact that several legislative proposals are completely blocked in the Council, which has been unable to adopt a position on them; calls on the Council to put an end to this situation, which harms both our citizens and companies;

21. Reminds the Commission and the Council of their responsibility regarding the single market, especially towards European citizens and businesses;

22. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.
Findings and recommendations of the Special Committee on Terrorism

European Parliament resolution of 12 December 2018 on findings and recommendations of the Special Committee on Terrorism (2018/2044(INI))

(2020/C 388/07)

The European Parliament,

— having regard to its decision of 6 July 2017 on setting up a special committee on terrorism, its responsibilities, numerical strength and term of office (1), adopted under Rule 197 of its Rules of Procedure,

— having regard to Rule 52 of its Rules of Procedure,

— having regard to the report of the Special Committee on Terrorism (A8-0374/2018),

Preamble

A. whereas the Union is founded on the values of human dignity, freedom, equality and solidarity, respect for human rights and fundamental freedoms, as well as on the principles of democracy and the rule of law; whereas acts of terrorism constitute one of the most serious violations of these universal values and principles;

B. whereas the EU should do the utmost possible to guarantee the physical and mental integrity of its citizens who are endangered by terrorists; whereas the fight against terrorism requires putting its victims at the centre; whereas societies must protect, recognise, support and compensate victims of terrorism; whereas Article 6 of the Charter of Fundamental Rights enshrines both the right to liberty and the right to security, which complement each other;

C. whereas the response to the terrorist threat should always be in full compliance with the principles recognised by Article 2 of the Treaty on European Union (TEU) and should observe fundamental rights and freedoms, as well as the principles recognised, in particular, by the Charter of Fundamental Rights, considering the possible effect on innocent people who make up the vast majority of the population;

D. whereas terrorism in all its forms and manifestations, committed by whomever, wherever and for whatever purposes, must be condemned, as it constitutes one of the most serious threats to international peace and security;

E. whereas the terrorist threat has grown and rapidly evolved in recent years; whereas terrorist attacks have affected all of us deeply and have claimed the lives of and injured many innocent people; whereas the cross-border nature of terrorism requires a strong coordinated response and cooperation within and between the Member States, as well as with and among the competent Union agencies and bodies, and with relevant third countries;

Institutional framework

F. whereas the security of one Member State is the security of all in the Union; whereas the threats posed by terrorism require a holistic approach linking internal and external security and ensuring national and European coordination; whereas the EU and the Member States have made progress in countering these threats, but this progress is unfortunately made under pressure of events rather than through pro-active measures, and the same level of progress is not being achieved across all Member States;

G. whereas national security is the sole responsibility of the Member States as laid down in Article 4(2) TEU and Article 73 of the Treaty on the Functioning of the European Union (TFEU), while according to Article 4(3) and Article 42 TEU, the Union and the Member States shall assist each other in carrying out tasks which stem from the Treaties; whereas national security is increasingly dependent on its broader European dimension; whereas national security is not defined at EU level thus leaving a wide margin of discretion to Member States;

H. whereas at the same time Article 4(2) TFEU designates the area of freedom, security and justice as an area of shared competence between the Union and the Member States; whereas the EU has specific competences as regards facilitating and encouraging coordination and cooperation between Member States, including harmonisation of the laws and practices of the Member States; whereas the mandate for EU action is provided by Article 67 TFEU to ensure a ‘high level of security through measures to prevent and combat crime’;

I. whereas the national security and intelligence agencies of EU Member States and of some third countries cooperate effectively through the Counter Terrorism Group (CTG), an informal body outside the EU, and on a bilateral and multilateral basis; whereas the CTG has a platform for the exchange of operational intelligence that has improved the speed and quality of shared intelligence; whereas the EU has an established complex of structures dealing wholly or in part with terrorism, notably through Europol's European Counter Terrorism Centre (ECTC) as the central hub for law enforcement information exchange and cooperation in the field of counter-terrorism at EU level, and the EU Intelligence and Situation Centre (INTCEN) as the gateway for strategic intelligence from the intelligence and security services to the EU through which CTG information reaches European policy makers, and this is facilitated by the European Counter-Terrorism Coordinator;

J. whereas the line between EU and national competence is not always clear because of different characteristics and geographical prerogatives, thus underlining the importance of cooperation between the two governance levels; whereas the diverse landscape of regional, national, EU and international actors in the fight against terrorism with overlapping competences and insufficiently delineated mandates, the multitude of formal and informal fora for cooperation and exchange of information, as well as the division of competences between the different regional and national agencies, between law enforcement services and intelligence services and between the EU and the Member States, underline the complexity of, and may give rise to difficulties with regard to, the coordination, efficiency and coherence of the response to the terrorist threat;

K. whereas the Commissioner for Security Union is a valued actor in joining up the Commission’s policy development, implementation, monitoring and evaluation; whereas the establishment of the position of Commissioner for Security Union signals the EU’s commitment to encouraging and supporting cooperation between Member States on issues of internal security, as well as to harmonising counter-terrorism legislation and ensuring better cooperation between law enforcement and judicial authorities, while fully respecting the status of these matters as national competencies as laid down in the Treaties;

L. whereas the EU Counter-Terrorism Coordinator plays an important role in tracking the implementation of the EU counter-terrorism strategy; whereas the EU Counter-Terrorism Coordinator, in accordance with his or her mandate as determined by the European Council, ensures the implementation and assessment of the strategy and the coordination of work within the Union, and facilitates contact between the Union and third countries; whereas the EU Counter-Terrorism Coordinator provides valuable advice to, maintains contacts with, and helps strengthen the coordination between EU institutions, agencies and Member States; whereas his or her mandate and status are nevertheless ill-defined;

M. whereas on 6 July 2017 Parliament set up a temporary Special Committee on Terrorism (TERR) with the aim of providing Parliament’s view as to the practical and legislative gaps in the current counter-terrorism regime that have allowed the recent terrorist attacks in the EU to occur and to making recommendations that would help tackle the terrorist threat at EU level;

N. whereas the European Public Prosecutor’s Office, to be established on the basis of Council Regulation (EU) 2017/1939, shall have the important task of investigating and prosecuting criminal offences affecting the financial interests of the Union; whereas its establishment and the allocation of financial resources to this new body should not negatively impact the abilities of existing structures, such as Eurojust, to facilitate the efforts of the Member States in the fight against terrorism;
O. whereas of 88 legally binding counter-terrorism measures proposed from September 2001 to summer 2013 only a quarter were subject to impact assessments and only three to public consultation (1); whereas this ratio has improved in recent years and the most recent initiatives presented by the Commission in 2017 and 2018 were accompanied by the necessary justification; whereas with the Agenda on Better Regulation adopted in 2015 the Commission has also strengthened its policy on stakeholder consultation; whereas counter-terrorism measures could be more effective and coherent if appropriate stakeholders are consulted and impact assessments are conducted;

P. whereas the Commission's Comprehensive Assessment of EU Security Policy mentioned incomplete implementation as one of the challenges of the Security Union;

Q. whereas evaluation of counter-terrorism measures is vital for assessing their effectiveness, relevance, coherence and compliance with fundamental rights, and determining whether additional action is necessary to address the shortcomings; whereas a difference exists between monitoring the extent of implementation and the actual effectiveness of implemented measures; whereas between 2001 and 2016 there were 17 monitoring implementation and evaluation reports compared to 10 counter-terrorism strategies and 55 legislative and non-binding measures; whereas it is necessary for Member States to implement EU security laws quickly so that no loopholes emerge in the EU's comprehensive body of counter-terrorism measures;

**Terrorist threat**

R. whereas in recent years, the EU Member States have suffered major terrorist attacks; whereas the deadliest attacks have been perpetrated or inspired by jihadist groups such as Daesh and Al-Qaeda; whereas these terrorist groups (2) and their activities are sometimes facilitated by certain countries; whereas far right, far left and ethno-nationalist separatist violent extremism, aimed at overthrowing the democratic values and system governed by the rule of law in the EU through the illegitimate use of violence, also remain matters of concern;

S. whereas the Member States face a growing threat of far-right violent extremism, as well as neo-fascist and neo-Nazi violence targeting political opponents, refugees and immigrants, ethnic and religious minorities, LGBTQI people, human rights defenders, activists and members of the law enforcement agencies;

T. whereas, while most terrorist attacks carried out in the EU in 2017 were specified as separatist attacks (137 out of 205), Europol's Terrorism Situation and Trend Report (TE-SAT) 2018 report clearly states that none of the reported activities in any terrorist category have been as lethal and have had such an impact on society as a whole as those committed by jihadist terrorists; whereas the growing risk of retribution terrorism is a serious concern which should not be underestimated;

U. whereas, as long as a terrorist attack is a 'widespread or systematic attack directed against any civilian population', terrorist murders should be covered by and fall under Article 7 of the Rome Statute of the International Criminal Court of 17 July 1998;

V. whereas developments and instability in the Middle East and North Africa (MENA) have enabled Daesh and other terrorist groups to gain a foothold in countries bordering the EU and to recruit fighters from the EU on an unprecedented scale; whereas as a result the nexus between internal and external security has become more prominent;

W. whereas thousands of European-born or resident citizens joined Daesh in terrorist activities in Syria and Iraq, but there has been a change of strategy since the military collapse of Daesh, with a decline in the numbers of those travelling to these countries for terrorist purposes, and terrorist jihadists and 'sleeper-cells' inside the EU being encouraged to carry out attacks in their home countries or countries of residence;

X. whereas recent attacks have demonstrated that firearms and explosives are still traditional methods used by terrorist groups; whereas, however, there is a growing use by individuals of other weapons and methods that are much less sophisticated and more difficult to detect, aiming to cause a maximum number of random casualties among civilians;


Y. whereas the return of foreign terrorist fighters (FTFs) and their families poses particular challenges in terms of security and radicalisation, especially child returnees who pose specific problems as they need protection as victims but at the same time can also be potential perpetrators;

Z. whereas some of these returnees have received prolonged ideological indoctrination and military training in the use of weapons and explosives, as well as various cover, assault and combat tactics, and have in some cases established links with other terrorists, possibly former foreign fighters, with whom they form transnational networks (1);

AA. whereas perpetrators of terrorist attacks in the EU very often include EU nationals, often second- or third-generation migrants, who have grown up in the Member States which they have attacked, as well as foreigners who may in some cases have resided for a significant time in the Member State targeted;

AB. whereas our open societies and open borders are vulnerable and are exploited by terrorist groups; whereas terrorists have made use of migrants’ and asylum seekers’ routes of access to European countries, exploiting the freedom of movement across Europe;

AC. whereas there are documented cases (2) in which victims of severe crimes perpetrated by Daesh terrorists on Syrian or Iraqi territory have — despite considering themselves safe — met their tormentors again on EU soil where both have asked for protection;

AD. whereas the flow of irregular migrants and refugees poses challenges to their integration into European societies and requires reinforced and specific investment directed towards social and cultural inclusion;

AE. whereas new forms of terrorism may be used for an attack, among them cyber-terrorism and the use of weapons of mass destruction, possibly in connection with new technical equipment such as drones; whereas there is the precedent of a foiled attack involving the highly toxic biological agent ricin; whereas there are cases where terrorist groups have used or planned to use chemical, biological, radiological or nuclear (CBRN) materials, and shared via social media channels possible tactics and methods for attacks and targets;

AF. whereas Member States have different strategies to respond to hybrid and CBRN-related threats and therefore different levels of preparedness;

AG. whereas the European Council on 28 June 2018 welcomed the Joint Communication on Europe’s resilience to hybrid and CBRN-related threats, seeking to identify areas where action should be intensified in order to further deepen and strengthen the EU’s essential contribution to addressing these threats, as well as urging Member States and the Commission to work together to fully implement the CBRN Action Plan as a matter of urgency;

AH. whereas caution should be used in political discourse exploited by both left- and right-wing agitators regarding or invoking the terrorist threat so as to avoid polarisation within societies and not to undermine democracy, social cohesion and human rights, thus playing into the hands and aims of terrorist organisations;

(1) 2017 Europol TE-SAT report (page 14).
(2) https://www.dw.com/de/jesidin-trifft-in-deutschland-auf-is-peiniger/a-45119776
whereas the European Agenda on Security of April 2015 highlighted the need to tackle the nexus between terrorism and organised crime, underlining that organised crime feeds terrorism through various different channels, inter alia supplying weapons, financing through drug smuggling, and infiltrating financial markets;

whereas large-scale international terrorist organisations such as Daesh and Al-Qaeda are financially self-reliant and whereas illicit trade in goods, weapons, raw materials, fuels, drugs, cigarettes and cultural objects, among other items, as well as trafficking in human beings, slavery, child exploitation, racketeering and extortion, have proved to be means for terrorist groups to obtain funding; whereas the link between organised crime and terrorist groups constitutes a major security threat; whereas these sources could enable the continued funding of their future criminal activities;

whereas significant risks are posed by interactions between terrorist organisations and organised crime groups, through which the capability to cause mass casualties among the civilian population of EU Member States connects with the logistical capacity to enable it; whereas there is a low level of law enforcement and intelligence reporting and analysis on the nexus between organised crime and terrorism; whereas investigative and judicial capacities focused on organised crime are often lacking in many Member States and at EU level;

whereas terrorism seeks to weaken and defeat democracies; whereas politicians and governments are crucial actors for achieving broad consensus and social resilience in order to effectively defend our democratic systems;

Preventing and countering radicalisation leading to violent extremism

whereas the Radicalisation Awareness Network (RAN) Centre of Excellence offers an important platform for the exchange of best practices among practitioners, including law enforcement authorities, and has contributed to the gathering of important knowledge in the field of preventing and countering radicalisation (1);

whereas the situation in each Member State differs and a newly revised European strategy for combating radicalisation could support national strategies, which are important in terms of providing general frameworks for programmes at national and local level; whereas these strategies must be coherent and effective and need sufficient financing for local authorities and civil society stakeholders so that these programmes can be implemented;

whereas it is impossible to identify only one path towards radicalisation; whereas, for instance, social cohesion, political context, economic condition, religious and ideological ideals, personal traumas and psychological vulnerabilities, as well as surroundings and networks, may constitute factors and triggers; whereas the gender dimension was until recently underestimated and there is a misconception about the role women can play; whereas women are not always passive subjects and they also act as mobilisers, recruiters, fundraisers and even as perpetrators of terrorist acts;

whereas some low-income neighbourhoods in European cities are facing mass unemployment and the systematic breakdown of the rule of law, creating the breeding grounds for religious extremism and terrorism; whereas the promotion of social inclusion and the active promotion of democratic values which all citizens must respect can help to reduce feelings of marginalisation and mitigate the risk of radicalisation; whereas combating radicalisation and violent extremism requires close and coordinated collaboration between all actors concerned at all levels of governance (local, regional and national), as well as with civil society and the private sector;

(1) Radicalisation is understood to mean a complex process by which an individual or a group comes to adopt increasingly extreme religious and/or political ideas/views potentially leading to violent actions, including the commission of terrorist acts. In line with Commission policy documents, any reference to ‘radicalisation’ is to be understood as ‘radicalisation leading to violent extremism and terrorism’.
AQ. whereas experts highlight the positive experience offered by a multi-agency approach, focusing on creating infrastructures which take into account the various routes to radicalisation and the demographics at risk, and which ensure the provision of early-stage support to those vulnerable to radicalisation and their families from different authorities and organisations across multiple levels, and emphasising the supportive role of the police, thus strengthening the relationship;

AR. whereas community policing plays a positive role in getting to know and interacting with vulnerable people, by building trusting relationships based on mutual respect for the groups in question, with the aim of taking action upstream from radicalisation and preventing distrust towards the state and its institutions;

AS. whereas so far no clear methodologies exist to measure the effectiveness of projects for preventing and countering radicalisation;

AT. whereas several European funds and programmes can be used for projects countering and preventing radicalisation at the European, national, regional and local levels; whereas the EU budget up to 2020 allocates EUR 314 million for anti-radicalisation projects (1); whereas there is a need for a continuous evaluation of the effectiveness of those programmes; whereas measuring the effectiveness of preventive counter-radicalisation actions is intrinsically difficult and requires close cooperation between the Commission, Member States, individual stakeholders and researchers;

AU. whereas Europol estimates that there were around 30,000 radicalised jihadists in the EU by 2018;

AV. whereas a violent radicalised extremist discourse has been increasingly present in the territory of many EU Member States, often in printed form, or as teaching or audiovisual content, including on social media and satellite TV channels; whereas this discourse opposes democracy, the rule of law and human rights, undermines pluralism, promotes violence and intolerance against all other religions, is openly anti-Semitic, refuses equality between men and women, and promotes a retrograde model of culture and society;

AW. whereas there is a prevalence of specifically Wahhabi and Salafist literature, which is fuelled by hate speech, available in certain bookshops and online in Europe; whereas this globalised and simplistic version of Islam breaks with the practices of Muslim communities in Europe and contributes to undermining their broader integration;

AX. whereas it is the aspiration of Radical Islamic Fundamentalism for religion to dominate all spheres of life — individual, political and social — the consequence of which may be a form of communitarianism sensitive to the actions of jihadist recruiters;

AY. whereas significant numbers of cases of radical hate preachers have been documented throughout Europe; whereas the hate preachers often originate from outside the EU, while some places of worship receive opaque funding from third countries, many of which have authoritarian or religious regimes that do not govern in accordance with democracy, the rule of law and human rights;

AZ. whereas there are self-designated religious teaching centres propagating extremist ideas in the EU, in which minors, including young children, may be exposed to a learning content contrary to democracy, the rule of law and human rights, and including violent content; whereas extremist organisations laying the ground for terrorist recruitment often exploit the vulnerabilities of young people by attracting them with social and cultural offers;

BA. whereas the sophisticated web communication strategy of marketing terrorism by glorifying it, employed especially by Daesh, but also by other large-scale international terrorist groups, offers design copied from the global ‘youth culture’ such as online gaming, and thus has a strong appeal to children and young people; whereas this model is also luring them with social and cultural opportunities;

BB. whereas several recent investigations have shown that the internet and namely social media can act as a driver of radicalisation leading to violent extremism, as well as a tool for xenophobic groups to disseminate hate speech and illicit content especially among young people;

BC. whereas following repeated calls for better commitment to countering terrorism, major internet companies are facing up to their responsibilities; whereas in the European Internet Forum launched in 2015 companies cooperate to remove terrorist content from their websites on a voluntary basis if they believe it is in breach of their terms and conditions; whereas a code of conduct for major IT companies was implemented in May 2016 with the aim of tackling illegal hate speech online; whereas this voluntary cooperation is nevertheless insufficient;

BD. whereas by the end of the second quarter of 2018 Europol’s European Internet Referral Unit (EU IRU) had already assessed 54,752 pieces of content produced in 10 different languages across 170 online platforms, triggering 52,716 decisions for referral with a removal success rate of 89.5% on the basis of voluntary consideration of abused OSPs (1);

BE. whereas, although some progress has been made with regard to removal of online terrorist content, there is a need to scale up the companies’ engagement; whereas the removals are often neither complete, nor timely or permanent, the content being removed from one website but left on another belonging to the same company or the account being allowed to remain live and/or reappear after it has posted content in violation of a company's terms of service; whereas effective, comprehensive and transparent reporting by companies and law enforcement has to be improved; whereas the companies and users in question should be able to seek judicial redress;

BF. whereas, in response to larger companies removing more content, terrorist groups are increasingly using new and/or smaller platforms which are less suited to fast removal of terrorist material; whereas this diversification to smaller platforms makes additional technical support essential to enable, for example, the introduction of platform-agnostic automated tools, such as hashing technology, which can identify online terrorist content in advance with a high degree of accuracy and prevent publication;

BG. whereas the development of new technologies and access to artificial intelligence and algorithms may allow online terrorist content to be identified and reported swiftly; whereas the use of automated tools also carries risks of false hits;

BH. whereas studies and reports show how prisons can easily evolve into microcosms of the crime-terror nexus, where recruitment and networking take place; whereas the internal situation in many prisons accelerates the threat of radicalisation of offenders, incubating and enabling terrorism; whereas many of those serving prison sentences will soon be released back into their communities, posing particular reintegration challenges and high risk of re-offending; whereas monitoring of such high-risk offenders is extremely resource-intensive for Member States’ security services; whereas prison regimes and risk management can play a significant role in mitigating these threats; whereas even though Member States recognise the need to address the rise in prison radicalisation, more effective measures are needed;

(1) Europol, 6 September 2018.


**Cooperation and information exchange**

**Horizontal issues**

BL. whereas retention of data, taking account of the case law of the Court of Justice of the European Union, is an essential part of the investigative process; whereas the police and judicial authorities and intelligence services usually rely heavily on communications data to successfully proceed with their casework; whereas the necessity of an appropriate data retention regime when it comes to the fight against terrorism was consistently raised during the work of the TERR Committee;

BJ. whereas the use of encryption will on the one hand make a significant contribution to security in the field of IT, but on the other hand will also be used by terrorists to protect their communications or stored data, which represents a considerable challenge for law enforcement, security and intelligence services, since they can be denied access to essential intelligence and evidence; whereas encryption becomes particularly critical when even the responsible online service providers are unwilling or unable to decrypt the communication;

**Information systems**

BK. whereas there is a fragmented framework of existing systems, new systems in the process of development, proposals for future systems and proposals for reforms to address identified gaps and barriers still under negotiation; whereas this fragmented framework is the result of historical factors and a reactive approach in the proposal and adoption of new legislation;

BL. whereas there has been a significant increase in information exchanges since the Paris attacks in 2015, but data about information exchanges show that a small number of Member States are responsible for a large proportion of available content in and searches of EU databases;

BM. whereas there are a number of obstacles to the proper functioning of the information systems, such as a complete lack of or incomplete implementation, lack of knowledge of and/or sufficient training in the existing systems, lack of sufficient resources, including human resources, or of an adequate material base, and poor data quality in the information systems;

BN. whereas information systems can be divided into centralised and decentralised systems, the former being managed by the EU and its agencies and the latter by the Member States; whereas centralised information systems include the Schengen Information System (SIS), the Visa Information System (VIS), Eurodac, the Entry/Exit System (EES), the proposed European Travel Information and Authorisation System (ETIAS) and the proposed European criminal records information system for third country nationals (ECRIS-TCN);

BO. whereas decentralised systems and mechanisms for information exchange are managed by the Member States’ authorities and include: the European Criminal Records Information System (ECRIS) for exchanging national criminal record information; the EU passenger name records (PNR) system requiring airlines to share passengers’ data with national authorities for all flights between third countries and the EU; the Advance Passenger Information (API) system that collects information on passengers ahead of inbound flights to the EU; and the Prüm framework for exchanging DNA, fingerprints and vehicle registration data;

BP. whereas the SIS is the biggest, most widely used and most efficient IT system of the European Union in the area of freedom, security and justice, and is supported by the network of SIRENE Bureaux, providing significant added value in the field of international police cooperation and border control and particularly in the fight against terrorism;

BQ. whereas the 2016 evaluation of VIS found that access to VIS for law enforcement purposes has been limited and fragmented across Member States;

BR. whereas despite repeated calls to implement an EU PNR system, each Member State has not demonstrated commitment to this and the majority of Member States have not complied with the deadline for implementing this law; whereas Member States that miss this deadline should without any further delay undertake all necessary action to implement this directive in full with immediate effect;
whereas several pilot projects are being implemented with the aim of overcoming the disadvantages of a decentralised EU PNR system; whereas there is a need for a quick reply to requests from passenger information units (PIUs) of other Member States, which may prove challenging as they are processed manually;

whereas in the context of the Information Management Strategy (IMS) 6th Action List — there are currently two on-going pilot projects which aim to ensure interlinking with decentralised systems, namely ADEP (Automation of data exchange processes on police records) and QUEST (Querying Europol Systems); whereas six Member States are already involved in the ADEP pilot project for the automated transmission of police records between different countries and this project is working well; whereas such projects help provide real and workable solutions to the problems stemming from the lack of interconnectivity of decentralised information systems and help foster trust and cooperation between the Member States;

whereas the Commission put forward two proposals for a regulation establishing a framework for interoperability between existing and proposed centralised information systems in the fields of police and judicial cooperation, asylum and migration, borders and visas, namely VIS, SIS, EES and Eurodac, as well as ETIAS and ECRIS-TCN once the respective legal bases are adopted;

whereas criminals can still today be recorded in different databases that are not connected under different aliases; whereas the current EU data management architecture therefore needs to be improved by interoperability to eliminate blind spots and multiple false identities and provide the right information at the right time;

whereas within the territory of one Member State there may be a multitude of separate decentralised databases at federal, regional and local level, with different data inputs in different systems and complex procedures — or none at all — for the sharing or checking of the data by the relevant authorities at the different levels;

whereas the use of a common messaging format at EU level, such as a universal message format (UMF), will facilitate smoother exchange of data and information between parties and across interoperability systems; whereas establishing the need to use certain UMF fields for particular exchanges can contribute to the improvement of data quality in all of the systems across which messages are being exchanged; whereas the use of this common message format by Europol and Interpol should also be encouraged;

whereas eu-LISA should establish automated data quality control mechanisms and procedures as well as common data quality indicators and minimum quality standards for data stored in the information systems; whereas the goal would be for the EU information systems and interoperability components to automatically identify apparently incorrect or inconsistent data submissions so that the originating Member State is able to verify the data and carry out any necessary remedial actions;

whereas obstacles to a more fluid cooperation often stem from organisational and legal difficulties between the different national, regional and local structures within the Member States themselves, such as: overlapping competences and insufficiently delineated mandates; hesitancy to share information as this might result in loss of responsibility or loss of important information flows; legal obstacles when it comes to sharing information between different authorities; services being obliged to compete with each other for resources; and technical barriers to information exchange;

whereas the principle of data ownership is crucial for ensuring the confidence of counter-terrorism authorities in sharing information via EU databases between Member States and with Europol;
CB. whereas mixing intelligence and law enforcement information entails major legal challenges and risks due to the different accountability rules applying to both types of information, including risks to the fundamental right of suspects to a fair trial when intelligence information is used as evidence in court proceedings; whereas a legal framework must be put in place for information exchange between intelligence and law enforcement authorities, especially since intelligence often concerns information on people who are not yet suspects within the framework of criminal investigations but might belong to terrorist networks or may be returning FTFs; whereas, however, this must not lead to any lowering of legal standards:

CC. whereas policing and intelligence services receive, process and transfer both classified and unclassified information, which involves different regimes at every stage of using the information; whereas it is also necessary to distinguish between information used as intelligence, i.e. information that is processed by professionals for a specific purpose, and regular information; whereas it is necessary to at least distinguish between criminal intelligence, which is related to a police criminal case, from security intelligence, which is processed within an administrative framework:

CD. whereas intelligence information should be given a special, even higher level of protection over police information because of the different working methods involved, such as the gathering of confidential information from sources and informants who must be kept anonymous, as well as the different objectives that require greater sensitivity:

CE. whereas a possible solution could also be offered by the creation of counter-terrorism centres or units within the national territory; whereas such centres allow representatives of the different services to communicate with each other on a regular basis and discuss how best to cooperate and exchange information; whereas this helps build trust between the services and fosters a better understanding of their respective working methods and challenges:

CF. whereas security services tend to cooperate and exchange information bilaterally or multilaterally — notably through the Counter Terrorism Group (CTG) and with the EU bodies via EU INTCEN — by sharing strategic intelligence; whereas it is necessary to find a practical solution to fill the existing gaps between the parallel tracks of the law enforcement community and the intelligence community, for example by identifying specific areas of cooperation, in order to allow for more efficient cooperation, while still keeping them separate:

CG. whereas it is possible to increase effectiveness in the use of the Counter Terrorism Group (CTG) and the EU Intelligence and Situation Centre (EU INTCEN) structures for the exchange of information:

CH. whereas the Member States’ civilian and military security and intelligence agencies systematically share their intelligence, including that related to terrorism, with the EU Intelligence and Situation Centre (EU INTCEN) within the External Action Service (EEAS) which provides intelligence analysis, early warning and situational awareness to the various EU decision-making bodies:

CI. whereas communicating the post-hit information only to the SIRENE Bureau of the Member State issuing the alert under Article 36 and not to other Member States is sometimes insufficient for the purposes of following up the movements of individuals related to terrorism or completing the relevant information in respect of such individuals; whereas the early warning of other Member States that might be concerned could, for example, be necessary in cases where the person did not return directly to the Member State of origin or where s/he was accompanied by nationals of another/other Member State(s) in respect of whom no alert had been issued since they remained unknown to the latter’s competent authorities:

CJ. whereas the UK Government has notified the EU of its intention to leave on 29 March 2019; whereas it has, however, expressed its wish to continue its cooperation with the EU in the area of security and counter-terrorism; whereas the EU and the UK are highly interdependent in the area of security and counter-terrorism, with the UK participating in many key EU legal instruments in the area of judicial cooperation in criminal matters and having access to many EU systems and databases for the exchange of information; whereas arrangements should be found with the EU as regards
Cooperation and exchange of information with the EU agencies

CK. whereas efficient and systematic cooperation between the Member States and the EU agencies, in accordance with their legal mandates, as well as among the agencies in the counter-terrorism field, is imperative, especially cooperation between Europol and Eurojust in order to more effectively support the efforts to detect, prevent, investigate and prosecute the perpetrators of a terrorist attack; whereas Eurojust has appointed a specialised counter-terrorism prosecutor to make the bridge with the ECTC at Europol in order to increase cooperation and information exchange between the two agencies;

CL. whereas information exchange between EU agencies is not ideal because of the use of different secure means of communication; whereas the establishment of an interinstitutional secure means of communication could facilitate and improve information exchange between agencies such as EU INTCEN, Europol and Frontex;

CM. whereas designated CT Liaison Officers can bring added value both to the work of the agencies and to their own Member States;

CN. whereas there are differences in the Member States as to the number of competent authorities that can consult the Europol databases or be in contact with Europol without going through the national liaison officers; whereas some Member States lack restricted and safe national police communication networks, preventing their competent authorities from decentralised access, particularly to the Secure Information Exchange Network Application CT-SIENA;

CO. whereas several EU instruments such as Decision 2005/671/JHA, the CT Directive and the Europol regulation require Member States to share information on terrorism with the relevant agencies; whereas increased information sharing with Europol and Eurojust on a regular basis and in a timely and systematic manner, including contextual information, in accordance with their legal mandates, facilitates their work in detecting links between cases and providing an overview of challenges and best practice related to investigations, prosecutions and convictions for terrorist offences; whereas within the framework of Decision 2005/671/JHA, Member States still do not spontaneously exchange relevant information with other Member States where such information could be used in the prevention, detection, investigation or prosecution of terrorist offences; whereas information shared with Eurojust has increased over the past years, but differences continue to exist between the Member States in relation to the amount, type and scope of the information shared, which may result in fragmentation of the information available;

CP. whereas CEPOL substantially contributes to counter-terrorism training for law enforcement officials of the Member States and in priority third countries;

Mutual recognition and mutual legal assistance

CQ. whereas mutual legal assistance (MLA) mechanisms are progressively being replaced by mutual recognition instruments as the latter help improve cross-border cooperation between competent authorities within the EU by speeding up and streamlining the procedures; whereas the European Arrest Warrant (EAW) Decision and the European Investigation Order (EIO) Directive are examples of mutual recognition instruments that have been found by practitioners to be useful;

CR. whereas the principle of mutual recognition is, on the one hand, dependent on the existence of a high level of mutual trust between Member States and, on the other, helps increase mutual trust by allowing the authorities of different Member States to work efficiently together in the fight against terrorism;
CS. whereas joint investigation teams (JITs) facilitate the coordination of investigations and prosecutions in cases with a cross-border dimension and allow for real-time exchange of information/evidence; whereas the practical benefits resulting from the use of JITs include improved information exchange, exchange of best practices, enhanced collection of evidence and mutual recognition of the actions carried out by the parties; whereas JITs require appropriate funding to work effectively;

CT. whereas close cooperation by online service providers (OSPs) is necessary when it comes to securing and obtaining electronic evidence at the request of the responsible law enforcement authority and based on due legal process, given its importance for investigating terrorist offences;

CU. whereas the Schengen area without internal borders is a fundamental achievement of the EU, which is only sustainable if the external borders are effectively secured and protected, illegal border crossings cease and internal security measures are adopted to face the risk of serious crimes; whereas many proposals have been adopted in order to strengthen security checks at the external borders; whereas some Member States have asked for more flexibility regarding the temporary reintroduction of checks at internal borders in the event of a serious threat to public order or public security, as proposed by the Commission;

CV. whereas on 7 April 2017, the new Regulation (EU) 2017/458 (1) amending the Schengen Borders Code entered into force in response, in particular, to the worsening terrorist threat in order to provide for systematic checks on all persons crossing the external borders, including individuals enjoying the right of free movement, against the relevant databases;

CW. whereas some areas of the regulation governing certain fields of border control, such as the systematic consultation of databases during border checks and thorough checking of the required entry conditions, have not been implemented;

CX. whereas the thwarted attack on the Thalys train of 21 August 2015, the Paris attacks of 13 November 2015 and the Brussels attacks of 22 March 2016 have demonstrated that in a limited number of cases, terrorists abused shortcomings in the border management policies of the EU and of several Member States, which were not ready for a mass influx; whereas it has been reported by law enforcement authorities that at least eight of these attacks’ perpetrators entered the EU via irregular flows in July, August and October 2015; whereas in other cases, future perpetrators had remained in Member States in spite of being due to depart or be returned; whereas this demonstrates certain flaws in the EU’s border management policies and their implementation at Member State level;

CY. whereas the Council conclusions 10152/17 recommend to Member States that, when faced with irregular migrants, they perform checks, where relevant, at national level against databases fed and used by competent authorities and the national Automatic Fingerprint Identification System (AFIS), at European and international level against the SIS, Europol, VIS, Eurodac and Interpol databases (I-24/7 network) and more specifically Nominal data, Stolen and Lost Travel Documents (SLTD), FTFs and Travel Documents Associated with Notices (TDAWN);

CZ. whereas on the basis of Article 11 of Regulation (EU) No 1168/2011 and the positive opinion of the European Data Protection Supervisor (EDPS), the European Border and Coast Guard Agency (EBCGA) is allowed to process personal data; whereas, however, EBCGA is experiencing difficulties in monitoring terrorism due to the short personal data retention period established by Regulation (EU) 2016/1624 that comprises only 90 days; whereas between Eurojust and EBCGA there is only a memorandum of understanding which includes the exchange of general, strategic and technical information but not the exchange of personal information; whereas there is need for a specific legal framework for EBCGA to process personal data in order to fulfil its tasks;

DA. whereas there is a need for EBCGA officers to also access the Eurodac, SIS, EES and VIS databases at border crossing points in order to perform checks;

DB. whereas there are currently no minimum standards or common rules for the security of identity cards of Union citizens or of residence documents issued to Union citizens and their family members exercising their right of free movement;

DC. whereas three quarters of the fraudulent documents detected at the external borders and in the EU imitate identity documents issued by the Member States and countries associated with the Schengen area; whereas national identity cards with a lower degree of security are the most frequently detected among the fakes;

DD. whereas some Member States do not oblige air carriers on their territory to conduct conformity checks on passengers’ personal data on their ticket and ID card or passport, which makes it difficult to ascertain whether the given identity matches the true identity of the person; whereas this is of capital importance for flights within the EU; whereas, however, proper identity checks and the authentication of travel documents should remain tasks for the police authorities;

DE. whereas battlefield evidence is often essential to identify potential foreign terrorist fighters and victims, and needs to be included in the relevant databases in order to reach border guards in real time, and to be shared with investigators and prosecutors for investigations and prosecutions;

Terrorist financing

DF. whereas several Member States have not yet ratified the Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism of 16 May 2005, also known as the ‘Warsaw Convention’, which constitutes the most comprehensive international convention on money laundering and terrorist financing; whereas confiscating the assets generated by criminal activities is a very efficient tool in fighting crime and terrorism, as it deprives criminals of the proceeds of their illegal activities and prevents terrorists from organising an attack; whereas the Financial Action Task Force (FATF) sets global standards for Anti-Money Laundering and Countering Financing of Terrorism and identifies jurisdictions with weak measures in place to combat money laundering and terrorist financing;

DG. whereas the EU has adopted two legislative instruments to implement FATF recommendations, namely the 4th and 5th Anti-Money Laundering Directives (AMLD), in order to address the gaps identified in the light of terrorist attacks; whereas the Member States had until 26 June 2017 to transpose the AML Directive into their national legislation, but not all of them have done so; whereas several Member States continue to allow ultimate beneficiaries of trusts, foundations and incorporated companies to remain anonymous as well as bearer shares which facilitate the concealment of the origin and destination of financial flows and the ownership of economic activities that provide cover to the financing of terrorism and organised crime; whereas the 5th AMLD will increase transparency on these issues;

DH. whereas the European Parliament’s Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion (PANA) verified how tax evaders count on the active help of professional intermediaries, who apparently fulfil the relevant legal obligations;

DI. whereas in July 2017, the Commission and Europol were granted observer status in the Egmont Group, an international united body composed of 156 financial intelligence units (FIUs), with the aim of increasing cooperation not only between FIUs, but also among other competent authorities;

DJ. whereas abuse and misuse of social media fundraising, funding through charity and non-profit organisations, small wire transfers and pre-paid cards are among the funding methods for Daesh and other terrorist organisations; whereas micro lending platforms are used to facilitate all of these typologies;

DK. whereas alongside traditional terrorist financing methods such as private donations, extortion, kidnapping for ransoms, abuse and misuse of non-profit organisations, formal and informal remittance systems, the use of proceeds of criminal activities, cash or funds transfers through banks, recent terrorist attacks have shown that emerging financing methods via electronic, online payment methods such as virtual currencies or anonymous pre-paid cards
and informal value transfer systems (IVTS) also pose a risk of being misused by terrorist organisations to finance their activities; whereas the anonymity surrounding certain cryptocurrencies is leading to an increase in their use for illegitimate activities; whereas their use by organised crime groups to finance criminal activities and terrorism, and to launder criminal proceeds, has increased over the past few years; whereas Europol has collaborated with national authorities in dismantling several criminal operations which involved trading in cryptocurrencies:

DL. whereas in certain countries with less developed banking systems the prevalent use of mobile banking services often makes it difficult to identify the beneficiaries of cash transfers; whereas such transfers of funds by means of mobile banking present high risks for terrorist financing and whereas, on the other hand, the relevant services must be enabled to track certain terrorist financing without coming up against banking secrecy in the vast majority of cases; whereas the use and transfer of funds through alternative remittance systems also present a risk for terrorist financing:

DM. whereas cooperation and exchange of information between obliged entities, FIUs and competent authorities are key to the effective fight against terrorist financing; whereas FIUs, in the performance of their tasks, should have access to information and be able to exchange it, including through appropriate cooperation with law enforcement authorities; whereas it is essential to further enhance their effectiveness and efficiency by having the Member States clarify their powers and the cooperation between them:

DN. whereas the Terrorist Finance Tracking Programme (TFTP) is a useful tool for counter-terrorist financing; whereas it does not allow tracing terrorist financing activities using SEPA transactions, which leads to a significant information gap; whereas a TFTS system complementary to the existing TFTP Agreement would enhance the EU’s capacity to prevent and investigate terrorist attacks by providing key additional information on terrorist financing activities and would be more efficient and effective than pursuing financial information concerning suspicious transactions through bilateral or multilateral information and/or legal assistance requests; whereas Parliament has on several occasions called for the introduction of such a system, including in its resolution of 25 November 2015 on the prevention of radicalisation and recruitment of European citizens by terrorist organisations (\(^{1}\));

**Protection of critical infrastructure**

DO. whereas incidents involving critical infrastructure, in particular those related to terrorist attacks or attempted attacks, can have severe and cross-border consequences for the security of European citizens and states;

DP. whereas services are delivered through increasingly complex systems, which makes the current sectoral approach to European critical infrastructures (ECIs) outdated;

DQ. whereas cyber-attacks on electronic services or interconnected systems are a key component of hybrid threats; whereas an increasing number of cyber-attacks have, or can have, physical effects on critical infrastructure and its users; whereas there is a need to increase readiness to counter cyber terrorist threats;

DR. whereas the Commission Comprehensive Assessment of EU Security Policy and the evaluation study of Directive 2008/114/EC indicate that: the threat to critical infrastructures is likely to continue to rise, that there is a need to enhance preparation and response capabilities and to revise Directive 2008/114/EC, and that there is an interest in targeting transport infrastructures; whereas a better framework is needed to improve rail security and to address the issue of protection of public areas of transport infrastructures, such as airports, ports and maritime transport facilities, as well as railway stations and also of energy production facilities, with particular attention to nuclear power plants;

DS. whereas attacks on critical infrastructure could have catastrophic consequences; whereas Member States must ensure adequate, fail-safe protection of these facilities;

DT. whereas incident reporting is essential in identifying shortcomings, improving the effectiveness of existing measures, assessing the performance of critical infrastructures during a disruptive event, raising awareness of the need to review existing security plans, and detecting the emergence of new threats;

DU. whereas Member States need to organise more exercises in crisis response, including in third countries seeking their cooperation and upgrading of capacities;

DV. whereas the protection and insurance of critical infrastructure and soft targets requires public-private cooperation, including in the cyber-domain;

DW. whereas private security services play a role in ensuring resilient security chains, public procurement of their services should therefore be subject to specific quality criteria, with regard to aspects such as the training, vetting and screening of personnel, quality control and compliance assurance, and the implementation of technological developments and contract management;

DX. whereas, following the 2012 evaluation of Directive 2008/114/EC, the Commission launched a pilot phase involving four critical infrastructures of a European dimension (Eurocontrol, Galileo, the electricity transmission grid and the gas transmission network);

DY. whereas the Commission, in its communication on the new Multiannual Financial Framework, proposes to significantly increase EU funding for security and defence, including EU internal security;

DZ. whereas several terrorist attacks in the EU were perpetrated by individuals known to the authorities; whereas vehicle rental companies lack the ability to exchange information, such as booking or reservation data, with law enforcement agencies for the purpose of cross-checks against official watch lists and police databases;

**Explosives precursors**

EA. whereas in 2015 and 2016, explosives were used in 40% of the terrorist attacks committed in the EU (1);

EB. whereas the explosive used in most of the attacks was triacetone triperoxide (TATP) (2), a home-made explosive that remains the explosive of choice for terrorists; whereas TATP can be quite easily manufactured using only a few substances; whereas many civilian factories and facilities which use those substances remain accessible by criminals, including terrorists, since no executive measures of control have been enforced by the Member States, in spite of the EU CBRN Action Plan;

EC. whereas despite Regulation (EU) No 98/2013, some terrorists are still obtaining explosives precursors, especially for TATP; whereas it is still possible to acquire the substances under Annex I; whereas Regulation (EU) No 98/2013 does not provide sufficient restrictions and controls, for example by only requiring a registration of transactions; whereas ensuring stricter controls is a key priority;

ED. whereas the greatest problems regarding implementation include a lack of awareness of the existing legislation across the supply chain due to the large number of economic operators (retailers of household products), and enforcing the restrictions on internet sales, imports and intra-EU movements;

(1) Europol TE-SAT 2017, p. 10.
(2) Europol TE-SAT 2017, p. 15.
EE. whereas the Commission proposal of 17 April 2018 for a regulation on the marketing and use of explosives precursors (COM(2018)0209) provides for stricter and more harmonised rules concerning the making available, introduction, possession and use of substances or mixtures that could be misused for the illicit manufacture of explosives, with a view to limiting their availability to the general public and ensuring the appropriate reporting of suspicious transactions throughout the supply chain;

EF. whereas on online marketplaces chemicals can be found by their written name, their formula, or their Chemical Abstracts Service (CAS) identification number, but in many cases are only listed by their generic name; whereas there are so many variations to names that it would be easier to identify listings for specific substances if inclusion of a searchable CAS number were also required;

EG. whereas the Regulation only covers sales to the general public, and not to professional users, who are not defined in the Regulation; whereas the criteria for defining who is a professional user differ across the internal market;

EH. whereas, pursuant to the impact assessment of 17 April 2018 (SWD(2018)0104) and the associated proposal for a regulation (COM(2018)0209), training for customs authorities on recognising explosives and explosives precursors during the course of their duties at the external border should be expanded;

Illicit weapons

EI. whereas access to firearms and components of explosive devices plays a very important role in enabling terror attacks; whereas in the EU, violent-extremist groups often have to turn to criminal networks to acquire weaponry; whereas according to Europol’s TE-SA 2018 report, firearms were used in 41% of all attacks, a slight increase compared to 2016 (38%) (1);

EJ. whereas in recent years an increase in converted blank firing weapons and reactivated firearms has been observed; whereas several recent attacks have also been carried out with different types of knives;

EK. whereas the crime-terror nexus also eases the access of terrorists to firearms;

EL. whereas the Council conclusions of 8 October 2015 invite Member States to systematically supply relevant information to Interpol and Europol;

External dimension

EM. whereas a number of regions in the EU’s neighbourhood, such as MENA and also the Balkans, are facing important challenges such as those relating to FTF and returnees management, as well as to home-grown radical cells;

EN. whereas the Balkans remain a key region for European stability; whereas the challenges related to terrorism and Islamist extremism compound a regional context already weakened by ethnic, political and social polarisation as well as criminal networks; whereas the countries of the region have already been targets for terrorism (the attacks were prevented), and are already used as transit countries for people and weapons;

EO. whereas all MENA countries have been confronted with major terrorist actions and remain prime targets; whereas these countries, on top of critical social and economic situations, may also face multiple challenges in relation to the return of FTFs from Daesh and Al-Qaeda, considering the large number of jihadists from this region; whereas information exchange and strong partnerships with these key third countries through an EU-coordinated approach, by offering cooperation and assistance in the form of capacity-building, make it possible to thwart attacks and dismantle terrorist networks;

EP. whereas regions, such as MENA, the Sahel, the Horn of Africa, West Africa, the Gulf and Central Asia, have also experienced the development of terrorist networks linked to Daesh and Al-Qaeda; whereas religious extremism and sectarian violence benefiting from financing are serious concerns, enabling terrorist networks to spread, link up with other criminal enterprises and operate in those regions, targeting Europe and European interests;

EQ. whereas the funding for Daesh and other terrorist groups has been made possible through the active or passive involvement of certain states, including supposed EU allies in counter-terrorism, as well as of private actors;

ER. whereas it is vital for the European Union to maintain strong cooperation with third country partners in counter-terrorism; whereas the dialogue concerning the measures and actions undertaken to combat terrorism and terrorist funding, including full implementation of the recommendations of the FATF, and to prevent radicalisation must be maintained, particularly with the Gulf countries; whereas interparliamentary cooperation with these key third countries is one of the tools that should be strengthened;

ES. whereas the EU is cooperating with third countries in the area of counter-terrorism in a variety of ways; whereas a number of EU instruments can be used to finance CT programmes abroad; whereas the EU has deployed a network of CT experts within EU delegations; whereas EU agencies such as Europol, Eurojust and CEPOL are also cooperating with third countries in the area of counter-terrorism, through strategic and operational agreements for example;

ET. whereas there is an EU sanction system in the area of CT with three types of measures, which is implemented by the EEAS; whereas this system is incomplete and underused owing to procedural constraints and reluctance on the part of the Member States;

EU. whereas the Council Conclusions on EU External Action on Counter-terrorism adopted on 19 June 2017 recall the role of the Common Security and Defence Policy (CSDP) missions and operations in combating terrorism through enhancing security, stability, border control and security sector reform and in building counter-terrorism capacity and information sharing;

**Victims of terrorism**

EV. whereas too many people have been the direct victims of terrorism across the EU, leaving thousands of families with post-traumatic conditions affecting their long-term well-being; whereas there is a lack of harmonised figures on the exact number of victims; whereas prior to 2001 most victims of terrorism were mainly attributable to the IRA and ETA, while since then the vast majority of deaths were as a result of terrorist actions organised or inspired by Al-Qaeda and Daesh;

EW. whereas deaths caused by terrorist attacks destroy families, and many of the injured survivors of terrorist attacks suffer from disabilities, disfiguring and life-changing loss of limbs and psychological problems and their plight impacts heavily on close family and the community, while too often once the media spotlight has passed, the long-term needs of the victims are neglected; whereas post-traumatic stress syndrome is a major public health issue in Europe; whereas there are no overall European figures on the impact of terrorism on the mental health of the population following the various attacks;
EX. whereas victims of terrorism have a very specific status, and meeting their needs is not only a legal obligation under EU, international and national law but also a responsibility for the whole of our societies; whereas recent attacks in the EU have seen victims emanating from a large number of different Member States;

EY. whereas at European level there is no defined legal statute for victims of terrorism for the purposes of access to community services or compensation rights; whereas victims of the recent terrorist attacks in Europe still lack justice, proper treatment, victim support services and financial assistance; whereas victims of terrorism are at risk of secondary victimisation affecting them not only in judicial proceedings, but also in the many interactions they have with other state and non-state entities;

EZ. whereas there are still discrepancies in the way the provisions enshrined in Directive 2012/29/EU (1) have been translated into procedures at national level; whereas the Commission has still not provided its report on the implementation of this directive; whereas on 30 May 2018 the European Parliament adopted a resolution on the implementation of this directive (2);

FA. whereas compensation for the victims of terrorism serves both as a form of recognition by society of the harm caused by the attack and as a means of financial support and restitution; whereas levels of compensation and procedures vary considerably among Member States, thereby aggravating victims’ perceptions of injustice and the suffering they experience;

FB. whereas support systems need to be set up in such a way as to ensure that cross-border victims too are continuously and systematically accounted for and provided with support in their country while staying in touch with support providers in the country where the attack took place;

FC. whereas Eurojust has been facilitating the execution of MLA requests for coordinating and granting assistance in the exercise of rights of victims of terrorism, considering the different rights and roles of foreign victims in their national legal systems;

FD. whereas businesses, including small and medium-sized enterprises, can also suffer damage from terrorism such as property damage and business interruption;

FE. whereas Parliament has put forward a pilot project to establish a ‘European Coordination Centre for victims of terrorism’ by bringing together key operational experts, victim advocates and relevant organisations from around Europe with a view to identifying key priorities and issues for victims of terrorism and delivering coordinated support across borders;

Fundamental rights

FF. whereas the European Union has a necessary role to play in promoting the respect of democratic values, including the rule of law and fundamental rights; whereas, however, there are extreme religious and political views and practices within the EU that fundamentally oppose these values;

FG. whereas counter-terrorism measures and the protection of freedoms are not conflicting goals, but complementary and mutually reinforcing; whereas fundamental rights must be secured and protected for each and every individual and all measures in the fight against terrorism should affect the innocent and uninvolved general population as little as possible;

FH. whereas any CT measures always have to fully guarantee all fundamental rights and principles, including those with regard to privacy and data protection, the right to freedom of thought, conscience and religion, as well as procedural safeguards, such as the presumption of innocence, the right to a fair trial and the right to information, ensuring that individuals have effective remedies at their disposal to challenge any violation of their fundamental rights, including the


possibility of judicial redress, and that the Union acquis on procedural rights is respected; whereas such measures should take due account of the case law of the Court of Justice of the European Union;

Fl. whereas it is crucial that CT investigations adhere to high standards of professionalism with all the measures applied being targeted, proportionate and necessary; whereas CT policies should not lead to social exclusion and stigmatisation; whereas the Fundamental Rights Agency could be requested to provide an opinion on counter-terrorism legislation within the context of its Multiannual Framework;

FJ. whereas law enforcement and judicial personnel are at the forefront of CT operations; whereas there are multiple documented cases of police and judicial officials and their families being singled out for targeting and threats by violent extremists, some of which culminated in violent physical attacks and even murders; whereas political and public support of the law enforcement and judicial personnel who safeguard fundamental rights in CT investigations by risking life and limb, is of the utmost importance;

FK. whereas the Charter of Fundamental Rights prohibits discrimination on the ground of disability and recognises the right of people with disabilities to benefit from measures to ensure their independence, social and occupational integration, and participation in the life of the community; whereas the rights of persons with disabilities in the EU are also protected by the UN Convention on the Rights of Persons with Disabilities;

Recommendations

Institutional framework

1. Considers that while Member States remain first in line to prevent and respond to threats because of their sovereign powers, a clear need exists to fully recognise the role of the European Union and of the counter-terrorism measures adopted within the framework of the ‘Security Union’ in supporting them, coordinating and sharing best practices, providing common solutions and adding value, so as to allow them to better counter the phenomena of radicalisation, extremism and terrorism; believes that in an area without internal borders, European action is vital in ensuring a high level of security across European territory and that deepening cooperation and the exchange of information between Member States and with the European Union is crucial to effectively respond to and prevent terrorist threats and protect citizens; urges the Member States and EU institutions to work towards a common strategic culture;

2. Believes that the EU and the Member States should improve their cooperation by strengthening existing European bodies, specialised EU agencies and services as well as the cooperation channels between Member States’ competent authorities and justice institutions; believes that adequate means should be granted to these EU agencies in order to enable them to deal with their increasing workload;

3. Stresses the importance of the exchange of good practices between Member States within the European Union, as well as with third countries; welcomes the initiatives taken by some Member States, as well as at the local level by some cities, and also by private operators, to identify effective counter-terrorism tools;

4. Calls on the next President of the Commission to maintain a self-standing portfolio for the Commissioner for Security Union;

5. Calls on the Council to retain the post of EU Counter-Terrorism Coordinator; considers that the EU Counter-Terrorism Coordinator should continue to play a proactive role in strengthening the EU’s response in the fight against terrorism; calls for clarification of the status and role of the Counter-Terrorism Coordinator, as a bridge between the competent EU institutions and Member States’ agencies;
6. Considers that freedom, security and justice are three aspects that cannot be analysed separately; considers that respect for fundamental rights must form an essential part of all legislative initiatives on terrorism; urges that the area of responsibility of the European Parliament’s Committee on Civil Liberties, Justice and Home Affairs should continue to include counter-terrorism, in order to ensure consistency with other legislative categories of work in the area of freedom, security and justice;

7. Calls on the Council to expand the powers of the European Public Prosecutor’s Office to include the fight against organised crime and terrorism;

8. Calls on the Member States and the Commission to further strengthen and support the ATLAS Network of civilian anti-terror special operation units of the EU Member States;

9. Urges the Commission to systematically conduct impact assessments and citizen and expert stakeholder consultations of future counter-terrorism legislative proposals;

**Terrorist threat**

10. Calls on the Commission to work with the Member States towards more transparency and a common understanding of threat levels; calls on the Member States to swiftly transmit information on the change of the threat level and the rationale behind it; further calls on the Commission and the Member States not to restrict their view of terrorism to jihadism, but to remain equally vigilant as regards terrorist threats based on other motivations such as, for example, those mentioned in the Europol TE-SA T reports;

11. Calls on the Commission to promote, in the relevant international forums, the explicit categorisation of terrorism as a ‘Crime against humanity’, set out in Article 7 of the Rome Statute that led to the creation of the International Criminal Court;

12. Calls on all Member States, in line with the conclusions of the Council of Europe (1), to recognise that Daesh has committed genocide, notably against the Yazidi people, Christian and non-Sunni Muslim minorities, and requests all Member States to take prompt and effective action in accordance with their obligation under the 1948 Genocide Convention to prevent and punish acts of genocide, as well as their general responsibility to act against crimes under international law;

13. Calls on the Member States and the appropriate EU agencies to monitor all foreign terrorist fighters and to ensure harmonised security and judicial follow-up of identified returnees to Europe; calls on the Commission to assist Member States in the establishment of aligned classification systems in order to distinguish between high, medium and low-risk returnees;

14. Recommends to the Member States that they provide appropriate structures to respond to child returnees, and in particular to develop a specialised risk and needs assessment tool based on the stages of development of children and on their degree of involvement in criminal activities abroad; underlines that rehabilitation programmes should be based on a multidisciplinary approach bringing together different kinds of expertise, including that of experienced professionals in the areas of trauma, extremism, child development, education and risk assessment and tailored to the local and national context, as well as clear legal and organisational structures for dealing with this alarming phenomenon; encourages Member States to cooperate with the International Committee of the Red Cross as it possesses particular access and expertise in this field;

15. Calls on the Commission to present a legislative proposal that precludes convicted terrorist offenders as well as persons in relation to whom there is clear evidence of their posing a severe threat to public security from being granted asylum or other forms of international protection throughout the European Union;

16. Calls on the Commission to revise and update the CBRN Action Plan, and on the Member States to establish or strengthen and maintain appropriate ‘civil defence’ measures for preparedness against CBRN attacks by recruiting qualified and regularly trained personnel incorporating both full-time and voluntary staff, as well as appropriate technical infrastructure including response resources such as specialised mobile detection systems, stocks of essential medicines, care

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(1) Council of Europe report of 22 September 2017 on ‘Prosecuting and punishing the crimes against humanity or even possible genocide committed by Daesh’.
for victims, and the sharing of best practice; emphasises that these measures must be in line with a multidisciplinary strategy that contains methods of coordination, notification procedures, standard protocols, evacuation planning, public alarm systems and incident reporting; calls on the Commission and the Member States to gradually harmonise these strategies; calls on the Member States to create or strengthen specialised laboratories; asks the Commission in conjunction with Parliament to support relevant cross-border research activities; encourages enhanced cooperation with NATO's Centre of Excellence on CBRN to ensure a transfer of best practices between emergency responders in EU and NATO member states.

17. Encourages Member States and the Commission to cooperate with the private sector in order to establish mechanisms that ensure a reliable, consistent and adequate supply of medical countermeasures, including potential use of the EU Joint Procurement Mechanism established by Decision No 1082/2013/EU of 22 October 2013 on serious cross-border threats to health (1);

18. Urges, in order to facilitate accessibility, the updating and extension of the European Bomb Data System at Europol to the European analysis project — which serves as an information and coordination hub regarding all CBRN-related incidents throughout the EU — to be complemented by an adequately staffed multidisciplinary analysis team;

19. Welcomes the Commission's plan to strengthen EU CBRN preparedness and response through cross-sectoral exercises for law enforcement, civil protection health structures and, where relevant, borders and customs within the existing financial instruments and operational tools, in particular the Union's Civil Protection Mechanism, CEPOL and the Internal Security Fund — Police;

20. Urges the Commission and the Member States to set common standards for vetting procedures at vulnerable institutions such as nuclear power plants or specialised laboratories;

21. Encourages the Member States to make more use of technical detection systems for CBRN substances, particularly at large-scale public events, and calls on the Commission in conjunction with Parliament to make further European funding available for comprehensive acquisitions of such systems;

22. Welcomes the creation within the ECTC of a knowledge hub on the topic of CBRN and related activities on explosives, which will operate alongside the European Nuclear Security Training Centre (EUSECTRA); calls for a standard procedure in which every Member State effectively shares information with the knowledge-gathering centre;

23. Welcomes the approval of a regulation on common rules in the field of civil aviation safety and the mandate of the European Aviation Safety Agency (EASA) and repealing Regulation (EC) No 216/2008 (2); calls on the Commission to take security aspects into account for forthcoming delegated and implementing rules on drones and drone operations, including regularly updated risk assessments, mandatory registration, electronic identification and geofencing in all drone categories, and mandatory security licences and training courses for operators of security and inspection missions;

24. Notes that many persons carrying out terrorist activities in the EU have been known to start off in petty crime and to have been indoctrinated in violent extremism while in prison; invites Member States to ensure that their criminal law systems punish criminals appropriately and allow for a careful consideration of the risk of reoffending before an early release is authorised; stresses that prison time should enable rehabilitation, reintegration and prevention of repeat offences instead of fomenting violent extremism;

25. Underlines the ongoing threat of interactions between terrorist organisations and organised crime, particularly in relation to logistical capacities and weapons trafficking which could enable large-scale attacks;

26. Notes the increased cyber threat and underlines the importance of stepping up cyber security efforts also in the field of counter-terrorism;

27. Calls on the Member States to provide adequate resources to their public bodies involved in CT operations with all the technical, financial, educational and legal means necessary to protect themselves against violent extremists in fulfilling their duties;

_Preventing and countering radicalisation leading to violent extremism_

_Structures for countering radicalisation_

28. Calls for the creation of an EU ‘Centre of Excellence for Preventing Radicalisation’ (CoE PR), as a successor to the RAN, to be embedded in the Commission with adequate financial and human resources; believes its tasks should include coordination, facilitation of cooperation and exchange of knowledge, lighthouse projects and good practices among Member States, policymakers, practitioners (by involving former RAN and ESCN structures), as well as engagement with religious leaders or communities and academics and experts, including IT specialists, in the area of preventing and countering radicalisation; points out that its activities should include the training of different categories of professionals, including judges and prosecutors, also by partnering with key strategic third countries; considers that this centre should also establish scientific methodologies to evaluate and measure the effectiveness of programmes and projects, so that the relevant policies can be adjusted if necessary;

29. Notes that the European Court of Auditors’ report of 2018 on deradicalisation found that the Commission does not maintain a complete overview of EU-funded measures, and that no indicators or targets for EU funds are used to measure to what extent the approach is successful; calls on the Commission to ensure that sufficient funding under the Internal Security Fund is earmarked for preventing and countering radicalisation, which would streamline resources currently fragmented across different funds and programmes and allow for better coordination and visibility as well as higher effectiveness of their use on the basis of criteria which could be developed by the CoE PR;

30. Urges the Member States to adopt comprehensive national and regional strategies for preventing and countering radicalisation, with adequate financial resources for communities and partners at local level involved in the creation and implementation of programmes based on these strategies, and calls for a multi-agency approach; stresses that the best results are achieved in partnership with local communities; stresses further that objective qualitative and quantitative indicators which could be developed by CoE PR would enable local and regional authorities to map out the local specificities of radicalisation and better tailor programmes to the specific area;

31. Calls on the Member States to address radicalisation holistically, also in collaboration with local administrations, and to complement security approaches by strategies on social inclusion, economic and cultural integration and by long-term policies and investments in public services and infrastructure; exhorts both the Commission and the Member States to promote anti-discrimination campaigns;

32. Highlights the importance of conducting specific research into the role of women within targeted regions, countries and communities to understand their role and identify areas where women’s organisations could contribute to building greater resilience to radicalisation;

33. Calls for the creation of a European Resilience Prize, which would be awarded every year by the European Parliament, and possibly in close consultation with the CoE PR, to the best social and cultural project at local level in the EU, thus promoting social engagement, in full accordance with democracy, rule of law and human rights and with the aim of building societies that are resilient against radicalisation;

34. Calls on Eurojust to continue its work in monitoring the jurisprudence in Member States as regards radicalisation leading to terrorism, including the use of alternatives to prosecution and detention, and to report regularly in its Terrorism Conviction Monitor (TCM); calls on the Member States, to this end, to transmit to Eurojust all relevant information on prosecutions and convictions for terrorist offences which affect or may affect two or more Member States;
Religious extremism

35. Urges the Member States to guarantee the freedom of religion and the right to exercise it freely, as enshrined in the Charter of Fundamental Rights, and in this context in particular to encourage and tolerate only religious practices that are in full accordance with democracy, the rule of law, human rights and the laws in place in Member States; welcomes the initiatives by religious communities throughout Europe to counter the dangerous narratives from within their communities; stresses the need to encourage inter-religious and cross-cultural dialogue and cooperation with religious communities and local authorities to prevent radicalisation;

36. Calls on the Member States to conduct prior screenings of chaplains and to consistently blacklist on a case-by-case basis any hate preachers; calls on the Commission to introduce an EU watch list so as to better exchange information on extremist chaplains within the scope permissible in accordance with the law; encourages the Member States to find a common understanding and develop guidelines against which those chaplains could be screened;

37. Calls on the Member States to increase the offer of higher education opportunities for chaplains in the EU, with transparent scrutiny and only accrediting theological curricula that fully respect democracy, rule of law, human rights and the neutrality and democratic laicism of European countries, and revoking teaching licences in cases of misdemeanour;

Acting against hate speech and extremist groups

38. Calls on the Member States to implement the CT Directive and Framework Decision on Racism and Xenophobia, under which incitement to commit a terrorist act or a hate crime is a criminal offence, in order to exclude hate preachers from public activity using all legal measures, including refusal of visas or expulsion from EU territory, and to start judicial proceedings against such preachers and any agents of extremist and terrorist proselytism;

39. Urges the Member States to close places of worship and ban associations that are not in full compliance with applicable EU and national law, democracy, rule of law and human rights and that incite terrorist offences, hatred, discrimination or violence;

40. Invites the Member States to examine how to ensure that places of worship, education and religious teaching, charities, cultural associations and foundations and similar entities provide details regarding the provenance of their funds and their distribution, both within and outside the EU, and how data concerning these entities, where there exists suspicion or reasonable grounds to suspect links with terrorist groups, could be recorded and analysed by competent authorities in accordance with the EU legal framework and data protection rules; calls on the Member States to ban funding from third countries that oppose democracy, rule of law and human rights;

41. Asks the Member States to take swift legal action to ban and remove to the extent possible within their territories all printed and online propaganda that explicitly incites violent extremism and terrorist acts, including all content produced or spread by groups and individuals sanctioned by the EU or UN: asks for such propaganda to be removed from shops and online platforms as part of the referrals by the EU IRU, which could be reinforced in human resources and capacities, if needed; calls for efforts to be made to track and/or identify the sources of such propaganda;

42. Calls on the Member States to take action against satellite TV channels disseminating violence, hate speech and incitement to terrorism, in accordance with the Audiovisual Media Services Directive; calls on the Member States to fully and swiftly implement the Directive to ensure that Article 6 on prevention of incitement to violence and hatred is in force across the EU: requests the Commission to prepare an analysis of possible legislative changes in the Directive in order to improve the effectiveness of blocking such channels broadcasting from third countries;

Education

43. Highlights that the Member States must ensure that all educational institutions provide education in accordance with the European Convention on Human Rights, through checks on curricula, regular inspections and sanctions for non-compliance, and that religious zealots must not gain access to schools;
Believes that education as a process to discover, explore, engage with and confront history, civilisations, cultures, ideologies and religions must become a fully fledged tool in the fight against all extremist violence and violent radicalisation processes; emphasises the importance of teaching non-discrimination and respect for other people's beliefs and of promoting social inclusion of all children, in accordance with the EU Charter of Fundamental Rights, as well as the UN Convention on the Rights of the Child;

Calls on the Member States to establish policies for the prevention of radicalisation, both specific (vulnerable groups) and non-specific (general); believes that gatherings in schools with victims, returnees and their families and people who have overcome radicalisation could be an effective tool for preventing radicalisation; encourages awareness training for practitioners who may interact with child returnees; notes that the best results are often achieved in partnership with local communities, challenging the core communications of terrorist groups with counter narratives;

Encourages the Member States to integrate media and information literacy and internet use into national education systems in order to empower young citizens with the tools to understand and assess the often unfiltered information that circulates online and to use the internet responsibly, with a view to avoiding possible risks of radicalisation;

Recommends that Member States establish guidelines for schools for tackling the possible radicalisation of pupils and to develop simple and clear procedures on how to deal with them; stresses the need for the involvement of child protection authorities and social services, with better cooperation with the relevant units of law enforcement and justice bodies in the process of addressing the most serious cases of radicalisation;

Underlines the need to achieve automatic detection and systematic, fast, permanent and full removal of terrorist content online on the basis of clear legal provisions including safeguards, and human review; further points out the need to prevent the re-upload of already removed content; welcomes the Commission’s legislative proposal on preventing the dissemination of terrorist content online by obliging platforms to remove it fully; calls on the co-legislators to urgently work on the proposal; invites the Member States to put in place national measures if the adoption of legislation is delayed;

Considers that the reporting should include descriptions and statistics on what content was removed and why, how many views the content received prior to removal, how long the content stayed online prior to removal and whether or not the account associated with the offending content was deleted and when; stresses that proper transparency is needed to assess whether state authorities are playing an appropriate role in investigating and prosecuting offences when illegal content is reported;

Welcomes the work of the Global Internet Forum to Counter Terrorism (GIFCT) and calls on the founding companies of the GIFCT to intensify their efforts in the shared industry hash database also by sharing knowledge with smaller technology companies; calls on technology companies to increase their efforts and funding for the development of methods to remove terrorist content quickly, but without endangering freedom of speech;

Welcomes the work done by Europol's EU IRU; calls on each Member State to establish a special unit in charge of reporting illegal content which could cooperate with the EU IRU in ensuring complementarity and avoiding unnecessary duplication in referring terrorist content to IT companies; calls for the EU IRU to be strengthened in order to facilitate and coordinate Member States’ efforts to intercept, flag and delete terrorist content online; believes, furthermore, that it is crucial to collect the information on deleted online terrorist content and accounts at Europol, in order to prevent them from being uploaded again and facilitate analysis and criminal investigations;

Calls for the Commission to create an online European platform that citizens can use in order to flag online terrorist content, and asks companies to have adequate capacity to receive, review, process and respond to flagged content;
53. Calls for an effective partnership approach between law enforcement agencies, judicial authorities, the IT industry, internet service providers (ISPs), internet host providers (IHPs), social media companies and civil society organisations in developing and disseminating effective counter-narratives, also where appropriate with the inclusion of victims and former violent extremists, and to ensure that search engines place counter-narratives prominently; encourages the Commission and the Member States’ authorities to strengthen their efforts to build effective counter-narratives and other strategic communications tools;

Prisons

54. Calls on the Member States to ensure secure and safe prison conditions for both detainees and staff, and to create specific procedures and indicators to identify and deal with radicalised inmates, in order to prevent radicalisation of others, as well as to ensure targeted monitoring and targeted disengagement measures, and to train prison staff accordingly;

55. Urges the Member States to guarantee the safety and physical and psychological integrity of staff in prisons and to provide them with psychological counselling; calls on the Member States to provide adequate resources, targeted training and supervision to prison authorities at all levels and especially to frontline staff closely working with juvenile offenders and radicalised inmates; stresses, in particular, that staff must be adequately trained to detect signs of radicalisation at an early stage; encourages the Member States to take stock of the training courses developed with EU funds by the Confederation of European Probation (CEP), EuroPris and the European Penitentiary Training Academies (EPTA) network; calls for further EU contribution to enhancing training for prison officers on issues related to radicalisation and potential terrorist threats;

56. Stresses that prison authorities must develop specific tools and methods for identifying and monitoring radicalised inmates according to their degree of radicalisation and for their obligatory assessment prior to release; calls on the Commission to promote best practices on risk assessment methodologies of radicalised inmates developed by different Member States; considers that the inmates ranked as most dangerous must be flagged to the judicial authorities and/or national and external authorities in charge of counter-terrorism, with effective post-release parole requirements for those likely to threaten public security; urges the Member States to strengthen intelligence gathering regarding radicalised inmates and their follow-up, building on best practices in the Member States, such as the establishment of prison intelligence procedures; highlights that the appointment of a contact person responsible for combating radicalisation in the prison system may be useful;

57. Stresses that prison time should enable rehabilitation and reintegration instead of fomenting radicalisation; calls on the Member States to set up multidisciplinary disengagement programmes within prisons; believes that reintegration measures should be made an integral part of incarceration in order to prepare for the release of these inmates; considers that the CoE PR could carry out a follow-up of action plans against radicalisation in prisons and in post-prison transition;

58. Stresses that inhuman detention conditions, overcrowding and ill treatment are counter-productive as regards the objective of combating radicalisation and violent extremism; points out that in order to prevent radicalisation in prisons it is essential to establish detention rules that are differentiated according to the level of danger presented by the inmates; underlines in this respect that any specific programme dedicated to a certain group of prisoners must respect the same human rights and international obligations as for any prisoner;

59. Calls on the Commission to launch a European Forum on prison conditions in order to encourage the exchange of best practices between experts and practitioners across all Member States;

60. Draws attention to the various forms of illegal goods trafficking in prisons, particularly the trafficking of mobile phones, which allows incarcerated prisoners to remain in contact with external terrorist networks;
61. Urges the Member States to facilitate access to genuine chaplains as it reduces the risks of the self-organisation of radical religious cells; suggests introducing a system of licences based on background checks for chaplains accessing prisons in order to prevent the spread of extremist views among high-risk populations, and calls on the Council, with support from the Commission, to draw up guidelines on this based on best practices; calls on the Member States to regularly evaluate and monitor the chaplains with access to prisons; calls on the Member States to require standard training for chaplains working in prisons based on best practices developed by Member States’ penitentiary authorities, also in cooperation with third countries;

Cooperation and information exchange

Horizontal issues

62. Urges the Member States to implement, fully and on time, the existing legislation, and calls on the Commission to provide the necessary support; calls on the Commission to analyse the shortcomings in the transposition, implementation and application of the existing legislation, and to use its powers to initiate infringement proceedings when Member States fail to properly implement legislation;

63. Urges the Member States to ensure that they have the necessary technical equipment, software, security systems and qualified human resources to make full use of the existing information systems and cooperation mechanisms; reiterates the importance of ensuring that staff with access to such equipment have received appropriate training with regard to data;

64. Notes the insufficient nature of the security research being conducted by public institutions; calls for a more proactive definition of the needs (e.g. strengthening the European Network of Law Enforcement Technology Services (ENLETS), which is defining technological needs for law enforcement); calls for support for pilot projects on artificial intelligence and blockchain technology (remittances); calls for the active involvement of EU agencies such as Europol and CEPOL in EU security research projects; calls on the Member States to regularly organise foresight exercises looking into future threat scenarios; supports the continued funding by the Commission to set up modernised databases and provide up-to-date technical equipment and training for staff, and calls for a more ambitious approach in this respect;

65. Urges the Member States to develop the necessary technical standardisation, improvements with regard to data quality and legal framework for a future approach of ‘information sharing by default’ when it comes to sharing CT-related information with other Member States and relevant EU agencies and bodies on the basis of the applicable underlying legal regulations governing each information system, thus exchanging such information as a rule, and refraining from such exchange only in specific cases where circumstances require that it be withheld, namely when the sharing of information would jeopardise current investigations or the safety of an individual or would be contrary to the essential interests of the security of the Member State concerned; calls on the Commission to collect data on the implementation of existing obligations with regard to information-sharing by default;

66. Calls on the Member States to comply with their obligations under the CT Directive and Decision 2005/671/JHA to exchange relevant information in connection with terrorist offences as soon as possible with the competent authorities of other Member States; is of the opinion that the competent law enforcement authorities should, without any prior request being necessary, provide to the competent law enforcement authorities of other Member States information and intelligence in cases where there are factual reasons to believe that this information and intelligence could assist in the detection, prevention or investigation of offences;

67. Points out that existing opt-outs by some Member States from police and judicial cooperation measures for the prevention, detection, investigation and prosecution of terrorist offences and the financing of terrorism could endanger the speed and efficiency of terrorism investigations and may have detrimental effects; calls on the Member States to keep this in mind and to thoroughly weigh up the pros and cons of opt-outs in this crucial field;
68. Notes that the current existence of 28 different legal regimes for data retention may be counter-productive for cooperation and information exchange; urges the Commission to evaluate a legislative proposal on data retention which respects the principles of purpose limitation, proportionality and necessity, taking into account the needs of the competent authorities and the specificities of the field of counter-terrorism, by, among other measures, addressing new forms of communication, establishing strong safeguards on the storing of data by service providers and on the access side to data for criminal investigations, pseudonymisation opportunities, determining data categories that are particularly relevant for effectively combating terrorism and serious crime, providing specifically trained and supervised staff dealing with data access or introducing periodic threat-assessments as a basis for retention periods.

Information systems

69. Urges the Member States to ensure full implementation and to systematically check the relevant databases and information systems in full accordance with their access rights laid down in the underlying legal bases and to introduce all useful data in a timely manner while meeting the quality requirements of the respective information systems;

70. Urges the Member States to ensure that the relevant information available at local or regional level and in their databases is automatically uploaded where possible through smart technical solutions to national systems and, where appropriate, to relevant European databases to prevent information from being lost as a result of the fragmentation of jurisdictions, while ensuring that EU data quality, security and protection standards are met;

71. Calls on the Member States to use to the extent possible all link categories and implement all search combinations provided in SIS, and to ensure appropriate staffing levels and sufficient technical support for the SIRENE Bureaux;

72. Welcomes the revision of the Schengen Information System II (SIS II), requiring law enforcement authorities to also register the checks carried out on a target registered in SIS II and establishing a uniform use of SIS II with regard to terrorism; calls on the Member States to ensure that information in connection with terrorist offences is consistently and systematically uploaded to European systems and platforms, particularly in the case of alerts under Article 36 of the SIS II Regulation, and synchronised where possible by implementing a consistent three-tier information-sharing approach by making optimal and consistent use of SIS and Europol data; welcomes the new type of alert: an ‘inquiry check’ under Article 36 of the SIS II Regulation, and the new obligation for an immediate reply by the SIRENE Bureau in the event of an alert linked to terrorism; further calls on the Commission to determine, with the active participation and agreement of experts from the Member States, good practices in terms of follow-up procedures for hits on persons involved in terrorism or terrorism-related activities under Article 36;

73. Calls on the Commission to implement a ‘post-hit’ information exchange mechanism that would enable all Member States or at least those concerned to be informed of the hits generated by the movements of persons involved in terrorism or terrorism-related activities; underlines the need for mapping of the travel movements of FTFs, returnees and persons involved in terrorist activities based on SIS hits in order to gain a clear and comprehensive picture that can provide a basis for taking further measures;

74. Calls on the Commission to evaluate under which circumstances national intelligence services may continue to have direct access to relevant EU information systems, in particular SIS under its reformed legal regime, to avoid new security and information exchange gaps;

75. Welcomes the deployment of a central automated fingerprint identification system (AFIS) within SIS to enable end users to search SIS on the basis of fingerprint data; calls for the roll-out of the system by 2019; urges all Member States to implement the AFIS functionality of SIS immediately; notes that despite the legal basis of SIS II permitting the storage of fingerprints, such biometrics have so far only been used to confirm the identity of a person following a check on the person’s name or date of birth; believes that identification based solely on fingerprints would bring significant added value;
76. Calls on the Member States to ensure that their CT competent authorities have access to VIS and for a simplified procedure for such access;

77. Welcomes the creation of the European travel information and authorisation system (ETIAS), which will be applied to visa-free nationals of third countries;

78. Calls on the Commission to propose legislation establishing one centralised ECRIS system, allowing for the exchange of criminal record information concerning both EU nationals and third-country nationals;

79. Calls for private aircraft to be covered by the EU PNR Directive and for air carriers to be obliged to collect PNR data; calls on the Commission to evaluate security procedures enacted at aerodromes and smaller airports throughout the Member States;

80. Urges all Member States to fully implement the PNR Directive without delay and calls on the Commission to swiftly proceed with infringement procedures against those Member States who have not yet done so; calls on the Member States to interconnect their PIUs in order to facilitate the exchange of PNR data; calls on the Commission to propose technological solutions to make the exchange of PNR data and their integration into different systems less time-consuming and demanding in terms of human resources by automating the processing of requests from one PIU to another; encourages, therefore, projects such as the ISF project led by the Netherlands to develop PIU.net based on the existing FIU.net; asks the Commission, together with Europol, to support the development of joint targeting rules and risk assessments to be applied by the Member States;

81. Calls on the Member States to make their PIUs multidisciplinary units, including personnel from customs, law enforcement and intelligence authorities, in order for the competent authorities to better share information;

82. Notes that the deadline for implementing the Prüm decisions (1) of 23 June 2008 expired on 26 August 2011 and that even now not all Member States have fully implemented the decisions; calls on those Member States therefore to finally fulfill their obligations under EU law and fully implement the Prüm decisions and strengthen the Prüm network by updating their national processing systems to adapt to modern information technology; urges the Commission and the Council to modernise and upgrade the Prüm decisions of 2008 to link national systems more efficiently;

Interoperability

83. Welcomes the proposed regulations on interoperability; calls on the Commission to evaluate the potential and possible added value of additional information systems to be included in the future and to report to the European Parliament; believes that interoperability helps bring the relevant and necessary information together; emphasises that such a solution needs to find the right balance between legitimate needs for timely, efficient and relevant information for authorities in full accordance with their access rights and purpose limitation under the underlying legal bases and the fundamental rights of the data subjects;

84. Stresses the need to introduce a biometric matching service enabling querying with biometric data across several EU information systems so as to contribute to the fight against identity fraud and to prevent people from using multiple identities; stresses the need to feed the relevant databases with biometric data; also stresses the need to continuously improve the ability to recognise improperly used real, partly falsified or entirely falsified documents used for personal identification;

85. Urges that the work for further evolution of the UMF standard be initiated immediately, with the close involvement of eu-LISA, in order to ensure that the standard meets the needs of future interoperable IT systems and can be a part of the coordinated work towards improving data quality in large-scale IT systems;

86. Calls for the delineation of harmonised minimum data quality standards for data input to be established at EU level, in line with the criteria of the EU data protection acquis, and applied across IT systems in order to ensure consistent quality of the data therein; urges eu-LISA to establish common indicators and checks and to develop a central monitoring capacity for data quality for all systems under its competence; further recommends that when eu-LISA notes irregularities in its quality reports to the Member States, the Member State concerned should be obliged to correct the data or justify the lack of correction;

87. Criticises the lack of appropriate funding and staffing for eu-LISA, considering its continuously increasing responsibilities; calls for eu-LISA to be reinforced with the additional capacity and resources needed to perform the new tasks efficiently, and for this to be reflected in the new MFF;

Cooperation and exchange of information within and between the Member States

88. Calls on the Member States that have not yet done so to create national counter-terrorism ‘fusion centres’, or coordination units, as well as coordinated databases, in order to centralise and facilitate the search, identification and exchange of terrorism-related information and intelligence from all relevant national authorities; considers furthermore that a proactive local and, where appropriate, regional policy is a prerequisite for an integral national security policy; calls on the Member States to share best practices in this respect, such as the Belgian ‘Lokale integrale veiligheidscentra’, which involve civil society stakeholders such as social services, local administration and local politicians, in discussing all indications of radicalisation, and with shared professional secrecy so that stakeholders with a professional duty of secrecy could also contribute;

89. Calls on the Member States to explore new approaches to improve cooperation and information exchange between law enforcement and intelligence services at national level which preserve the necessary separation between law enforcement and intelligence work and the required principles of information ownership and source protection and those related to admissibility of evidence in criminal proceedings;

90. Calls on the Member States to build on best practices by reinforcing the case-by-case cooperation and information exchange between public prosecutors and intelligence services in terrorism-related criminal investigations;

91. Recommends that Member States indicate in guidelines or through legislative action when it is permissible to exchange information between police and intelligence services with other Member States’ competent authorities and EU agencies, and believes that aligning national standards on this issue would contribute to an EU-wide answer to the question of when such information can be used and shared;

92. Calls on the Member States to ensure that any legal or political evaluation, check, procedure or lawsuit that provides intelligence information does so with a special degree of protection and to ensure that the protection of confidentiality and integrity of sources of intelligence and officials is maintained in order not to endanger the work and security of sources, informants and employees of the intelligence services;

93. Calls for the setting up of an EU Joint Intelligence Academy with common standards, in order to combine resources and develop synergies, trust and a common intelligence culture;

94. Recommends that the Member States examine the possibility of better coordination and cooperation between intelligence and law enforcement services at EU level, for example by sending intelligence experts in addition to law enforcement staff to the meetings of the Counter-Terrorism Joint Liaison Team (CTJLT) at Europol; calls on the Commission to increase support to the CTJLT, including adequate funding;

95. Calls on the Member States to optimise collaboration through the Counter-Terrorism Group, to further reinforce it as a joint cooperation and communication platform between national intelligence services, and to provide adequate funding: welcomes the setting up of a CTG Advisory Board to increase visibility and transparency and to speak publicly in the relations between the CTG and the relevant EU institutions and bodies and to guarantee that the European Parliament is continuously informed;
96. Asks the Member States to schedule regular exchange meetings between judges and representatives from the intelligence and law enforcement community in order to share knowledge about situational, investigatory or technical developments in the counter-terrorism field, enabling the judiciary to grasp the full picture concerning their jurisdiction and receive further training;

97. Calls on the Member States to further develop mutual cross-border police cooperation through joint threat assessment, risk analysis and patrols;

98. Calls on the Member States and European stakeholders to continue providing sufficient operational capacity and enhance maximum effective cooperation in the fields of counter-terrorism and EU internal security, including through adequate budgeting, so as to maintain a national security culture that is equipped to deal with the threat in the medium term;

99. Welcomes the European Council (Art. 50) Guidelines of 23 March 2018 on the framework for the future EU-UK relationship in which it expressed ‘determination to have as close as possible a partnership with the UK in the future […] in particular [in] the fight against terrorism and international crime’; believes that it is crucial to ensure continued mutual security cooperation and information exchange between the EU and the UK post-Brexit;

100. Recognises the close professional counter-terrorism collaboration between European countries and, as appropriate, with foreign counter-terrorism authorities, and calls for continued enhancement through operational missions, data analysis, more rapid exchange of intelligence, and the sharing of best practice;

Cooperation and exchange of information with the EU agencies

101. Calls for more systematic cooperation among the JHA agencies working on counter-terrorism to develop joint approaches and synergies given the increasing role of the agencies in this field; believes that regular joint meetings of all the key agencies could further develop joint work in this field and increase synergies with their liaison officers in delegations;

102. Calls on the Member States to increase the number of Seconded National Experts with a background in counter-terrorism to agencies with a view to ensuring representation of Member States’ needs and allowing the agencies to have the necessary expertise in this field, within the context of their mandates;

103. Calls for Europol to become a veritable hub for law enforcement information exchange and cooperation in the field of counter-terrorism in the EU; calls on the Commission to closely monitor this process and evaluate the need of possible legislative adjustment;

104. Invites Europol to make full use of its current rights to access SIS, VIS and Eurodac with the purpose of enhancing interoperability, while respecting fundamental rights and data protection legislation;

105. Calls on Europol to ensure the timely availability of QUEST to Member States, with the purpose of enhancing interoperability;

106. Calls for appropriate funding and staffing for Europol and Eurojust considering their continuously increased responsibilities and vital role in strengthening European law enforcement and judicial cooperation and in supporting the fight against terrorism;

107. Urges the Member States to ensure full use of the contacts between Europol and the relevant authorities when it comes to terrorist offences, considering that in the field of counter-terrorism speed is often essential; encourages the Member States to use ‘on-the-spot deployments’ of Europol specialists, as this increases trust and reduces administrative burdens; calls on the Member States to ensure direct access of Member States’ law enforcement CT services (beyond federal/central level) to Europol’s services;

108. Calls on the Member States to establish the necessary secure national law enforcement communication infrastructure and to promote direct and decentralised connectivity of CT services to CT SIENA and EIS, as this would reinforce searches and cross-matches;
109. Urges the Commission and the Member States to provide enhanced financial and human resources, including data scientists and big data analysts, for the development of technical solutions to deal with the high volume of data to be analysed; calls for Europol to be tasked with further R&D projects in this field in the context of its mandate for the benefit of Member States;

110. Condemns policies leading to mass surveillance; calls instead for ‘targeted surveillance’ based on prior individual suspicion, as this could better enable law enforcement and intelligence services to get access to the specific information needed, and would therefore be less costly and more efficient; recalls that targeted surveillance must be combined with adequate safeguards in order to protect fundamental rights, including the right to privacy, while serving security;

111. Calls on the Member States to make full use of technical solutions to improve sharing of information with Europol, in particular by automating the process of uploading data to the Europol information system for cross-checking purposes, for example by using the ‘data loaders’ developed by Europol;

112. Welcomes the new provision in the future SIS II allowing Europol, unless legal or operational reasons require otherwise, to be informed of any new alert or any hit linked to terrorism in SIS; notes that this will allow cross-checks and, if deemed appropriate, operational and/or thematic analysis, in order to proceed with the mapping of travel patterns and/or to analyse the possible connections of the located individual(s); calls on the Commission to quickly implement this new possibility;

113. Calls on Europol to publish an annual report on the amount and type of information shared by the Member States in the relevant EU information systems and with Europol, in order to identify gaps and promote information exchange;

114. Calls on Europol to fully develop biometric capacity as soon as possible, as it would be important for Member States to increasingly share biometric information with Europol;

115. Highlights that state-of-the-art end-to-end encryption of communications is an essential tool to safeguard confidentiality of communications and ensure legitimate transactions between consumers; calls on the Member States to ensure cooperation among all relevant stakeholders with a view to increasing the decryption abilities of the competent authorities and that the decryption abilities of the competent authorities are up to standard with a view to legal prosecution; welcomes the fact that Europol is developing decryption tools and expertise in order to become a hub for decrypting information lawfully obtained in criminal investigations and to better support Member States; further notes that the Commission amended the 2018 Europol budget with an additional EUR 5 million to reinforce its capabilities to decrypt such information and to develop a toolbox of alternative investigation techniques at the disposal of Member States;

116. Welcomes the Paris Declaration of 5 November 2018 on the creation of a European Judicial Counter-Terrorism Register at Eurojust; calls for the immediate creation of such a register at Eurojust based on Council Decision 2005/671/JHA, amended by Directive (EU) 2017/541 on combating terrorism (1), with adequate financial and human resources;

117. Calls on the Member States to systematically involve Eurojust in their counter-terrorism investigations and prosecutions with a cross-border dimension and make efficient use of Eurojust’s coordination tools;

118. Believes that operational agreements with third countries can be helpful for Europol’s work, and notes the fact that the Commission is currently negotiating operational agreements with eight countries from the MENA region; requests the renegotiation of operational agreements with particular close partners, such as the EFTA countries;

119. Calls on Eurojust to continue enlarging its network of contact points in third countries, and encourages the posting to Eurojust of more liaison prosecutors, for example from the Western Balkans;

120. Is concerned about Interpol notices, particularly red notices, issued by certain third countries that use them for political purposes, thus impeding international cooperation in counter-terrorism;

121. Stresses the need for increased funding to CEPOL and to step up the development and delivery of innovative cyber-related training;

122. Invites CEPOL to continue developing training programmes for end users of SIS, on the basis of the SIRENE Manual and Best Practices Catalogue, on the topic of persons involved in terrorism or terrorism-related activities, including foreign terrorist fighters, who are the subject of SIS alerts;

123. Calls for an ongoing exchange of strategic information on counter-terrorism by national security services with EU institutions via the EU INTCEN; urges the Member States to further support the sharing of intelligence through the EU INTCEN and to optimise its work, so as to increase its effectiveness in the fight against terrorism;

Mutual recognition and mutual legal assistance

124. Expects the Member States to further educate and train judicial staff on the European Investigation Order (EIO) in order to ensure its comprehensive application;

125. Calls for the use of JITs in the event of terrorist attacks; believes that JITs increase the effectiveness of cooperation and the investigation of cross-border offences; further calls for the participation of Europol and Eurojust in these JITs, as this means better use of the resources and capabilities provided by the EU agencies; calls for improved and easily accessible funding to be provided for these JITs; further calls for the setting up of a special ‘Erasmus for police officers’ programme on the ground, preferably for junior and low-ranking officers, to encourage them to participate in JITs in other EU Member States at least once throughout their careers, thereby allowing those who do not necessarily have experience in collaborating with their counterparts in other Member States to acquire additional experience and observe best practices on how to fight cross-border crime more effectively; encourages the extension of this programme to other security and correction officers in the future;

126. Calls on the Member States to make full use of the expertise and tools offered by Eurojust and the European Judicial Network (EJN), in particular in providing practical and legal information and support when it comes to MLA requests and assistance with mutual recognition requests, coordination of investigations and prosecutions, decisions on the best placed jurisdiction to prosecute, and coordination of asset seizures and confiscations;

127. Calls on OSPs and communications platforms to implement judicial decisions on counter-terrorism effectively; calls on the Commission to examine the possibility of a legislative proposal that obliges communication platforms present on the EU market to cooperate when it comes to encrypted communications if there is a judicial decision to that effect; stresses that such cooperation should not weaken the security of their networks and services, for instance by creating or facilitating ‘backdoors’;

External borders

128. Urges the Member States to invest in up-to-standard ICT equipment at all border crossings to allow for proper checks using all relevant databases; asks the Commission to set a benchmark for the technical standards of such ICT equipment, after consulting eu-LISA; considers that the work on the proposals for interoperability of information systems should be taken as an opportunity to improve and partially harmonise national IT systems and national infrastructure at border crossing points; welcomes the Commission’s proposal to reinforce support to Member States in securing the EU’s common external borders by at least tripling the budget for the Integrated Border Management Fund in the next MFF 2021-2027;

129. Welcomes the adoption of the recent reforms taken to strengthen the EU’s external borders at EU level, including the adoption of the EES and ETIAS and the reform of the SIS; calls on the Member States to fully implement these measures and, in cooperation with Europol, to support and contribute to the watch list for ETIAS and VIS; asks the Commission to closely monitor the implementation of the new Regulation (EU) 2017/458, which provides for systematic checks on all persons crossing the external borders and in particular the use of the derogation on systematic checks;
130. Calls on the Member States to bring their border management in line with the Integrated Border Management (IBM) concept; stresses the need to ensure full implementation of the IBM strategy at European and national level and thus strengthen the management of the external borders:

131. Welcomes the Commission proposal to the effect that information on long-stay visas and residence permits, including biometrics, for third country nationals should be included in VIS;

132. Urges the Member States to abandon the sale of residence permits and nationality via ‘golden visas’ and investment programme schemes given the high risk of corruption, abuse and misuse of the Schengen area for criminal purposes; asks the Commission to act sternly and swiftly demanding from Member States all relevant data and controls to ensure the integrity and security of the Schengen system;

133. Encourages the Commission to continue negotiations with third countries on return and readmission and to evaluate whether the Return Directive (2008/115/EC) provides an adequate legal framework for the return of violent extremists who exploit national laws to pursue terrorist aims and are a clear risk to public security;

134. Encourages the Member States to use the revised visa waiver suspension mechanism, effectively notifying circumstances which might lead to a suspension of a third country's visa waiver, such as a substantial increase in risk to public policy or internal security;

135. Calls on the Commission to prepare an evaluation of options and related impacts of a possible legislative proposal making it compulsory for air carriers and port, international bus or high-speed train operators to conduct conformity checks when passengers board, in order to make sure that the identity stated on the ticket matches the ID card or passport in the passenger’s possession; stresses the need to ensure that transport operators are not granted any tasks that only pertain to police authorities, such as proper identity checks or verification of the authenticity of ID or travel documents;

European Border and Coast Guard Agency (EBCGA)

136. Calls on the co-legislators to consider providing the EBCGA with a specific mandate for processing operational personal data suited to its operational role, including in the prevention and detection of cross-border crime and terrorism at the EU's external borders; believes that such a mandate should allow for the necessary safeguards, with third countries;

137. Notes that suspects whose personal data was previously processed by the EBCGA will disappear from the analytical system after 90 days and thus become unknown or new suspects; calls, therefore, for the retention period for personal data managed by the EBCGA for persons suspected of cross-border crime and terrorism to be extended to three years, in line with the retention period of Europol and Eurojust;

138. Considers it important for the EBCGA to have access to all relevant databases and information systems, especially the SIS, but also the EES, the VIS, Eurodac and the Europol information system, not only for the work of the border management teams, but also for analytical purposes related to new phenomena at the external borders or to changes in border movements or modus operandi;

139. Calls on the co-legislators to make it compulsory for the EBCGA to share urgent information with the Member States;

140. Urges the Member States and the EU bodies such as Europol and INTCEN to regularly pass to the EBCGA strategic information on counter-terrorism related to the border dimension, and to investigate whether any automated exchange with EBCGA of important (background) information coming from national investigations into incidents and illegal activities at border crossing points and irregular entry/exit movements, as well as the use of intelligent ICT systems, could bring added value when establishing a comprehensive situational picture, considering also the manpower that the data analysis would require; believes such information should also include feedback after second line security checks and information related to document fraud;

141. Invites the EBCGA to develop training programmes and deliver training courses for border guards focusing on reinforcing checks against the relevant databases at external borders and supporting the implementation of common risk indicators;
Battlefield information

142. Welcomes Europol’s participation in the law enforcement cell of the US-led Operation Gallant Phoenix (OGP) in Jordan, whereby it processes information obtained from the battlefield (and if possible helps to identify the victims) and exchanges it through established channels and procedures with Member States’ law enforcement authorities via the Europol National Units; calls for full access for Europol to OGP;

143. Encourages all relevant actors to develop approaches making it possible to transmit and share battlefield information, within the scope permissible in law and with the necessary safeguards such as source protection with the civilian sphere, and to enter this information in the relevant databases so that the information reaches border controls at the EU’s external frontiers in time; calls as well for the sharing of this information for purposes of investigation and prosecution;

Operation Sophia

144. Welcomes the creation of a crime information cell pilot project within EUNAVFOR MED Operation Sophia, composed of staff members from the relevant law enforcement authorities of Member States, Frontex and Europol, in order to improve information-sharing between them;

Terrorist financing

145. Welcomes the legislative measures newly adopted at European level in the fight against terrorist financing; calls on Member States to fully implement all European anti-money laundering directives and instruments relating to the fight against money laundering and the financing of terrorism; urges the Commission to ensure that these instruments are transposed and function properly;

146. Encourages Member States and third countries to effectively and fully implement without delay the conclusions of the ‘No money for terror’ conference held in April 2018 in Paris, as well as the FATF recommendations and the International Standards on Combating Money Laundering and the Financing of Terrorism and Proliferation adopted by the FATF in February 2012 (the ‘revised FATF recommendations’); calls on the Commission and the Member States to support third countries in the implementation of these recommendations by providing technical assistance and exchange of good practices;

147. Calls on those Member States which have not yet ratified the Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism to ratify and transpose it;

148. Welcomes the methodology presented by the Commission regarding high-risk third countries that pose a threat to the financial system of the EU; calls on the Commission to apply this methodology, and in particular to establish an EU list of AMLD high-risk third countries by means of an independent, objective and transparent assessment, and to carry out this assessment as soon as possible;

149. Calls on the Member States to step up the monitoring of organisations suspected of engaging in illicit trade, smuggling, counterfeiting and fraudulent practices, via the establishment of JITs with Europol;

150. Is highly concerned at the scale of illicit tobacco markets in the EU, the proceeds of which can be used to finance terrorism, including via excise fraud; invites the Member States to consider ratifying and implementing the Protocol to Eliminate Illicit Trade in Tobacco Products to the WHO Framework Convention on Tobacco Control (WHO FCTC);

151. Welcomes the proposal for a regulation on the import of cultural goods; calls on the Commission to propose legislation for a robust tracing system for artworks and antiques entering the EU market, especially for items originating from conflict-affected and high-risk countries as listed by the Commission, as well as from organisations, groups or individuals included on the EU terror list; believes that this initiative should be supported by the creation of a standardised permit, without which trading in these items would be illicit, and of a passport for the export of each item; believes that digital tools should be developed for checking the authenticity of the documents concerned; considers that a comprehensive register of antiques for sale should be systematically kept and updated by art dealers;
152. Calls on the Member States to make it mandatory for companies involved in art dealing and the storing of antiques (i.e. so-called ‘freeports’) to declare all suspicious transactions, and to make the owners of companies dealing in and storing art and antiques who become involved in the trafficking of such goods subject to effective, proportionate and dissuasive penalties, including criminal penalties where necessary;

153. Welcomes the adoption of new rules regarding the control of cash entering or leaving the European Union (¹), and calls for their swift implementation; calls on the Commission to evaluate whether other assets should be included within the scope of this regulation, whether the disclosure procedure for unaccompanied cash fits the purpose, and whether the threshold for unaccompanied cash should be reviewed in the future;

154. Calls on the Member States to cooperate more with Europol AP FURTUM and, as requested by UN Security Council Resolution 2347(2017) of 24 March 2017, to provide customs and law enforcement authorities and public prosecutors’ offices with dedicated personnel, as well as with effective tools and adequate training, through cooperation with the World Customs Organisation (WCO) and Interpol;

155. Calls on the Commission to develop, together with Member States and international partners, the monitoring of financial flows in a targeted manner, as well as ways of identifying users of electronic wallets, virtual currencies and prepaid cards, crowdfunding platforms and online and mobile payment systems in police or judicial investigations; calls on the Member States to regulate IVTS, emphasising that the aim is not to crack down on traditional informal money transfers, but on trafficking involving organised crime, terrorism or industrial/commercial profits deriving from ‘dirty money’; calls for a focus on virtual currencies and FinTech and for exploration of the possibility of extending sanctions on those who abuse and misuse social media fundraising for terrorist purposes; calls on the Member States to encourage cryptocurrency companies to use analysis tools to assess potential criminal activity associated with the destination and recipient addresses and to ensure that they fully apply the anti-money laundering legislation when users convert cryptocurrencies to real currency;

156. Calls on the Commission to put forward a legislative proposal requiring mandatory registration and identification when conducting financial transactions via money transfer companies;

157. Calls on the Commission to assess the possibility of regulating alternative remittance systems by, for example, introducing mandatory registration or a licensing regime for brokers and an obligation of clear and precise record-keeping;

158. Is concerned about recent findings concerning increased activities of large-scale money laundering as a source for terrorism financing (²) through certain banking institutions in the euro area; calls for the establishment of a European Union Terrorist Financing Tracking System (TFTS) targeted on transactions by individuals with links to terrorism and their financing within the Single Euro Payments Area, which would ensure that a balance is struck between security and individual freedoms; points out that European data protection standards would apply to this intra-European system;

159. Urges better cooperation and exchange of information between obliged entities, FIUs and competent authorities regarding terrorist financing activities; calls on the Member States to ensure that their FIUs, regardless of their type, have unhindered access to financial information with a view to effectively combating terrorist financing; calls for greater harmonisation of the status and functioning of European FIUs; welcomes the proposal for a directive of the European Parliament and the Council laying down rules facilitating the use of financial and other information for the prevention, detection, investigation or prosecution of certain criminal offences (³); calls for better and fuller exchange of information and cooperation between Europol, Eurojust and third countries regarding terrorist financing; calls for the swift adoption of the draft directive on access by law enforcement authorities to financial information and exchange of information between FIUs;

160. Urges Member States to allocate more resources to the national FIUs; calls on the Member States to make better use of the informal network of European Financial Information Units (FIU.net) and to further develop the capabilities of this network through Europol, so that it can be used to its full potential and in order to overcome the current cooperation difficulties and facilitate the manual processing of bilateral requests, while ensuring the autonomy and independence of FIUs; believes that an EU FIU could be necessary to coordinate, assist and support Member States’ FIUs in cross-border cases if strengthening FIU.net appears insufficient;

161. Stresses the importance of enhancing interaction and exchange of information between investigative authorities and the private sector — specifically, obliged entities under the directive on anti-money laundering and countering terrorist financing (AMLCFT Directive) — in order to overcome the shortcomings of segregated and incomplete information submitted by suspicious transaction reports; calls on the Commission and the Member States to develop dedicated fora for sharing financial information, including on use of virtual currency and including the private sector, within safe channels and subject to EU data protection standards; notes the important role that Europol could play in this regard;

162. Calls for the organisation of specialised training courses for the law enforcement and judicial authorities of Member States on methods and developments in terrorist financing, in order to enhance capacity in Member States for investigating illicit activity, including on virtual currencies; stresses that such training should ensure a standard level of law enforcement competency across the EU, so that certain Member States do not fall behind; emphasises the importance of conducting the EU-wide risk assessments of virtual currency activities and of coordinating investigative initiatives to use findings from those assessments to develop strategies for regulatory and law enforcement approaches over the short, medium and long term;

163. Emphasises the vital importance of financial intelligence and tax information for counter-terrorism; regrets that in several Member States agencies combating money laundering and the financing of terrorism are among the intelligence services that receive the least funding; calls on the Member States to boost their human and financial resources significantly in the field of investigation and law enforcement in order to combat tax evasion and tax fraud that may be financing criminal or terrorist activities;

Critical Infrastructure Protection (CIP)

164. Calls on those Member States which have not yet done so to establish national CIP programmes addressing the issues identified by the Commission in its 2006 communication on a European Programme for Critical Infrastructure Protection (EPCIP), especially with regard to potential vulnerabilities; believes that EPCIP should be revised and updated;

165. Recalls that sensitive data and the systems it underpins are also part of critical infrastructure in Member States and thus should be properly safeguarded against cyberattacks (1);

166. Welcomes the Commission’s Action Plan to support the protection of public spaces, and encourages the Member States to exchange best practices and establish collaborative networks between public and private sector actors if necessary;

167. Urges that the co-legislators set up a successor to ISF Police for the new MFF period, with at least similar levels of funding;

168. Calls for the role of the Critical Infrastructure Warning Information Network (CIWIN) to be strengthened;

169. Demands that the designation of European Critical Infrastructures (ECIs) with an impact on more than one Member State follows a multilateral process involving all of the potentially affected Member States;

170. Calls on the Member States to establish national multidisciplinary crisis response centres for coordination and emergency response in case of an attack or incident; calls for these centres to make use of the EU Integrated Political Crisis Response (IPCR) arrangements contributing to and drawing on three key instruments, namely the central IPCR 24/7 contact point, the IPCR web platform, and the Integrated Situational Awareness and Analysis (ISAA) report;

171. Asks the Commission to establish a mapping of national crisis centres or crisis response mechanisms;

172. Encourages the Commission to continue to elaborate and disseminate guidance for Member States with the aim of increasing the protection of public spaces, as announced in its Action Plan to support the protection of public spaces;

173. Calls for Directive 2008/114/EC to be revised, in order to: provide similar rules and procedures for ‘operators of essential services’ as in the NIS Directive; ensure that designation of ECIs is carried out on the basis of an analysis of the importance of cybersecurity; allow the Commission to designate assets of pan-European services as ECIs; take due account of existing interdependencies; create an obligation for public and private operators of critical infrastructures to report incidents, conduct stress tests, provide appropriate training at the designated contact points, and establish quality requirements as regards business continuity plans, including operational plans, in the case of an incident or attack;

174. Recommends that the private sector be involved when devising programmes for the protection of critical infrastructure and soft targets, including in the context of cybersecurity; highlights the need to develop public-private dialogues to this effect and to develop national and local resilience;

175. Calls on the Commission to propose a European Certification Initiative for private security companies, aiming to specify the requirements and conditions under which they can operate within the critical infrastructure environment;

176. Underlines the need to put in place effective response strategies including clear lines of communication in the case of an attack, notably as regards immediate reaction teams, in order to reduce casualty rates and improve the management of the situation so as to minimise the impact on the public; urges the Member States to step up their engagement with the mechanisms that have already been put in place at European level;

177. Calls for the swift adoption of the revision of the Union Civil Protection Mechanism in order to strengthen prevention and preparedness, exchange of information at EU level, and the capacity of Member States to deal with different types of disasters;

178. Calls on the Commission to conduct an evaluation of options and related impacts for the creation of a system enabling the verification of the identity of persons renting vehicles, aircraft and watercraft;

179. Welcomes the cross-border exercise to improve the protection of soft targets against terrorist attacks, involving Belgium and the Netherlands, which took place in June 2017; notes that the exercise was funded by the Commission with the aim of measuring preparedness and crisis management functions in a situation where two attacks take place simultaneously in different countries; calls for similar exercises to be carried out involving Member States; believes that the EU can offer a supporting framework to that cooperation, notably in areas such as medical care (the European Medical Corps), public safety (the Health Security Committee), or decontaminating protocols, as well as coordinating special intervention units from the national police and civil protection forces;

180. Calls for legislation in the field of terrorism and national, regional and local response strategies for protection, resilience and response in case of an attack, to take into account the specific needs and circumstances of vulnerable people, such as persons with disabilities and minors; further calls for the involvement of persons with disabilities and their representative organisations in the decision-making that affects them;
Explosives precursors

181. Observes that regulated explosives, precursor substances and mixtures are accessed by terrorists; welcomes, therefore, the proposal of April 2018 for a regulation on the marketing and use of explosives precursors;

182. Calls for the establishment of a European system of licences for specialised buyers, different from the general public, which obliges economic operators to be registered in order to be allowed to legally manufacture, distribute or sell substances listed in the Annexes, or involving mixtures or substances containing them; calls on the Member States to set up inspection systems to identify non-compliance with the regulation by economic operators;

183. Welcomes the impact assessment of Regulation (EU) No 98/2013 on explosive precursors, and encourages the co-legislators, for the proposal for a regulation 2018/0103(COD), to evaluate the mandatory information exchange process; calls on market surveillance authorities to reinforce their surveillance activities for explosives precursors, as they clearly have the potential to adversely affect public security;

184. Calls on customs authorities, in cooperation with law enforcement authorities and on the basis of information from Europol and other data analysis systems, to improve the targeting of illicit online purchases of explosives precursors through screening on the basis of cargo information submitted by traders prior to the arrival or departure of goods in or from the EU, also making use of the customs risk management system (CRMS);

185. Calls on the Commission to work together with businesses on promoting guidelines for e-marketplaces on the security of sales of explosives precursors, restricting purchases of certain substances to professional users, and further detailing restricted product policies by determining permitted levels of quantity and purity;

186. Calls for the uniform use of certain standardised naming conventions that would allow economic operators and e-marketplaces to identify chemicals posted on their sites; calls on e-marketplaces subsequently to screen postings against these standardised keyword lists in order to monitor listings of regulated items;

187. Calls on the Commission to consider establishing common criteria for licences by harmonising conditions for granting and refusing requests and facilitating mutual recognition between Member States;

Illicit weapons

188. Calls for the rapid and effective implementation of the directive on control of the acquisition and possession of firearms in order to monitor their sales and use as effectively as possible and to avoid firearms and related equipment and tools being illicitly trafficked from both within and outside the EU; calls for the loopholes in the existing regulatory framework to be closed, for example by taking measures to stop the circulation of easy-to-convert blank-firing guns, Flobert guns, alarm pistols and similar weapons;

189. Calls on the Member States to adopt firearms and ammunition surrender programmes tailored to the specific context of the illicit firearms markets; calls for the effective penalisation of illicit firearms possession and trafficking; calls for strict and diligent implementation by Member States of the Council Common Position 2008/944/CFSP of 8 December 2008 defining common rules governing control of exports of military technology and equipment;

190. Supports the revision of the EU Strategy to Combat the Illicit Accumulation and Trafficking of Small Arms and Light Weapons (SALW) by taking into account the new security and security policy context and the developments in SALW design/technology affecting the capacity to address the threat;

191. Believes the Member States should adopt an ‘investigate the gun’ approach, using specialised law enforcement cells and designed to pinpoint the actors and networks involved in this type of trafficking, combined with the checking of the various national ballistic databases;
192. Recalls that the Commission has adopted a report on the evaluation of Regulation (EU) No 258/2012 that establishes rules for authorised export, import and transit for non-military firearms, reaching the conclusion that the regulation continues to be necessary but that its effectiveness is limited by the lack of precision of some of its provisions and the complexity of the interaction with other EU legislative instruments; encourages Member States' law enforcement authorities to set up specialised police teams to tackle illicit firearms trafficking, equipped with sufficient staff, expertise and equipment;

193. Encourages Member States to evaluate possible restrictions on the carrying of knives without a valid reason, the banning of particularly harmful knives such as zombie or butterfly knives, and the enforcement of these measures online;

**External dimension**

194. Urges the EU and its Member States to pursue global actions on the international stage to address the protracted conflicts that destabilise entire regions, feed the cycle of violence and suffering, and unfortunately provide fuel to many terrorist narratives;

195. Calls for the intensification of EU cooperation with neighbouring countries, particularly with transit countries and those that are the destination of foreign fighters, in the area of counter-terrorism; considers that the EU must maintain a global approach to counter-terrorism, with a specific focus on cooperation with key third countries on the basis of clearly defined priorities;

196. Considers that CT is a field which requires concrete expertise; calls, therefore, for the deepening of professionalisation of the EU network in this area, in particular by granting CT operative personnel coming from Member States a better and longer integration into the EU structure, beyond a single assignment within an EU delegation; considers that posting within the EU institutions would maximise expertise and use of competences in the field of CT;

197. Calls on the Commission to strengthen support to third countries, especially neighbouring countries, in their efforts to tackle crime and trafficking as a source of terrorist financing, and to strengthen links with them in order to accelerate the freezing of assets; is concerned, however, that anti-terror legislation in some of the EU’s partner countries has too broad a scope and is abused to repress peaceful dissent; warns that criminalising the peaceful expression of legitimate grievances may lead to radicalisation; believes that the EU should strongly invest in actions addressing the root causes of terrorism in third countries; strongly supports external counter-extremism programmes in prisons, cooperative programmes with religious leaders and communities, inter-religious dialogues and fora, and in general all types of reconciliation programmes which lower inter-community tensions and prevent sectarian policies, in particular by economic, social and educational means;

198. Calls on the Member States to make full use of intelligence analysis on CT from the European Union Intelligence and Situation Centre (EU INTCEN); calls on the Commission to give a clear mandate for INTCEN to reach out directly to analysts within EU delegations in order to increase the flow of relevant information to the EU’s central intelligence system;

199. Calls for enhanced cooperation and identification of synergies between Common Security and Defence Policy (CSDP) missions and operations and Justice and Home Affairs Council (JHA) actions;

200. Calls for the simplification of the EU restrictive measures system in order to make it an effective tool in the area of CT;

**Victims of terrorism**

201. Calls on the Commission to establish an EU Coordination Centre for victims of terrorism (CCVT), which would provide timely and adequate crisis support in cases of attacks in one or more Member States; considers that inter alia the role of the CCVT should be to ensure urgent assistance to victims from another Member State as well as the provision of expertise at EU level by promoting exchange of knowledge, protocols and best practices; stresses the need to extend support and protection measures to indirect victims, such as victims' relatives, eyewitnesses and first responders;
202. Considers that, once established, the CCVT could collect statistics, and assist in and coordinate the setting-up of registers of victims of terrorism in Member States and at European level, on a basis of full compliance with the data protection legislation, in particular with regard to data subjects’ rights and the purpose limitation principle; considers that it could also investigate and promote best practices — such as the creation of protocols — in order to: 1) guarantee initial emotional attention for the victims of terrorism; 2) provide them with subsequent psychological and emotional support; 3) avoid secondary victimisation during the judicial process or in bureaucratic interactions; 4) guarantee effective access to justice, especially in the case of attacks involving transnational victims; 5) foster good practices for the media on matters that are sensitive topics for victims of terrorism and their families; considers that the CCVT could also establish a public register of accredited victim support organisations, which would be available for consultation and improvement of the protocols drawn up; urges Member States to appoint a single authority responsible for acting as a national contact point for the CCVT once established;

203. Calls on the Commission to establish a single on-line platform in all EU languages covering the rights of and support for victims of terrorism, which would be managed by the CCVT, with a single contact point at national level in each Member State, including a helpline;

204. Calls on the Commission to put forward a legislative proposal on the victims of terrorism that responds effectively to victims’ needs in the short and long term, including a common definition of the status of victim of terrorism and of victims’ rights, and a standardised form for claiming compensation, outlining clear duties and deadlines for insurers; considers that there should be a simplified procedure at national level for granting automatic compensation to victims of terrorism shortly after an attack in order to meet their immediate needs, and that the question of further compensation should be reviewed at regular intervals on the basis of an assessment of the victim’s situation;

205. Believes that the scope of application of the common definition of ‘victim of terrorism’ shall cover at least: 1) people deceased; 2) people who suffered physical and/or psychological damage; 3) people who suffered kidnapping or threats; 4) the spouse of the deceased or person linked to them by the same relation of affection, also including parents and children, grandparents and siblings;

206. Calls on the Member States to task multidisciplinary crisis response centres that provide coordination and emergency response with the implementation of national and local protocols relating to the prioritised swift identification of victims and their immediate management and referral to the competent services;

207. Calls on the Member States to ensure that a comprehensive response to the specific needs of victims of terrorism immediately after a terrorist attack and for as long as necessary is provided within the national emergency response infrastructure; considers that to that end, Member States should set up a single updated website with all relevant information and an emergency support centre for victims and their family members providing psychological first aid and emotional support, as referred to in Directive (EU) 2017/541;

208. Stresses that notification of victims’ families should be delivered by specifically trained professionals in a dignified, humane and appropriate way, ensuring that the media do not reveal their identities without their prior consent, and that particular attention, respect and priority should apply when dealing with children;

209. Calls for the full and effective implementation of Directive (EU) 2015/637 (1) in order to ensure consular protection for EU citizens in third countries where their Member States are not represented; underlines that a growing number of European citizens have suffered terrorist attacks in a country that is not their own, and therefore urgently calls for the establishment of protocols in Member States to help non-national Europeans in the event of a terrorist attack, in line with Directive (EU) 2017/541;

210. Calls on the Member States to ensure that the necessary assistance provided to victims of terrorism also encompasses measures such as first aid, psychological support, protection from secondary victimisation, legal aid, effective access to justice, cash advances to help cover immediate expenses, certified childcare and home support, tax relief schemes, and help with transport in the case of a temporary or permanent disability;

211. Calls on the Member States, with the support of the Commission, to ensure that professionals of all relevant national services are adequately trained concerning the specific needs of victims of terrorism, and especially first responders; points out that the CCVT will help in the tasks of professional training, including for police officers, lawyers and other professionals dealing with victims, and with insurance companies or compensation authorities;

212. Calls on the Member States to set up legal mechanisms to criminalise the glorification of a specific act of terrorism as it humiliates the victims and causes secondary victimisation by damaging the victims' dignity and recovery;

213. Calls on the institutions concerned to provide safeguards to prevent any subsequent victimisation derived from humiliation and attacks on the image of the victims coming from social sectors related to the attacker;

214. Asks Member States to forbid homages to those found guilty of terrorist activities by a judgment that has become final;

215. Asks Member States to pay special attention to victims where they can suffer harassment or fear that they might be attacked again by the social entourage of the aggressors;

216. Calls on the Member States to ensure that victims of sexual and other severe forms of violence perpetrated by Daesh terrorists outside of the EU are safe and without fear in the EU; calls on the Member States to bring such cases to court, even if the crimes have been committed outside of the EU and to involve the victims as valuable witnesses in the court proceedings;

217. Calls on the Commission to amend the provisions on the European Solidarity Fund to include compensation of victims in the event of large-scale terror attacks, in order to support Member States when needed and in cross-border cases;

218. Calls on the Commission to initiate a dialogue with the Member States in order to reduce the large disparities existing in the levels of financial compensation granted at national level by Member States to the victims of terrorist attacks;

219. Calls on the Member States to ensure that all victims of terrorism are entitled to be a party in judicial proceedings relating to a terrorist attack concerning them, and to take into account the specific situation of cross-border victims; asks Member States to guarantee that degrading or humiliating contacts between the victims and the aggressor or the aggressor's entourage do not occur in criminal procedures;

220. Asks for enhanced promotion of the European Day of Remembrance of Victims of Terrorism (11 March);

**Fundamental rights**

221. Stresses that security measures, including counter-terrorism measures, must be pursued through the rule of law, must respect fundamental rights and must be adopted in a clear legal framework; calls, therefore, on the Member States and the EU institutions, when adopting and applying counter-terrorism measures, to respect fundamental rights, including those relating to privacy and data protection, freedom of thought and expression and non-discrimination, as well as procedural safeguards, including the presumption of innocence, the right to a fair trial, the right to information, and control by a judicial authority, as well as ensuring that individuals have effective remedies at their disposal to challenge violations of their fundamental rights, including the possibility of judicial redress;

222. Calls on the Member States and the EU institutions, when adopting and applying CT measures, to find the right balance between the different fundamental rights involved and security needs; considers in this respect that the first priority should lie in protecting people's fundamental right to life and right to security;
223. Reiterates that international and regional human rights law makes it clear that states have both the right and the duty to protect individuals under their jurisdiction from terrorist attacks in order to ensure respect for the right to life and the right to security; recalls that the EU's cooperation with third countries in the field of CT must be based on respect for international human rights and humanitarian law, including the prohibition of torture.

224. Calls on the Member States to be strict in stopping, by all legal means available, any religious or political practice that places constraints on fundamental rights, leads to oppression, incites to sexual violence and other serious violent crimes or promotes extremism, as such practices are not covered by religious freedom or freedom of opinion; expects Member States to adopt unequivocal legal frameworks that preclude judges from granting 'cultural rebates' when dealing with serious acts of violence and even torture and murder;

225. Calls on the Commission and the Fundamental Rights Agency (FRA) to examine the challenges that exist in the field of counter-terrorism policies and to identify best practices within Member States, including practices which take into account the specific circumstances of vulnerable people such as persons with disabilities and minors; calls on the Commission to encourage the exchange of best practices and to develop guidance in this respect; further recalls that Parliament, the Council and the Commission have the option to request opinions from the FRA, within the context of its Multiannual Framework, on counter-terrorism measures;

226. Calls on the Member States to ensure that the necessary data protection safeguards are in place, in accordance with the applicable EU legislation, including appropriate technical and organisational measures to protect the security and confidentiality of personal data; urges them to provide clear rules as to who can access and consult which data in the systems, to maintain records of consultation and disclosure, and to ensure rights of access, rectification, erasure and restriction, as well as rights to compensation and judicial redress; calls on the Commission and the European Data Protection Supervisor to further develop innovative privacy-by-design solutions;

227. Believes that sound CT policies necessitate robust mandates for the public bodies involved in the fight against terrorism, as well as a high degree of public support for those authorities; notes the important role that oversight can play in fostering public trust and support; calls on Member States to provide oversight mechanisms for counter-terrorism measures in order to assess their impact; further calls on Member States to ensure democratic oversight and public accountability for all security and intelligence services, while preserving the necessary degree of secrecy;

228. Instructs its President to forward this resolution to the Council and the Commission.
Annual report on the implementation of the Common Foreign and Security Policy

European Parliament resolution of 12 December 2018 on the annual report on the implementation of the Common Foreign and Security Policy (2018/2097(INI))

(2020/C 388/08)

The European Parliament,

— having regard to the Annual Report from the Council to the European Parliament on the Common Foreign and Security Policy,

— having regard to Articles 21 and 36 of the Treaty on European Union (TEU),

— having regard to the Charter of the United Nations,

— having regard to the Helsinki Final Act of 1975, published by the Organisation for Security and Cooperation in Europe (OSCE),

— having regard to the North Atlantic Treaty,

— having regard to the joint declaration on EU-NATO cooperation of 10 July 2018,

— having regard to the declaration by the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy (VP/HR) on political accountability (1),

— having regard to the 2016 Global Strategy for the European Union's Foreign and Security Policy,

— having regard to the joint communication from the Commission and the High Representative of the Union for Foreign Affairs and Security Policy of 7 June 2017 on a Strategic Approach to Resilience in the EU's External Action (JOIN (2017)0021),

— having regard to Rule 52 of its Rules of Procedure,

— having regard to the report of the Committee on Foreign Affairs (A8-0392/2018),

A. whereas the EU's security environment is now more volatile, unpredictable, complex and ambiguous than at any time since the end of the Cold War, confronted with interstate conflicts, natural disasters, terrorism, failed states, cyber-attacks and hybrid warfare; whereas current EU policies may no longer suffice to promote a stable and prosperous neighbourhood; whereas the EU has a growing responsibility to safeguard its own security while defending its interests and values;

B. whereas EU external action has a direct impact on our citizens' lives, both within and outside the European Union, be it by supporting peace, economic cooperation, security and stability within and outside our borders, preventing crises before they happen, managing them to avoid negative spillover effects or facilitating peaceful conflict resolution;

C. whereas the EU's population is in decline and forecast to account for just 5 % of the world's population around 2050, compared to 13 % in 1960;

D. whereas more than half of the world's population growth by 2050 is expected to occur in Africa, which is expected to account for 1.3 billion of the additional 2.4 billion people on the planet; whereas the concentration of this growth in some of the poorest countries will lead to a series of new challenges which, if not addressed immediately, will have destructive effects both for the countries in question and for the European Union;

whereas by 2050, China, the US and India may have become the world's leading economic powers, with even greater political clout, while in a long-term redistribution of economic and political weight, none of the world's largest economies will be an EU Member State and the European Union will thus face a radically different balance of world power which will require renewed efforts to enhance existing global governance institutions;

whereas the new world order is increasingly characterised by asymmetry, with numerous non-state actors having expanded their influence over the past decade, from NGOs advocating human rights, fair trade and sustainable management of natural resources, to transnational corporations influencing government policy, to social media activists calling for democratic change; whereas international organised criminal groups and terrorist organisations are attempting to undermine democratic principles; whereas, nevertheless, the multilateralism to which Europe is deeply attached is increasingly called into question, yet no emergent state or non-state actor can impose an incontestable world view;

whereas globalisation has increased interdependence, with decisions taken in Beijing or Washington having a direct impact on our lives; whereas, in turn, interdependence has resulted in global public opinion becoming cognisant of the need for transnational solutions to address transnational problems and for multilateral organisations to improve global governance;

whereas almost one-fourth of the world’s population lives in fragile states or societies; whereas these increasingly are a breeding ground for socio-economic inequality which, together with climate change, is an immediate challenge to stability, democracy and peace;

whereas the EU's aspirational global leadership and influence have been undermined as a result of the financial crisis, its management of the unprecedented migration and refugee crisis, rising Euroscepticism, the proliferation of crises on our doorstep, a lack of consistency in foreign policy, rising scepticism of European public opinion on the projection of force abroad and the lack of effective strategic autonomy of the EU, which has given rise to a tendency to respond to events rather than to shape them; whereas the EU nonetheless remains the world leader in regulatory standards;

whereas some Western democracies have become more vulnerable, protectionist and inward-looking, and are swinging to the extremes at a time when multilateral cooperation is the only way to respond to global challenges effectively; whereas powers such as China or Russia are trying to fill this vacuum and are seeking to challenge, rather than embrace, existing global governance based on international law; whereas the latter states have a different approach to development cooperation which is not linked to improvements in the rule of law or other democratic reforms;

whereas the Joint Comprehensive Plan of Action (JCPOA) with Iran is a significant multilateral achievement on the path towards a stable and peaceful Middle East; whereas President Trump's decision to withdraw from the JCPOA and impose secondary sanctions on European companies doing legitimate business with Iran is deeply regrettable and undermines European economic sovereignty, thereby highlighting the EU's problematic reliance on the dollar trading system; whereas the EU and the Member States have reaffirmed their commitment to the JCPOA and have taken measures to protect legitimate European economic interests;

whereas ISIS, Al-Qaeda, and other international terrorist organisations still pose a significant threat to Europe and the nations of the world;

whereas European security is based on the ambition of a common strategic autonomy, as underlined in the Union's Global Strategy; whereas an ambitious, credible and effective common foreign policy must be supported by adequate financial resources and means and must be based on a coherent, timely and consistent approach by the Member States;

Stresses that the time has come for the European Union to take its destiny into its own hands; takes the view that the EU should embrace its role as a fully-fledged, sovereign political and economic power in international relations that helps to resolve conflicts worldwide and shapes global governance; stresses therefore that a genuinely common European foreign and security policy, based on strategic autonomy and its integration, including in terms of capabilities, in the areas of industry and operations, is needed to promote our common interests as well as our principles and values;
2. Is convinced that no single EU Member State can respond effectively to today's global challenges on its own; believes that, by pulling their weight together within the EU, the Member States can exert an influence on the world stage that they would not otherwise possess; is convinced that 28 Member States working together towards coherent and unified positions and representing 500 million citizens provide more leverage in international negotiations, in promoting human rights and accountability, and in setting international regulations and political, democratic, environmental, social and economic standards; believes, moreover, that under the protection of the EU social model, globalisation can represent an opportunity for EU citizens and not a threat, an opportunity which needs to be clearly and positively communicated by European and national leaders;

3. Regrets the fact that the Member States all too often prioritise their national interests, regardless of the possible consequences at a European level, thereby undermining the EU's unity, consistency and effectiveness, and as a result its credibility as a global player; calls for a better division of responsibilities, greater solidarity and enhanced coordination between the EU and the Member States; recalls the need for the Union's external policies to be consistent with each other and with other policies with an external dimension as well as for them to be coordinated with international partners; believes that good cooperation among the Member States is essential to safeguard our democracy, our common values, our freedom, and our social and environmental standards; underlines the need to extend cooperation between Member States, partner countries and international organisations;

4. Recalls that, taking the 28 Member States as a whole, the EU is the world's largest economy with more than half a billion people, and that the euro is the second most important reserve currency; stresses that based on the collective contributions of EU institutions and individual Member States, the EU is also the world's leading development aid donor;

5. Stresses that the European approach to external relations is characterised by:

— promoting and safeguarding universal values such as peace, democracy, equality, the rule of law and respect for human rights and fundamental freedoms, including minority rights;

— a commitment to multilateralism and a rules-based international order with the support of the UN system and regional organisations such as the OSCE;

— an emphasis on conflict prevention and management, mediation, peaceful conflict resolution, peacebuilding and institution building;

— the promotion of sustainable development, aid and economic cooperation, fair trade, climate-friendly agreements and alternative sources of energy;

6. Stresses that the EU should stay true to its principles of democracy, human rights and the rule of law as enshrined in the Treaties; emphasises the importance of assessing whether the promotion of these principles in third countries has been successful and evaluating the space for further improvement; stresses that the EU's reputation as a promoter of these principles can only be sustained if it ensures that these exact principles are protected and adhered to within all of its Member States;

7. Further encourages consideration of the policy of ‘less for less’ for those countries which go into reverse in terms of governance, democracy and human rights; considers that the EU should use its foreign policy instruments more effectively, including trade and development instruments such as bilateral agreements with third countries when breaches of democratic standards and human rights are taking place, ensuring in particular that no agreement is ratified until human rights benchmarks are met; calls on the EU and the Member States to adopt unexplained wealth orders to tackle corruption in third countries; recalls that economic sanctions are a powerful tool of coercive diplomacy; notes that, in certain cases, foreign policy positions adopted by Parliament are not followed up at Union level and insists that the Council and the European External Action Service (EEAS) take these into greater consideration;

8. Calls on the EEAS, the Commission, the Council and the individual Member States to act strategically by following an integrated approach and by using all the means at their disposal, including trade, development, diplomatic, civilian and military Common Security and Defence Policy (CSDP) tools, as well as strategic communication and public diplomacy to strengthen the EU's geopolitical influence and overall image in the world and to protect its interests, including by enhancing the EU's economic sovereignty and strategic autonomy; highlights the complementary role which environmental, cultural, academic and other forms of ‘alternative’ diplomacy may play in this process;
9. Calls for adequate financial resources to be made available for the EU’s external action under the next multiannual financial framework (MFF) (2021-2027) and for the EU to focus its resources on strategic priorities; recalls the important role of EU external financial instruments in advancing EU foreign policy interests; underlines the importance of strengthening the coherence, effectiveness, responsiveness and flexibility of external financing instruments; stresses the need to adequately involve Parliament in the scrutiny and strategic steering of the instruments; takes the view that the growing challenges in the EU’s neighbourhood and beyond call for significantly higher appropriations for external action and a significant strengthening of civilian CSDP missions;

10. Calls on the EEAS to develop ‘issue-based coalitions’ with like-minded countries to support and promote a rules-based international order, multilateralism and free and fair trade, and to pursue cooperative solutions to global challenges including the changing balance of power; calls on the EEAS to engage with emerging powers in the provision of global public goods such as peace and security, including by working together on crisis prevention and management operations around the world, climate change mitigation, including sustainable management of natural resources, clean air and water and unpolluted land, as well as the defence and promotion of human rights and financial stability; recalls the importance of inter-parliamentary relations to support these aims;

11. Condemns the repeated use by Russia of its veto powers in the UN Security Council and considers it to undermine international efforts for peace and conflict resolution; notes that deadlocks within the UN Security Council are impeding action by the international community and preventing crisis resolution; calls once again on the Member States to support reforms in the composition and functioning of the Security Council; emphasises that the EU is committed to strengthening the international role of the UN;

12. Notes that the EU has played an important role in de-escalating and resolving foreign policy crises, namely when some Member States have taken the lead under the auspices of the Union overall, such as in the Normandy format or the EU3+3 negotiations with Iran; takes the view that, while pursuing increased security and defence cooperation in the long term, the establishment, where deemed appropriate, of ad hoc coalitions of Member States that can intervene swiftly in response to international crises could render EU external action more flexible and responsive in the short term in addressing changing situations, by reducing the pressure of having to achieve universal consensus among the Member States;

13. Welcomes the EU’s increasing role, including that of its civilian and military CSDP missions in peacekeeping, conflict prevention, strengthening international security and post-conflict reconstruction as a means of securing long-standing peace; recalls the increased success of conflict resolution when women have a formal role in the process and calls for their increased participation in such missions;

14. Understands that proximity to threats determines policy priorities; calls, nevertheless, on all Member States to respect the principle of solidarity enshrined in the Treaties (Article 80 of the Treaty on the Functioning of the European Union) and to take the necessary steps to respond jointly to the migration crisis, just as all Member States have responded with solidarity to the challenges posed by an assertive Russia and of China in an economic and security context; further believes that current crises have tested the willingness of Member States to cooperate more effectively to address common challenges; calls for further humanitarian aid and assistance to conflict-affected populations;

15. Notes that internal and external security are increasingly intertwined; highlights the need to strengthen the EU’s internal resilience to external interference and to establish a common strategy with international partners, both when it comes to protecting critical infrastructure as well as the basic institutions and hallmarks of our democracies; supports the Commission and the VP/HR in further improving the EU’s resilience, as part of a risk-reduction strategy, to terrorist attacks, notably jihadist terrorism as one of the main challenges facing public safety in the EU today, radicalisation, illegal migration, repeated use of chemical weapons, propaganda, online and offline disinformation campaigns, Russian attempts to carry out cyberattacks and interfere during elections and referendum campaigns and other hybrid threats which all require rapid, assertive and coordinated counteraction; underlines that all possible measures should be taken to avoid any interference in the 2019 European Parliament elections;
16. Highlights the fact that the transatlantic partnership is facing a significant number of challenges and disruptions in the short term, yet it remains indispensable for security and prosperity on both sides of the Atlantic; regrets the progressive retreat of the US from the multilateral, rules-based world order, namely its withdrawal from the Paris Agreement, the JCPOA, the Trans-Pacific Partnership (TPP) Agreement and the UN Human Rights Council, its halting of funding for UNRWA and various UN agencies and multilateral fora, as well as for peacekeeping operations, and its attacks on the International Criminal Court (ICC); calls on the EU to show unity, firmness and proportionality in its responses to such decisions, to reaffirm its full support for the JCPOA, to ensure tangible economic results with Iran and to protect European companies investing in Iran against US sanctions; calls for the EU, furthermore, to ramp up efforts on climate change diplomacy and to include adherence to the Paris Agreement in any trade and investment agreement;

17. Stresses that investing in the stability and prosperity of the Western Balkans must continue to be a major priority for the European Union; reiterates that the European perspective for the countries in the Western Balkans must lead to full membership of the countries concerned, provided all criteria are met; highlights that the enlargement process is merit-based, grounded on strict and fair conditionalities in accordance with the strict application of the Copenhagen criteria, and must depend on nothing other than the concrete results achieved by each individual country on issues such as corruption, money-laundering practices, transparency and judicial independence; reiterates the importance, throughout this process, of promoting the reforms necessary for a rules-based, cooperative political and economic international order with a focus on the rule of law, respect for human rights, in particular minority rights, reconciliation and good neighbourly relations, security and migration, socio-economic and sustainable development, transport and energy connectivity, environmental protection and the digital agenda;

18. Recognises the importance of the stability of the Eastern Neighbourhood for the Union’s own stability and encourages the development of ever closer relations with the Eastern Partnership; calls on the Commission and the EEAS to continue using the EU’s transformative power at its eastern borders, strengthening economic and connectivity ties, using trade and association agreements, access to the single market and deepened people-to-people contacts, including through visa facilitation and liberalisation when all requirements are fulfilled, as incentives to foster democratic reforms and the adoption of European rules and standards; calls further on the EEAS to monitor democratic processes in its direct neighbourhood and ensure that democratic progress is not halted or reversed;

19. Reiterates the EU’s commitment to support its partners’ sovereignty, independence and territorial integrity; underlines the need to address all frozen conflicts in accordance with international law, norms and principles, to increase support to conflict-affected residents, internally displaced persons (IDPs) and refugees and to counter attempts at destabilisation from third countries, in particular Russia; reiterates its condemnation of Russia’s illegal annexation of Crimea and military intervention in Eastern Ukraine; calls for continued efforts to ensure the implementation of the Minsk agreements and calls for the EU sanctions against Russia to be extended until it complies with these agreements; condemns, furthermore, the continued militarisation and deteriorating security and humanitarian situation in the Georgian occupied territories of Abkhazia and Tskhinvali Region/South Ossetia and calls on Russia to fulfil its obligations under the EU-mediated 2008 Ceasefire Agreement;

20. Recalls that the Mediterranean is the border between the most unequal regions in the world; reiterates the urgent need to stimulate the fair economic and social development of the Southern Mediterranean basin and Sub-Saharan Africa and to assist countries in tackling the root causes of instability, such as armed conflicts, undemocratic and inefficient governance, corruption and climate change, by creating local economic opportunities, especially for young people and women and notably in the countries of origin of migrants, by engaging with relevant actors on the ground and involving local communities; takes note of Commission President Juncker’s proposal to build a new Alliance for Sustainable Investment and Jobs between Europe and Africa, his initiative to develop the various European-African trade agreements into one continent-to-continent free trade agreement, which can only be successful if presented as an economic partnership between equals and if an effective business- and investment-friendly environment can be created; urges the EU to use other ENP mechanisms to further increase cooperation between the Union, the Southern neighbourhood partner countries and key regional players, on regional issues such as good governance, security, energy and the fight against climate change; reiterates its support for the EU’s CSDP stabilisation area and calls for its reinforcement;
21. Stresses that the EU must play a leading role in the Middle East and the Persian Gulf, by means of its decisive soft power and the full implementation of all existing association agreements; deeply regrets the decision taken by the US Government to relocate the American embassy in Israel from Tel Aviv to Jerusalem; calls for the EU to be a driving force in the recovery of a real peace process in the Middle East that aims for a two-state solution; reaffirms the primacy of the UN-led Geneva process in the resolution of the Syrian conflict, in line with UN Security Council Resolution 2254; condemns the support of Russia and Iran for the Assad regime, its war crimes and crimes against humanity and calls for the EU and the Member States to do their utmost to put an end to the crimes against the Syrian people and above all the use of chemical weapons against them;

22. Condemns grave violations of international humanitarian and human rights law by all sides in Yemen, including the indiscriminate attacks on civilians by the Saudi Arabia-led coalition and Houthi rebels; demands an immediate lifting of the blockade of Yemen and calls on all sides to the conflict to resume dialogue under the auspices of the UN and to work towards a sustainable ceasefire; welcomes the decision of the governments of Germany, Denmark and Finland to halt arms sales to Saudi Arabia; calls for EU-wide sanctions against those responsible for the murder of the Saudi journalist Jamal Khashoggi;

23. Emphasises that the strengthening of regional security in the Indo-Pacific region is of critical importance to the interests of the EU and its Member States; calls for all parties concerned in the region to solve differences through peaceful means and to refrain from taking unilateral actions to change the status quo, including in the East and South China Seas, in order to safeguard regional security; encourages a quick resumption of bilateral talks between China and Taiwan and reiterates its support for Taiwan’s meaningful participation in international organisations, mechanisms and activities; supports measures to deepen relations between the European Union and its Member States and partners in Asia, and encourages economic, diplomatic and security cooperation;

24. In the aftermath of the recent presidential and parliamentary elections in the region, reaffirms its commitment to continue forging strong relations with Latin American countries (LAC), promoting the defence of democracy, the rule of law and human rights as the cornerstone for deeper integration and cooperation; expresses its grave concern over the lack of respect for democracy, human rights and the rule of law in Cuba, Nicaragua and Venezuela; notes with concern the electoral developments in Brazil and expresses hope that the new government will stay true to the path of democracy and the rule of law; commends the efforts of all the parties concerned in the Peace Process in Colombia; reiterates its full support for this Peace Process and its effective implementation;

25. Believes that, despite their importance, soft power and institution building alone cannot be sufficient to exert influence in a world where power politics and hard power are increasingly significant; believes that the effectiveness of the EU’s foreign policy will ultimately depend, to a large extent, on an effective combination of hard and soft power tools, including open dialogue, on its ability to lead by example and on the resources and capabilities that support it, including adequate financial resources, effective multilateralism, a combination of soft power and credible hard power, the pooling of military capabilities, and the willingness of Member States to cede decision-making in this context as well as to work with NATO and other like-minded countries;

26. Welcomes the increased defence cooperation between EU Member States and the steps taken to increase the EU’s military autonomy, namely the establishment of a European single command centre in Brussels for EU military training missions, and the removal of obstacles to the deployment of EU battlegroups; believes that the establishment of Permanent Structured Cooperation (PESCO) on defence projects and the Coordinated Annual Review on Defence (CARD) will help the Member States deepen their defence cooperation and spend their defence budgets more effectively; welcomes the proposal of the VP/HR for a European Peace Facility and the new framework for civilian CSDP missions as well as the commitment to move forward with military mobility in order to advance European strategic autonomy, including through the European Intervention Initiative; considers that the development of a strong defence industry strengthens the technological independence of the EU, including through the promotion of a single market for cybersecurity products, for which the EU’s capabilities need to increase;
27. Believes that the capacity to dispatch civilian experts and military forces to conflicts around the globe with a view to promoting peace and stability is an essential pre-condition for becoming a credible political power that is able to structure the prevention of armed conflict, the enforcement of peace agreements and the stabilisation of fragile post-conflict situations; calls on the EEAS and the Member States to develop sufficient civilian and military capabilities, covering the full spectrum of land, air, space, maritime and cyber capabilities, and to work towards a legally binding instrument on fully autonomous weapons systems in order to defend the objectives of the Treaty; stresses the importance of the ongoing cooperation between the European Union and NATO, as highlighted in the EU Global Strategy and EU-NATO joint declaration; stresses that the further development of the defence union should complement the objectives of EU external relations;

28. Stresses that developing new formats, such as an EU Security Council, as advocated by Chancellor Merkel and President Macron, and new ways of coordinating more closely within the EU and with international authorities could potentially facilitate a more effective decision-making process for the CFSP; takes the view that, alongside the creation of these structures, mechanisms should be developed to ensure their democratic scrutiny;

29. Supports a debate within the EU about new formats, including the proposal set out by Commission President Juncker in his State of the Union Address on 12 September 2018 to move to qualified majority voting (QMV) in specific areas of the CFSP where the Treaties currently require unanimity, notably human rights issues, sanctions and civilian missions; encourages the Member States to examine ways in which they can act more effectively in the context of the CFSP and CSDP; believes that the use of QMV would enable the EU to act more resolutely, quickly and effectively; calls on the European Council to take up this initiative by making use of the passerelle clause (Article 31(3) of the TEU); encourages the European Council to consider extending QMV to other areas of the CFSP as part of a wider debate on the use of majority voting for EU policies; recognises the need to look for creative solutions for future cooperation between the European Union and the United Kingdom in the area of CFSP and CSDP, bearing in mind the principles laid down in its resolution of 14 March 2018 on the framework of the future EU-UK relationship;

30. Instructs its President to forward this resolution to the Council, the Commission, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, and the Member States.
Annual report on the implementation of the Common Security and Defence Policy

European Parliament resolution of 12 December 2018 on the annual report on the implementation of the Common Security and Defence Policy (2018/2099(INI))

(2020/C 388/09)

The European Parliament,

— having regard to the Treaty on European Union (TEU),

— having regard to Council Common Position 2008/944/CFSP of 8 December 2008 defining common rules governing control of exports of military technology and equipment (1),

— having regard to the European Council conclusions of 20 December 2013, 26 June 2015, 15 December 2016, 22 June 2017 and 28 June 2018,

— having regard to the annual report from the Council to the European Parliament on the common foreign and security policy,

— having regard to its resolution of 12 December 2018 on the annual report on the implementation of the common foreign and security policy (2),


— having regard to the document entitled ‘Shared Vision, Common Action: A Stronger Europe — A Global Strategy for the European Union’s Foreign and Security Policy’, presented by the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy (VP/HR) on 28 June 2016,

— having regard to the joint declarations of 8 July 2016 and 10 July 2018 by the Presidents of the European Council and the Commission and the Secretary-General of NATO,

— having regard to the common set of 42 proposals endorsed by the Council of the European Union and the North Atlantic Council on 6 December 2016 and the progress reports of 14 June and 5 December 2017 on the implementation thereof, and to the new set of 32 proposals endorsed by both Councils on 5 December 2017,

— having regard to the Reflection Paper on the Future of European Defence of 7 June 2017,

— having regard to its resolution of 12 September 2013 on ‘EU’s military structures: state of play and future prospects’ (3),

— having regard to its resolution of 12 September 2017 on a Space Strategy for Europe (4),

— having regard to its resolution of 22 November 2016 on the European Defence Union (5),


(3) OJ C 93, 9.3.2016, p. 144.
Wednesday 12 December 2018

— having regard to its resolution of 16 March 2017 on Constitutional, legal and institutional implications of a common security and defence policy: possibilities offered by the Lisbon Treaty (1),

— having regard to its resolution of 5 July 2017 on the mandate for the trilogue on the 2018 draft budget (2),

— having regard to the Concept on Strengthening EU Mediation and Dialogue Capacities adopted on 10 November 2009,

— having regard to the document entitled ‘Implementation Plan on Security and Defence’, presented by the VP/HR on 14 November 2016,

— having regard to its resolution of 13 June 2018 on EU-NATO relations (3),

— having regard to the Commission communication of 30 November 2016 on the European Defence Action Plan (COM(2016)0950),

— having regard to the new defence package presented by the Commission on 7 June 2017 in the press release ‘A Europe that defends: Commission opens debate on moving towards a Security and Defence Union’,

— having regard to the annual report on the implementation of the EU Global Strategy — Year 2,

— having regard to its resolutions of 14 December 2016 on the implementation of the Common Foreign and Security Policy (4) and of 13 December 2017 on the Annual Report on the implementation of the Common Foreign and Security Policy (5),

— having regard to the EU’s Action Plan on Military Mobility published on 28 March 2018,

— having regard to the Council conclusions on Reinforcing the UN-EU Strategic Partnership on Peace Operations and Crisis Management: Priorities 2019-2021, adopted on 18 September 2018,

— having regard to the Nobel Peace Prize awarded to the EU in 2012 owing to the fact that for over six decades it has contributed to the advancement of peace, reconciliation, democracy and human rights,

— having regard to Rule 52 of its Rules of Procedure,

— having regard to the report of the Committee on Foreign Affairs and the opinion of the Committee on Constitutional Affairs (A8-0375/2018),

A. whereas the Member States resolve to progressively frame a common defence policy, which might lead to a common defence in accordance with the provisions of Article 42 of the TEU, thereby reinforcing the European identity and its independence in order to promote peace, security and progress in Europe and in the world;

The Union’s strategic environment

1. Notes that the rules-based world order is being increasingly challenged, in the EU neighbourhood and beyond, at both the political-military level and, more recently, the commercial-economic level; notes that these systemic challenges are being accompanied by the continuous deterioration of the strategic international environment, which is confronted with interstate and intrastate conflicts and violence, terrorism, state failure, cyber and hybrid attacks on the foundational pillars of our societies, the effects of climate change and natural disasters; acknowledges that the defence of the rules-based international order, international law and the values defended by liberal democracies should be of the utmost priority and should be approached without compromise;

(4) OJ C 238, 6.7.2018, p. 89.
2. Stresses that these challenges are too vast to be successfully met by any single country; emphasises that it is vital for the EU to respond to these challenges rapidly, consistently, effectively, with one voice and in concert with allies, partners and other international organisations; notes that the Common Security and Defence Policy (CSDP) is one of the useful tools for addressing many of these challenges, but that it should be used more efficiently and in coherence with other external and internal instruments in order to enable the EU to contribute in a decisive way to the management of international crises and to exercise its strategic autonomy; points out that the CSDP institutions are in place, as are its many instruments, and urges the Member States to make use of them without delay;

3. Recalls that the security of EU Member States is deeply interconnected; stresses the need to determine the risks identified by all Member States; recognises that the complex nature of these challenges, with different threats affecting different Member States to varying degrees, provides room for agreement on how to deal with such challenges collectively, in a spirit of solidarity;

4. Underlines that jihadist terrorism already affecting the Middle East, the Sahel and the Horn of Africa is spreading towards West Africa, Central Asia and Southeast Asia; stresses that this lasting threat requires a sustained and well-coordinated strategy at EU level to protect EU citizens and interests and to support affected regions;

5. Notes that recent activities and policies by Russia have reduced stability and changed the security environment, and emphasises that the EU and the Member States need to come to a more common, strategic approach with regard to Russia;

6. Notes with concern that the use of the Novichok nerve agent in Salisbury in March 2018 was the first such attack on European soil since World War II and subsequently resulted in the death of an EU citizen; urges the European Council to adopt restrictive measures against those responsible for the use and proliferation of chemical weapons;

7. Stresses that Russia’s occupation in Ukraine is still ongoing, the Minsk agreements — without which there can be no solution to the conflict — have not been implemented and the illegal annexation and militarisation of Crimea are continuing; is deeply concerned that Russia’s excessive military exercises and activities and its hybrid tactics, including cyber-terrorism, fake news and disinformation campaigns, and economic and energy blackmail, are destabilising the Eastern Partnership countries and the Western Balkans and also being targeted at Western democracies and increasing tensions within them; is concerned that the security environment surrounding the EU will remain highly volatile for years to come; reiterates the strategic importance of the Western Balkans for the security and stability of the EU and the need to focus and strengthen the EU’s political engagement towards the region, including by strengthening the mandate of the EU’s CSDP missions; is firmly convinced that in order to overcome the EU’s vulnerability there is a need for more integration and coordination;

8. Notes that this need for cooperation has been increasingly recognised in recent years, and welcomes the advances that have been made in this direction, such as the establishment of Permanent Structured Cooperation (PESCO), although concrete results still need to be duly evaluated; considers that the EU should also strengthen dialogue and cooperation with third countries in its region and with regional and sub-regional organisations;

9. Emphasises, however, that to date cooperation is still in the development stage and that much more needs to be done to ensure that the EU and the Member States reap the rewards of deep, sustained, long-term cooperation on defence;

10. Emphasises the practical and financial benefits of further integration of European defence capabilities; underlines that through comprehensive and trustworthy work on the part of all stakeholders it is possible to increase the scope and efficiency of defence spending without increasing defence spending itself;
11. Notes that defence of EU Member States depends first on their political will and their military capability to shoulder their responsibilities in an uncertain strategic environment; underlines the importance of the transatlantic bond for the security and defence of the European and North American democracies; expresses concern, however, about the current state of this relationship and calls on all responsible political and societal forces on both sides of the Atlantic to further strengthen rather than undermine this crucial relationship; underlines the need to avoid spillovers from recent difficulties in the trade relationship to the transatlantic security bond; stresses that well-defined strategic autonomy will foster European security as well as EU-NATO relations; reiterates against this backdrop that there is an increased need for defence cooperation at European level and to focus resources on key priorities;

12. Emphasises that multilateralism, to which Europe is deeply attached, is increasingly being called into question by the attitudes of the US and other world powers; reiterates the importance of multilateralism in maintaining peace and stability, as a vehicle for promoting the values of the rule of law and tackling global issues;

CSDP — the way forward

13. Considers that increased investment in security and defence is a matter of urgency for the Member States and the EU and that defence solidarity and cooperation should become the norm, as outlined in the EU Global Strategy (EUGS); welcomes the progress achieved so far in the implementation of the security and defence provisions of the EUGS; believes that these achievements open up the perspective for important structural changes in the future;

14. Calls on the Member States to aim for the target of 2% of GDP for defence spending, and to spend 20% of their defence budgets on equipment identified as necessary by the European Defence Agency (EDA), including related research and development;

15. Welcomes the creation of a dedicated heading for defence in the Commission’s Multianual Financial Framework (MFF) proposal, and in particular the establishment of a budget line from which the European Defence Fund and Military Mobility projects will be funded; is of the opinion that these decisions will most probably call for centralised management on defence at Commission level; underlines that funding from that budget line should be exclusively spent for defence purposes, without politicisation, as security is indivisible and should be coherent with the capability and infrastructure needs of Member States and in line with the EU’s aspirations for strategic autonomy;

16. Notes the increasing prominence of military mobility on the European defence agenda; underlines that military mobility is a central strategic tool in the current threat environment, vital for both the CSDP and the Member States’ other multilateral obligations, including NATO; underlines the importance of adapting existing networks to military mobility needs; welcomes, therefore, the inclusion of military mobility not only in the proposal for the new Connecting Europe Facility but also in PESCO, and its prominent role in EU-NATO cooperation; emphasises that these different projects need to be properly coordinated, including with allies, to ensure that they yield the desired results; welcomes the Commission proposal to allocate EUR 6.5 billion to military mobility projects through the Connecting Europe Facility in the next MFF (2021-2027);

17. Notes, however, that for all these different elements to fit together, it will be of essential importance to develop a well-defined overarching strategic approach to European defence that could best be defined through a EU Security and Defence White Book;

18. Calls for the establishment of precise guidelines to provide a well-defined framework for future activation and implementation of Article 42(7) of the TEU; calls for the conceptualisation and adoption of an EU Security and Defence White Book that will guarantee that current and future capability-building processes are based on the EU’s security interests;

19. Also welcomes the proposal by the VP/HR, with the support of the Commission, for a European Peace Facility, which will finance parts of the costs of EU defence activities such as African Union peacekeeping missions, the common costs of own military CSDP operations, and military capacity building for partners that are excluded from budgetary funding by Article 41(2) of the TEU; reaffirms the need to avoid duplication with other existing instruments; notes in particular the ambitious inclusion, and expansion, of the Athena mechanism for the common funding of CSDP missions and operations, which has been a long-standing demand of Parliament; calls for improved financial control of all future missions and for timely impact assessments;
Capabilities for the Union’s security and defence

20. Underlines that the EU needs to apply the entire toolbox of available policy instruments, from soft to hard power and from short-term measures to long-term policies; reaffirms the importance of developing the necessary civilian and military capabilities, including through pooling and sharing, to deal with the comprehensive security challenges in and around Europe and its periphery, as outlined by the EUGS; recalls that the EUGS encourages deep defence cooperation within the Union;

21. Considers that EU Member States must endeavour to improve military capabilities to cover the full spectrum of land, air, space, maritime and cyber capabilities, including strategic enablers to make the EU’s CSDP a credible force; stresses the need to invest in Intelligence, Surveillance and Reconnaissance, satellite communications, and autonomous access to space and permanent earth observation to better assess internal and external threats;

22. Reaffirms the EU’s role as a global maritime security provider and stresses the importance of developing relevant military and civilian capabilities; welcomes in this regard the adoption of the revised EU Maritime Security Strategy Action Plan in June 2018;

23. Considers it vital that the EU and NATO step up the sharing of intelligence in order to enable the formal attribution of cyber attacks and consequently enable the imposing of restrictive sanctions on those responsible for cyber attacks;

24. Recognises the strategic dimension of the space sector for Europe and the need to improve synergies between its civil and security/defence aspects; underlines the need to make use of space capacities, also taking into account both the wider geopolitical environment and the CSDP, while stressing that EU space programmes are civilian in nature;

25. Welcomes the EU’s steps towards consolidating its cyber resilience by establishing a common cyber-security certification framework, by strengthening the EU cyber-security agency and by swiftly implementing Directive (EU) 2016/1148 on security of network and information systems (f) (the NIS Directive);

26. Considers that interference in other countries’ elections through cyber operations undermines or violates the right of people to take part in the government of their country, directly or through freely chosen representatives, as enshrined in the Universal Declaration of Human Rights, and that such interference by other states constitutes a violation of international law, even when there is no use of military force, threat to territorial integrity or threat to political independence;

27. Considers that the capabilities for the Union’s security and defence could be improved by making better use of the existing frameworks of defence and military cooperation such as the European multinational High Readiness Corps HQs and the EU Battlegroups, reinforcing and not duplicating similar initiatives within NATO; believes that this will contribute to the continuous transformation of national armed forces and towards the goal of being more interoperable, more sustainable, more flexible and more deployable;

28. Welcomes the establishment of the European Defence Industrial Development Programme (EDIDP), aiming at supporting the competitiveness and innovation capacity of the EU defence industry with EUR 500 million until 2020; calls for its swift implementation;

29. Believes that EDIDP will help to foster the competitiveness, efficiency and innovation capacity of the EU’s defence industry, which will involve, inter alia, designing, prototyping, testing, qualification and certification of defence products, as well as the development of technologies within a consortium including small and medium-sized enterprise, middle-capitalisation companies (mid-caps), research centres and universities, and collaboration between Member States, all of which will contribute to the EU’s strategic autonomy and strengthen the European Defence Technological and Industrial Base (EDTIB); points out that both the internal and external dimensions of the Union CSDP can benefit from the development of a single defence market;

30. Welcomes the proposal for a regulation establishing a European Defence Fund (EDF) and the substantial funding proposed by the Commission for the next MFF; calls for the initial lessons learned from the implementation of the EDIDP, the Pilot Project and the Preparatory Action on Defence Research to be taken into account; emphasises that the outcomes of the EDIDP should be taken duly into consideration and expresses hope that the proposal can be agreed as soon as possible with a view to improving Europe’s defence industry and its ability to cooperate with its partners;

31. Stresses that the EU’s strategic security and defence objectives can only be achieved through the closest coordination of the needs and long-term capability building requirements of both the armed forces and defence industries of the Member States; notes that both the Capability Development Plan (CDP) and the Coordinated Annual Review on Defence (CARD) can make important contributions to the achievement of this goal;

32. Emphasises once again that the EDA should be the implementing agency for Union actions under the European Capabilities and Armaments policy, where envisaged by the Lisbon Treaty; stresses that the administrative and operational expenditure of the EDA should be funded from the Union budget; welcomes the minor adjustments that have been made to the EDA’s budget, but emphasises that the EDA’s increased responsibilities in the context of, among other things, PESCO, CARD and EDF require adequate funding;

33. Recalls the need to facilitate the organisation of more joint trainings and exercises between the European armed forces, promoting interoperability, standardisation and preparedness to face a wide spectrum of threats, both conventional and unconventional;

34. Welcomes recent measures to strengthen civilian CSDP as an essential part of the EU’s joined-up approach, in particular the development of capabilities and responsiveness of CSDP civilian missions and the focus on enhancing effectiveness in addressing challenges along the internal-external nexus; stresses that the Council and the Commission should increase investments in the upcoming MFF in civilian conflict prevention, which contributes to the increase of the role of the EU as an international actor; calls for adjusting the CSDP structures and procedures in order to deploy and direct civilian and military missions and operations faster and in a more effective and integrated manner;

35. Invites the EU and the Member States to always prioritise mediation as the first tool of response to emerging crises and to support the mediation efforts of other partners; stresses the need for the EU to actively promote peaceful negotiation and conflict-prevention among its international partners;

**Permanent Structured Cooperation**

36. Welcomes the implementation of an inclusive PESCO as a fundamental step towards closer cooperation in security and defence among the Member States; acknowledges the character of PESCO as a legally binding long-term project, including a set of highly ambitious commitments as well as an array of cooperative projects; stresses the need for full alignment between PESCO activities, other CSDP activities, in particular with the CSDP objectives as defined by the TEU, and activities with NATO; considers that PESCO should be a driver for building capabilities for both organisations;

37. Calls on participating Member States to present projects with a strategic European dimension, responding to EU identified capability shortfalls and strengthening the EDTIB; calls on the Member States participating in PESCO to show more ambition and to fully take into account the extent of European added value when submitting proposals for further PESCO projects;

38. Highlights the close connection of PESCO with CARD and EDF to enhance Member States’ defence capabilities;

39. Welcomes the Council decision establishing a common set of governance rules for PESCO projects, clarifying many of the lingering open questions about the details of PESCO implementation; notes, however, that possible additional budgetary appropriations will be necessary to cover the administrative expenditure of the European External Action Service (EEAS) and the EDA to enable them to fulfil their functions as the PESCO secretariat;
CSDP missions and operations

40. Notes the contribution of CSDP missions and operations to international peace and stability but regrets that the efficiency of these missions can still be jeopardised by structural weaknesses, uneven contributions from Member States and unsuitability to the operational environment; notes that the development of CSDP requires, above all, political will from the Member States, based on common interests and priorities, as well as the setting-up of institutional cooperation structures; believes that the EU’s long-standing CSDP mission, EUFOR BiH / Operation Althea, still plays a role of deterrence as a visible sign of EU commitment to the country and the wider Western Balkan region; considers it essential, therefore, to continue its executive mandate and sustain its current force strength (600 staff), as the current safe and secure environment still has the potential to be destabilised through increased tensions and ethno-nationalist centred politics;

41. Reaffirms the strategic importance of the partnership between the EU and Africa, based on their close historical, cultural and geographical ties; stresses the need to strengthen cooperation, including in the area of security; underlines in particular the importance of the process of Regionalisation of CSDP action in the Sahel, which combines the EU’s civilian and military activities in order to enhance the capabilities for cooperation of the G5 Sahel countries;

42. Notes that the geopolitical situation in the Horn of Africa is increasingly marked by competition in the light of its importance for global trade and regional stability; welcomes, therefore, the continuing presence of Operation Atalanta, EUCAP Somalia and EUTM Somalia as contributors to the stabilisation of the region; emphasises, however, that CSDP can only be a part of any solution to the manifold challenges the region is facing and notes the continuing importance of a comprehensive approach;

43. Also welcomes the activities of the EU missions and operations in the Sahel region — EUCAP Sahel Mali, EUCAP Sahel Niger and EUTM Mali — and the contributions they are making to regional stability, the fight against terrorism and human trafficking, and the security of the local population;

44. Notes the results of the recent report by the European Court of Auditors on EUCAP Sahel Niger and EUCAP Sahel Mali, which flagged up problems with staff training, vacancies, sustainability and performance indicators, problems that are likely also to affect other civilian missions; welcomes the prompt response of the EEAS, which addressed the issues raised in order to enhance the effectiveness of the civilian CSDP; welcomes the European Court of Auditors’ involvement in auditing CSDP missions and operations and encourages the production of further special reports on other missions and operations;

45. Stresses the continuous contribution of EUNAVFOR MED operation Sophia to the wider EU efforts to disrupt the business model of human smuggling and trafficking in the southern central Mediterranean and to prevent further loss of life at sea;

46. Welcomes the establishment and full operational capability of the Military Planning and Conduct Capability (MPCC) for non-executive EU missions and operations (training missions); underlines the need to soon give the MPCC the mandate to plan and conduct all military CSDP operations in the future, and the need to remove some obstacles to the deployment of EU Battlegroups; calls for enhanced cooperation between the MPCC and the Civilian Planning and Conduct Capacity (CPCC), also in the context of the Joint Support Coordination Cell (JSCC), in order to maximise the coordination of civilian and military synergies and the sharing of expertise as part of a more integrated and comprehensive approach to crises and conflicts; calls for the reinforcement of the MPCC, with a view to increasing its command and control capabilities for executive operations and increasing synergies with civilian missions;

47. Stresses the need to apply a gender perspective in the EU’s CSDP action, considering the role that women play in war, post-conflict stabilisation and peace-building processes; emphasises the need to address gender violence as an instrument of war in conflict regions; underlines that women are more adversely affected by war than men; invites the EU and its international partners to actively involve women in peace and stabilisation processes, and to address their specific security needs;

48. Calls for swift implementation of the Capacity Building in support of Security and Development (CBSD) initiative to improve the effectiveness and sustainability of CSDP missions and operations and to enable the EU to strengthen the security and defence capabilities of its partner countries;
49. Urges the EEAS and the Council to step up their ongoing efforts to improve cybersecurity, in particular for CSDP missions, inter alia by taking measures at EU and Member State levels to mitigate threats to the CSDP, for instance by building up resilience through education, training and exercises, and by streamlining the EU cyber-defence education and training landscape;

50. Believes that the EU and its Member States face an unprecedented threat in the form of state-sponsored and cyber attacks as well as cybercrime and terrorism; believes that the nature of cyber attacks makes them a threat that requires an EU-level response; encourages the Member States to provide mutual assistance in the event of a cyber attack against any one of them;

**EU-NATO relationship**

51. Underlines that the strategic partnership between the EU and NATO is fundamental to addressing the security challenges facing the EU and its neighbourhood; bearing in mind that 22 out of the 28 EU Member States are also NATO members, underlines that EU-NATO cooperation should be complementary and respectful of each other's specificities and roles; stresses that the two organisations have clearly distinct features and that they should cooperate in full respect of each other's autonomy and decision-making procedures, based on the principles of reciprocity, without prejudice to the specific features of the security and defence policy of any Member State; is convinced that a stronger EU and NATO would reinforce each other, creating more synergies and effectiveness for the security and defence of all partners; stresses that the EU-NATO strategic partnership is equally fundamental for the EU's evolving CSDP and for the future of the Alliance, as well as for EU-UK relations after Brexit;

52. Welcomes the main pillars of the new EU-NATO declaration adopted at the NATO Summit in Brussels on 12 July 2018 and emphasises that successful implementation of the Joint Declaration depends on the political will of all Member States throughout the process; while recognising the tangible results of the implementation of the 74 common actions, believes that further efforts are needed with regard to the practical implementation of the many commitments already made, especially in the areas of combating hybrid threats, cybersecurity and joint exercises; notes in particular the involvement of the EDA in the implementation of 30 actions;

53. Stresses that efforts regarding military mobility should be a priority and a contribution to the effective implementation of CSDP missions and operations and to the Alliance's defence posture; therefore encourages both organisations to continue working together on military mobility in the closest possible manner, including through the development of common requirements to facilitate the rapid movement of forces and equipment across Europe, keeping in mind the multidirectional challenges originating mainly from the South and the East; calls on the Commission to underpin these efforts with the necessary investments and, where appropriate, legislation; stresses the need to ease the administrative procedures for the cross-border movement of rapid response forces inside the EU;

54. Highlights, in this context, EU-NATO complementarity and the need to ensure that the multinational initiatives in capability development of both the EU and NATO are complementary and mutually reinforcing;

55. Stresses the importance of cooperation and integration in cybersecurity, not only between Member States, key partners and NATO, but also between different actors within society;

**CSDP partnerships**

56. Stresses that partnerships and cooperation with countries and organisations that share the EU's values contribute to a more effective CSDP; welcomes the contributions made by CSDP partners to ongoing EU missions and operations that contribute to enhancing peace, regional security and stability;

57. Considers it vital to further enhance cooperation with institutional partners, including the UN, NATO, the African Union and the OSCE, as well as strategic bilateral partners such as the US; recommends taking forward CSDP partnerships in the fields of strengthening partners' resilience and Security Sector Reform (SSR);
58. Stresses the importance of the EU-UN partnership in the resolution of international conflicts and peace-building activities; calls for both the EU and the UN to strengthen the EU-UN Steering Committee on Crisis Management joint consultative mechanism and to use the full potential of their partnership by pooling their political legitimacy and operational capabilities;

59. Strongly believes that the EU should maintain the closest possible partnership in security and defence with the United Kingdom after Brexit;

Parliamentary dimension

60. Underlines the utmost importance of parliamentary oversight of security and defence matters at national and European level as a constitutive element for any further progress in this policy area, and in this context encourages parliamentary actors to cooperate more closely, possibly looking for new or improved forms of cooperation, in order to ensure seamless parliamentary oversight at all levels; recalls the importance of involving civil society and citizens in the future debates on European security;

61. Notes, while welcoming the overall progress made regarding CSDP since the presentation of the EUGS, that the parliamentary structures at EU level, which were established at a time when the EU's level of ambition and level of activity regarding security and defence matters were rather limited, are no longer adequate to provide the necessary parliamentary oversight of a rapidly evolving policy area demanding the capacity for swift responses; reiterates, therefore, its previous call to upgrade the Subcommittee on Security and Defence to a full-fledged committee and to provide it with the competences necessary to contribute to comprehensive parliamentary oversight of CSDP, including PESCO, the EDA and any other CSDP actions as envisioned by the Treaties; believes that the upgrade from subcommittee to committee should be the consequence of replacing the ad-hoc management of defence and security at Commission level with a more specialised model, taking into account the increasing complexity of the efforts to be managed;

62. Notes that several Member States have recently called for an EU Security Council, and believes that this concept needs to be further defined before an assessment of its added value can be carried out;

63. Reiterates its call for the establishment of a meeting format for defence ministers within the Council, chaired by the VP/HR; recognises that further European integration should also mean more democratic scrutiny through parliamentary control; underlines, therefore, the need to strengthen the European Parliament's role in this field, namely through a fully-fledged Committee on Security and Defence, complemented by joint interparliamentary meetings between representatives from national parliaments and MEPs;

64. Stresses that any future convention or intergovernmental conference preparing a change of the EU Treaties should consider establishing a European force with the effective defence capability of engaging in peace-keeping, conflict prevention and strengthening international security in accordance with the Charter of the United Nations and in line with the tasks set out in Article 43(1) of the TEU;

65. Instructs its President to forward this resolution to the European Council, the Council, the Commission, the Vice-President of the Commission/High Representative of the Union for Foreign Affairs and Security Policy, the Secretary-General of the United Nations, the Secretary-General of NATO, the EU agencies in the space, security and defence fields, and the national parliaments of the Member States.
Annual report on human rights and democracy in the world 2017 and the European Union’s policy on the matter


(2020/C 388/10)

The European Parliament,

— having regard to the Universal Declaration of Human Rights and other UN human rights treaties and instruments, notably the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR), both adopted on 16 December 1966 by the United Nations General Assembly in New York,

— having regard to the European Convention on Human Rights,

— having regard to the Charter of Fundamental Rights of the European Union,

— having regard to the UN Convention on the Rights of the Child (UNCRC),

— having regard to Articles 2, 3, 8, 21 and 23 of the Treaty on European Union (TEU),

— having regard to Article 207 of the Treaty on the Functioning of the European Union,


— having regard to the UN’s 17 Sustainable Development Goals (SDGs) and to the 2030 Agenda for Sustainable Development,

— having regard to the UN Guiding Principles on Business and Human Rights,

— having regard to the OECD Guidelines for Multinational Enterprises, adopted in 1976 and revised in 2011,

— having regard to the Council of Europe Convention on preventing and combating violence against women and domestic violence of 11 May 2011 (the Istanbul Convention), which was signed by the EU on 13 June 2017,

— having regard to the UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) of 18 December 1979,

— having regard to the Optional Protocol to the Convention on the Rights of the Child on the sale of children, child prostitution and child pornography, which entered into force on 18 January 2002,


— having regard to the UN Convention on the Rights of Persons with Disabilities (CRPD),


— having regard to UN Security Council resolutions 2250 (2015) and 2419 (2018) on youth, peace and security,

— having regard to the UN Convention on the Elimination of All Forms of Racial Discrimination,
— having regard to UN Security Council resolution 1820 (2008) on women, peace and security, which addresses sexual violence in terms of war crimes,

— having regard to the Global Strategy for the European Union’s Foreign and Security Policy presented by the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy (VP/HR) Federica Mogherini on 28 June 2016, and to the first report on its implementation entitled ‘From Shared Vision to Common Action: Implementing the EU Global Strategy’, published in 2017,

— having regard to the Council Conclusions on Indigenous Peoples of 15 May 2017,


— having regard to the United Nations Declaration on the Rights of Indigenous Peoples and the outcome document of 25 September 2014 of the high-level plenary meeting of the General Assembly known as the World Conference on Indigenous Peoples,

— having regard to the New York Declaration for Refugees and Migrants, adopted by the UN General Assembly on 19 September 2016,

— having regard to UN General Assembly Resolution 69/167 of 18 December 2014, which reiterates the need to protect and promote the human rights and fundamental freedoms of all migrants regardless of migration status, and to the 1990 International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families;

— having regard to UN General Assembly Resolution 67/139 of 20 December 2012, creating the Open-Ended Working Group on Ageing with a mandate to consider proposals for an international legal instrument to promote and protect the rights and dignity of older persons,

— having regard to the report of the Independent Expert on the Enjoyment of All Human Rights by Older Persons to the 33rd session of the UN Human Rights Council of 8 July 2016 (2),

— having regard to the report of the UN Open-Ended Working Group on Ageing on its eighth working session of 28 July 2017 (3),

— having regard to the 2017 Lisbon Ministerial Declaration entitled ‘A Sustainable Society for All Ages: Realizing the potential of living longer’, adopted at the 4th Ministerial Conference on Ageing of the United Nations Economic Commission for Europe (UNECE) on 22 September 2017,

— having regard to the European Agenda on Migration of 13 May 2015 (COM(2015)0240) and to the Commission communication of 7 June 2016 on establishing a new Partnership Framework with third countries under the European Agenda on Migration (COM(2016)0385),

— having regard to the set of EU thematic guidelines on human rights, including on human rights defenders,

— having regard to the EU Human Rights Guidelines on Freedom of Expression Online and Offline, adopted by the Council in 2014,

— having regard to the EU Guidelines on Promoting Compliance with International Humanitarian Law (IHL), adopted in 2005 and revised in 2009 (4),

— having regard to the UN Guiding Principles on Business and Human Rights,

(1) OJ L 76, 22.3.2011, p. 56.
(2) A/HRC/33/44.
(3) A/AC.278/2017/2.
having regard to the EU Guidelines for the Promotion and Protection of the Rights of the Child, adopted in 2007 and reviewed in 2017, as well as the ‘EU-UNICEF Child Rights Toolkit: Integrating child rights in development cooperation’,

— having regard to the EU Guidelines to promote and protect the enjoyment of all human rights by lesbian, gay, bisexual, transgender and intersex (LGBTI) persons, adopted by the Council in 2013,

— having regard to the Yogyakarta Principles (‘Principles and State Obligations on the Application of International Human Rights Law in Relation to Sexual Orientation, Gender Identity, Gender Expression and Sex Characteristics’) adopted in November 2006 and the 10 complementary principles thereto (‘plus 10’) adopted on 10 November 2017,

— having regard to the EU Guidelines on the promotion and protection of freedom of religion or belief, adopted by the Council in 2013,

— having regard to the joint statement by the Council and the representatives of the governments of the Member States meeting within the Council, the European Parliament and the European Commission entitled ‘The new European Consensus on Development: “Our World, Our Dignity, Our Future”’, adopted by the Council, Parliament and the Commission on 7 June 2017,

— having regard to the EU Guidelines on the death penalty, adopted by the Council in 2013,

— having regard to the EU Guidelines to EU policy towards third countries on torture and other cruel, inhuman or degrading treatment or punishment, adopted in 2001 and revised in 2012,

— having regard to its resolution of 4 July 2018 entitled ‘Towards an EU external strategy against early and forced marriages — next steps’ (1),

— having regard to the Commission communication of 4 December 2017 on the follow-up to the EU Strategy on Trafficking in Human Beings (COM(2017)0728),

— having regard to its resolution of 3 May 2018 on the protection of migrant children (2),

— having regard to the United Nations Declaration on the Right and Responsibility of Individuals, Groups and Organs of Society to Promote and Protect Universally Recognised Human Rights and Fundamental Freedoms (Human Rights Defenders) of December 1998,

— having regard to Regulation (EU) 2017/821 of the European Parliament and of the Council of 17 May 2017 laying down supply chain due diligence obligations for Union importers of tin, tantalum and tungsten, their ores, and gold originating from conflict-affected and high-risk areas (3),

— having regard to International Labour Organisation Convention No 169 on Indigenous and Tribal Peoples, adopted on 27 June 1989,

— having regard to its resolution of 4 July 2013 on ‘Arms exports: implementation of Council Common Position 2008/944/CFSP’ (4),

— having regard to its resolution of 10 October 2013 on caste-based discrimination (5) and to the report of 28 January 2016 on minorities and caste-based discrimination by the UN Special Rapporteur on Minority Issues and the UN Guidance tool on descent-based discrimination,

— having regard to the EU Annual Report on Human Rights and Democracy in the World 2017,
having regard to its resolution of 13 December 2017 on the Annual Report on Human Rights and Democracy in the World 2016 and the European Union's policy on the matter (1), and to its previous resolutions on earlier annual reports,

— having regard to its resolutions on cases of breaches of human rights, democracy and the rule of law in 2017,

— having regard to its Sakharov Prize for Freedom of Thought, which in 2017 was awarded to the Democratic Opposition in Venezuela: the National Assembly (Julio Borges) and all political prisoners as listed by Foro Penal Venezolano represented by Leopoldo López, Antonio Ledezma, Daniel Ceballos, Yon Goicoechea, Lorent Saleh, Alfredo Ramos and Andrea González,

— having regard to Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (2),

— having regard to Directive (EU) 2017/541 of the European Parliament and of the Council of 15 March 2017 on combating terrorism and replacing Council Framework Decision 2002/475/JHA and amending Council Decision 2005/671/JHA (3); having regard to the work of the Special Committee on Terrorism (TERR), which the European Parliament decided to establish on 6 July 2017, and which was appointed on 14 September 2017,

— having regard to Rule 52 of its Rules of Procedure,

— having regard to the report of the Committee on Foreign Affairs and the opinion of the Committee on Women’s Rights and Gender Equality (A8-0373/2018),

A. whereas respect for and the promotion, indivisibility and safeguarding of the universality of human rights, as well as the promotion of democratic principles and values including the rule of law, respect for human dignity and the principle of equality and solidarity, are the cornerstones of the EU’s ethical and legal acquis and its common foreign and security policy (CFSP), as well as of all its external action; whereas the EU should continue to strive to be the leading global actor in the universal promotion and protection of human rights, including on the level of multilateral cooperation, in particular through an active and constructive role in diverse UN bodies and in compliance with the UN Charter, the Charter of Fundamental Rights of the European Union and international law, as well as the obligations in the area of human rights and of the commitments assumed under the 2030 Agenda for Sustainable Development and the Sustainable Development Goals;

B. whereas civil society plays a central role in building and strengthening democracy, scrutinising state power and promoting good governance, transparency and accountability; whereas civil society organisations play a crucial role as a vital force in society; whereas there is a link between weakened civil society, restricted political and civic space, increased corruption, social and gender inequality, low levels of human, social and economic development and social conflicts; whereas appropriate resources must be made available and deployed in the most efficient manner in order to enhance the promotion of human rights and democracy in third countries, and civil society should not be hampered by restrictive laws, funding caps, restrictive licensing procedures or prohibitive taxes;

C. whereas many countries in the world are facing impunity and injustice, and offer insufficient effective treatment, victim support services and financial assistance for victims of terrorism, particularly those countries where a large proportion of citizens have been confronted by terrorism;

D. whereas in 2017 a very large number of civil society actors, among them lawyers, intellectuals, journalists, religious figures and human rights defenders, including environmental activists, around the world have faced shrinking civil society space and have been subject to increasing attacks, persecution, harassment, arbitrary arrest or detention and even killings; whereas ProtectDefenders.eu, the support mechanism for EU human rights defenders, has provided effective assistance to hundreds of activists but is facing growing needs; whereas the EU and its Member States should devote more resources to greater participation by civil society and step up their efforts in the protection and support of human rights defenders;

E. whereas policies in support of human rights and democracy should be mainstreamed across all other EU policies with an external dimension, such as development, migration, security, counter-terrorism, women's rights and gender equality, enlargement and trade, in particular through the implementation of human rights conditionality; whereas increased coherence between the EU's internal and external policies, as well as among the external policies themselves, is a fundamental requirement for a successful and effective EU human rights policy;

F. whereas illegal occupation of a territory or a part of it is an ongoing violation of international law, which triggers the responsibility of the occupying power towards the civilian population under international humanitarian law;

**General considerations**

1. Expresses profound concern at the pushback against democracy, human rights and the rule of law worldwide in 2017, and urges the EU and its Member States to pursue unconditionally the mainstreaming of the European and international standards regarding human rights, the rule of law, democracy and the rights of minorities to which they are bound, and to ensure increased coherence between the EU’s internal and external human rights policies and greater coordination between the external policies of the Member States, in fields such as migration, counter-terrorism and trade, as the EU’s influence as a credible and legitimate international actor is greatly shaped by its ability to advance respect for human rights and democracy, both internally and externally;

2. Reaffirms that states have the ultimate responsibility to safeguard all human rights through enacting and implementing international human rights treaties and conventions, monitoring human rights violations and ensuring effective remedy for victims; points out that peace, security and development are mutually reinforcing and depend on the capacity to address abuse, crimes against humanity, war crimes and genocide; warns against restrictions on freedom of movement, freedom of assembly and freedom of expression;

3. Recalls that equality between men and women is a core principle of the EU and the Member States, as referred to in Article 3(3) TEU, and that its promotion via gender mainstreaming, including in other countries around the world through external policies, is one of the EU’s principal objectives;

4. Emphasises that the EU is committed to promoting gender equality and ensuring gender mainstreaming in all of its actions, which is an obligation laid down in the Treaties, so that gender equality becomes a key priority in all EU guidelines, working relations, policies and actions, including external actions; supports accordingly the related coordinated efforts in the multilateral dialogues and activities of EU delegations such as election observation missions; stresses the need to reinforce the work in third countries of the EEAS Principal Advisor on Gender, aimed at promoting peace, security and fundamental freedoms, by ensuring a specific budget dedicated to her area of competences;

5. Considers that a truly independent, pluralistic and dynamic civil society contributes to development and stability, ensures democratic consolidation including separation of powers, social justice and respect for human rights, and promotes transparency, accountability and good governance, in particular through measures to combat corruption and extremism; stresses the vital and central role played by human rights defenders and NGOs in promoting and supporting the application
of the rights enshrined in the core international human rights treaties, including by carrying out educational programmes and raising awareness of the activities of international organisations; underlines the importance of the implementation of the EU's Guidelines on Human Rights Defenders and its capacity to maintain adequate support, through the European Instrument for Democracy and Human Rights (EIDHR), for human rights defenders and NGOs in situations where they are most at risk, notably by ensuring the enhanced capacity of the ProtectDefenders.eu mechanism;

6. Notes the importance of providing emergency support to human rights defenders and that the treatment of all prisoners must meet international standards; underlines its concerns for the safety of human rights defenders and that perpetrators must be brought to justice; welcomes the European Endowment for Democracy's consistent efforts to promote democracy and respect for fundamental rights and freedoms in the eastern and southern neighbourhoods of the EU; recognises the risks faced by human rights defenders, including women human rights defenders who face specific risks and threats due to their gender, as well as environmental activists, and calls on the EEAS and the Member States to pay special attention to them in the EU Guidelines for Human Rights Defenders; underlines the need for strong EU coordination on engagement with third-country authorities regarding human rights defenders and civil society, and praises the individual initiatives of the Member States in addition to EU action;

7. Welcomes the EU’s active participation in the UN Human Rights Council (UNHRC), which has seen it sponsor and co-sponsor resolutions, issue statements, intervene in interactive dialogues and debates, and call for special sessions on the situation regarding human rights; recognises the EU's commitments to addressing country situations in the UNHRC; stresses the importance of the EU's engagement in dialogues and cooperation on human rights at a multilateral level; fully supports the UNHRC's activities and engagement when defending human rights worldwide; commends the work of the Office of the UN High Commissioner for Human Rights under the leadership of Zeid al-Hussein; looks forward to a close dialogue and active cooperation with the newly appointed High Commissioner, Michelle Bachelet; calls on the Commission and the Member States to step up their support to the functioning of the OHCHR and the Special Procedures;

8. Expresses its appreciation for the work done by the human rights services of the Commission and the EEAS at headquarters and in EU delegations, and for that of the EU's Special Representative for Human Rights (EUSR), Stavros Lambrinidis, in increasing the effectiveness, cohesion and visibility of human rights in EU foreign policy, and recalls its request for this mandate to be made permanent and more accountable; welcomes the recent approach represented by the EU's 'Good Human Rights Stories Initiative', which focuses on the best practices employed by various countries; calls once more for a revision of the mandate so as to grant the EUSR own-initiative powers, adequate resources and the ability to speak publicly in order to report on achievements of visits to third countries and to communicate the EU's positions on human rights topics;

9. Welcomes the EU Annual Report on Human Rights and Democracy in the World 2017 and notes that it was adopted much earlier this year, in line with Parliament's requests expressed in its previous reports; asks the Council to continue its efforts to finalise these annual reports earlier in the year; encourages the Council to ensure that the adoption of the next annual report is based on an adequate consultation process; considers the annual report to be an indispensable tool for scrutiny, communication and debate on the EU's policy on human rights and democracy in the world, and asks for it to be promoted publicly worldwide;

10. Recognises the progress made in terms of the report's procedure and format, but expects the Council and the VP/HR to take even greater account of the positions of the relevant resolutions and/or recommendations of Parliament in order to ensure deeper and more effective interaction between the EU institutions on human rights issues;

11. Reiterates the importance of an overview of key positive and negative trends in order to evaluate the efficiency of the EU’s actions; considers, in this sense, that more thorough public reporting, where appropriate based in particular on the priorities and indicators identified in the EU's human rights country strategies, inter alia, would encourage greater consistency in implementing human rights conditionality clauses and assessing and adjusting the human rights impact of EU policies; emphasises the need to monitor and fully implement the existing EU Guidelines;
12. Acknowledges that the EU Human Rights Dialogues (HRDs) constitute a valuable mixed diplomacy tool for the promotion of human rights and democracy in bilateral relations with third countries; notes, however, the enduring obstacles to the achievement of concrete results via HRDs, such as the prevalence of double standards, and calls in this regard for a more unified stance among the Member States; calls on the Commission and the EEAS to seek ways to make the HRDs more effective and meaningful and to react swiftly and complement them when they are not constructive, by utilising political dialogue or public diplomacy; encourages the Commission and the EEAS to increase transparency in dialogues, also through the enhanced participation of civil society actors, and to use clear benchmarks for the purposes of evaluating the success of each dialogue; emphasises the importance of the EU raising at the HRDs the cases of individual human rights defenders at risk, pressing for the release of imprisoned defenders and the protection of those under threat; advises the EU institutions, moreover, to provide adequate resources and training on human rights and democracy for EU delegation officials and staff at all levels.

13. Reiterates that the 2015-2019 Action Plan on Human Rights and Democracy and its mid-term review of 2017 must be the guiding instruments for human rights action, and underlines, in this connection, the need to plan for sufficient resources and expertise in order to properly implement the EU's key priorities; calls on the EU institutions and the Member States to ensure the efficient and coherent implementation of the current Action Plan, including through genuine collaboration with civil society organisations;

14. Calls on the EU to strengthen its instruments and policies regarding institutional development and the rule of law, and to include benchmarks for ensuring accountability and seek to prevent impunity for human rights violations; calls for the effective deployment of adequate resources to further promote human rights and democracy;

15. Recalls, in this regard, the crucial support provided by EIDHR in the implementation of the EU's Strategic Framework and Action Plan on Human Rights and Democracy and its Human Rights Guidelines and country strategies, which has enabled the EU to act more strategically in this area and has ensured accountability, visibility and effectiveness; calls strongly for EIDHR's inclusion as a separate and independent instrument in the architecture of the 2021-2027 Multiannual Financial Framework, in order not to dilute its clear diversity into a larger external action fund; strongly encourages cooperation between the EU's external funding instruments, to avoid duplication and overlap and help identify possible gaps and funding needs;

16. Recalls that the experience gained and the lessons learned from transitions to democracy within the framework of the enlargement and neighbourhood policies could contribute positively to the identification of best practices that could be used to support and consolidate other democratisation processes worldwide; expresses its conviction that the revised European neighbourhood policy should support economic, social and political reform, protect human rights, and help establish the rule of law while maintaining the EU's commitments to its partners; reiterates that the promotion of human rights and democracy are in the interest of both partner countries and the EU; highlights the need to further interparliamentary relations between the EU and its partner countries, in a framework of honest dialogue underpinned by mutual understanding and trust, with the aim of promoting human rights effectively;

17. Highlights the work of its Subcommittee on Human Rights (DROI), which maintains close working relations with other EU institutions, the EUSR, the EEAS, civil society including NGOs, and multilateral human rights institutions; notes that in 2017 DROI drafted three reports which were adopted as resolutions by plenary; on statelessness in South and South East Asia (**A**); on addressing human rights violations in the context of war crimes and crimes against humanity, including genocide (**B**), and on corruption and human rights in third countries (**C**);

18. Proposes to launch, within the first trimester of 2019, an internal task force to carry out a review of the promotion and mainstreaming of human rights by its committees with an external mandate and by its delegations for relations with third countries during the 2014-2019 term; intends to draw recommendations from this review for enhanced parliamentary action in the field of human rights in the next parliamentary term, including in terms of scrutiny of the activity of the EEAS and the Commission, the internal institutional set-up, and mainstreaming of human rights within its bodies;

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Believes that the role of the urgency resolutions based on Rule 135 of Rules of Procedure, can be further developed to strengthen human rights and democracy through increased timely reflection, targeting and efficiency;

Specific human rights challenges

Expresses its grave concern at the gradual shrinking of civil society space in 2017, and deplores the fact that human rights defenders, journalists and NGOs are too often the targets of harassment, intimidation and violence, including killings; is concerned at the continued imposition of travel bans on human rights activists who wish to attend sessions of the UN Human Rights Council in Geneva and other international institutions, and firmly condemns these bans, calling on the governments concerned to lift them; emphasises that it is unacceptable that representatives of civil society and the media are prevented from participating in the work of international bodies, and insists that the fundamental human and political rights of civil society representatives be respected; is concerned that some human rights activists have been detained on returning to their countries after being heard in international institutions;

Deplores the fact that the increasing global phenomenon of shrinking civil society space might also occur in established democracies and middle- and high-income countries; calls on the EU and its Member States to lead by example; condemns legislation that restricts the activities of civil society; e.g. the closing of NGOs or the freezing of their assets; calls for the repeal of legislation imposing arbitrary or intrusive requirements on the operations of NGOs, including provisions on restrictions on foreign funding; condemns the diffusion of public narratives that increasingly undermine the role of civil society organisations; encourages the EU delegations and the Member States' diplomatic representations to continue to monitor and raise cases of violations of freedom of assembly and association, including the various forms of bans and limitations on civil society organisations and their activities or the promotion of fake NGOs sponsored by some governments; encourages them to continue to actively support human rights defenders by systematically monitoring trials, visiting detained activists and issuing statements regarding individual cases where appropriate;

Denounces the fact that media freedom has been strongly threatened in 2017, with, according to the annual index by Reporters Without Borders, attacks against the press attaining unprecedented levels in 2017; emphasises the need to uphold the principles of freedom of opinion and expression, as laid down in Article 19 of the Universal Declaration of Human Rights; reiterates the importance of freedom of expression, both online and offline, as key for the proper functioning of democratic communities, as it fosters a culture of pluralism that empowers civil society and citizens to hold their governments and decision-makers to account and strengthens respect for the rule of law; strongly condemns the threats, intimidation and attacks against journalists, independent media, bloggers and whistle-blowers, as well as hate speech, defamation laws and incitements to violence, as they constitute a threat to the rule of law and the values embodied in human rights; underlines that in 2017 hundreds of peaceful protestors and journalists were arrested, many of whom were mistreated, detained arbitrarily and forced to pay heavy fines in trials where minimum procedural standards were not guaranteed; urges the EU to step up its efforts to protect the right to freedom of opinion and expression in all its relations with third countries; emphasises the importance of ensuring effective and systematic implementation of the EU Guidelines on Freedom of Expression Online and Offline and of regularly monitoring their impact;

Emphasises the core importance of academic freedom, as a human right protected by international treaties; strongly condemns any attack on academic freedom such as killings, forced disappearances, violence, imprisonment, cessation of employment, attacks on reputation and wrongful prosecution; stresses the gravity of all attacks on academic freedom, since it is essential to the creation of a pluralistic and democratic society;

Strongly condemns the fact that so many human rights defenders faced digital threats in 2017, including compromised data through the confiscation of equipment, remote surveillance and data leakages; condemns the practice of online surveillance and hacking for the purposes of gathering information which can be used for legal cases or defamation campaigns; expresses its deep concern at the ever-increasing use of certain cybersurveillance dual-use technologies against politicians, activists, bloggers and journalists; in this regard, strongly calls on the EU institutions to urgently and effectively update the dual-use export control regulation;
25. Reaffirms that the independence of the judiciary and the absolute transparency of a system for the administration of justice in which all operators are required to carry out their roles in an upright and independent manner are prerequisites for the development of a democratic state and legal protection for human rights; condemns roundly all attempts to place restrictions on the freedom of judges, public prosecutors and lawyers, and all forms of direct and indirect violence employed against them; calls on the EU to pay the utmost attention to this point in the context of its diplomatic relations with non-EU countries;

26. Acknowledges that the open internet and technological advances have enabled human rights abuses to be reported more swiftly; criticises the attempts by some governments to control mass communication tools, including the internet; is concerned at the prevalence of fake news and disinformation generated by state and non-state actors in 2017, which have contributed to the spreading of anti-human rights narratives, limited access to free, accurate and impartial information, incited violence, hatred or discrimination against certain groups or individuals, and affected the outcomes of elections, thus undermining democracies; stresses in this regard the need for the EU to develop a stronger positive narrative on human rights, to stand firm in the face of governments sponsoring disinformation or challenging the universality and indivisibility of human rights, and to increase its efforts to support free and independent media worldwide; stresses the centrality of education, culture, knowledge, and critical thinking in fighting fake news and its propagation;

27. Calls for the VP/HR to appoint an EU cyber envoy who should coordinate the EU's diplomatic efforts to advance, in its external policies, an open, interoperable, secure and reliable internet, in which human rights are respected and norms for responsible state behaviour online are promoted;

28. Reaffirms that freedom of thought, conscience, religion and belief, including the freedom to believe or not to believe, to practise or not to practise the religion of one's choice, to give up or change religion, and the rights to apostasy and to espouse atheistic views, must be enhanced unconditionally through interreligious and intercultural dialogue; condemns discrimination based on thought, conscience, religion or belief, and the persecution of and attacks against all ethnic and religious groups in 2017; calls for the instrumentalisation of religion for political ends to be avoided; deplores the attempts by state and non-state actors to limit freedom of thought, conscience, religion and belief, freedom of assembly and freedom of expression by adopting and implementing blasphemy laws, among other means; requests that further action be taken to protect religious minorities, non-believers and atheists, including the victims of blasphemy laws; calls for the EU and its Member States to increase their engagement in political discussions to repeal such laws, to step up their efforts to enhance respect for freedom of thought, conscience, religion and belief and to promote interreligious and inter-convictional dialogue when engaging with third countries; calls on the Commission and the EEAS to play an active role in helping to safely return, on a voluntary basis, people who have been forced to flee their homes as a result of persecution on grounds of religion or belief; requests concrete action towards the effective implementation of the EU Guidelines on the promotion and protection of freedom of religion or belief; supports the EU practice of taking the lead on thematic resolutions on freedom of thought, conscience, religion and belief at the UNHRC and the UN General Assembly (UNGA); supports the work of the EU Special Envoy for the promotion of freedom of religion or belief outside the EU, Ján Figel;

29. Considers it deeply regrettable that torture, inhuman or degrading treatment and the death penalty continue to be applied in many countries all over the world, and calls for the EU to intensify its efforts to eradicate these practices; considers that detention conditions, including access to care and medicines, and the state of prisons in a number of countries are a matter of grave concern; welcomes the formal launch of the Alliance for Torture-Free Trade on 18 September 2017 and the establishment of the EU Anti-Torture Coordination Group, which is tasked with following its implementation; welcomes, in this regard, updates to EU legislation on trade in certain goods which could be used for capital punishment, torture or other inhuman treatment or punishment; notes that in 2017 the number of executions carried out worldwide fell by 4% compared with the previous year; calls on countries that have not already done so to establish an immediate moratorium on the death penalty as a step towards its abolition; considers it essential to combat all forms of torture and ill-treatment of detainees, including psychological torture, and to step up efforts to ensure compliance with the relevant international law and ensure compensation for victims;
30. Strongly condemns all heinous crimes and human rights violations committed by state and non-state actors, including against citizens peacefully exercising their human rights; is horrified at the vast range of crimes committed, including murder, torture, rape, enslavement and sexual slavery, the recruitment of child soldiers, forced religious conversions, and systematic killings targeting religious and ethnic minorities; urges the EU and its Member States to fight crimes of genocide, crimes against humanity and war crimes, and to ensure that their perpetrators are brought to justice; calls for the EU to provide support for organisations and the UN investigative teams that collect, keep and protect evidence — digital or otherwise — of the crimes committed by any parties to these conflicts, in order to facilitate their prosecution at an international level; notes that internet platforms have deleted video evidence relating to potential war crimes as part of their work of removing terrorist content and propaganda; 

31. Supports the key role played by the International Criminal Court (ICC) in cases where the states concerned are unable or unwilling to exercise their jurisdiction; calls for the EU and its Member States to provide diplomatic and financial support to the ICC; calls for the EU and its Member States to encourage all UN member states to ratify and implement the Rome Statute of the ICC, and is dismayed at the withdrawals from the Statute and the threats to do so; calls also on all the signatories of the Rome Statute to coordinate and cooperate with the ICC; calls on all Member States to ratify the Kampala amendments on the crime of aggression and to add 'atrocity crimes' to the list of crimes for which the EU has competence; reiterates the importance of other key mechanisms aimed at ending impunity, including the use of universal jurisdiction, and calls on Member States to adopt the necessary legislation; recalls, in this regard, that victims' rights must be at the heart of all action; reiterates its call for the VP/HR to appoint an EU Special Representative on International Humanitarian Law and International Justice with a mandate to promote, mainstream and represent the EU's commitment to the fight against impunity; 

32. Welcomes the EU's efforts to support the International, Impartial and Independent Mechanism (IIIM) set up by the UN in Syria to assist in the investigation of serious crimes; emphasises the need to set up a similar independent mechanism in other countries; calls for the EU and the Member States that have not already done so to contribute financially to the IIIM; 

33. Reiterates that states can bring other states before the International Court of Justice for violations of international treaties, such as the United Nations Convention against Torture, in order to establish state liability as an indirect means for judicial determination of individual criminal responsibility at a later stage; 

34. Deeply regrets the lack of respect for IHL and expresses its strong condemnation of the deadly attacks that were carried out with such alarming frequency against hospitals, schools and other civilian targets in armed conflicts around the world in 2017; believes that the international condemnation of attacks must be backed up by independent investigations and genuine accountability; commends the work done by aid workers when delivering humanitarian aid; calls for the Member States, the EU institutions and the VP/HR to ensure that EU policies and actions relating to IHL are developed coherently and effectively, and to use all the instruments at their disposal to address this matter; concludes that more detailed reporting by the EU and its Member States on the implementation of the Guidelines on Promoting Compliance with International Humanitarian Law in specific conflict situations should have been made available, including and not least the EU Annual Report on Human Rights and Democracy; calls on the international community to set up instruments to minimise the warning/response gap in order to prevent the emergence, re-emergence and escalation of violent conflict, along the same lines as the EU's early warning system; calls for the EU and its Member States to increase their financial contribution to humanitarian and development aid; notes the 2.4 % cut in official development assistance (ODA) from 2016 to 2017 and that ODA falls short of the target of 0.7 % of GNI; 

35. Recalls its resolution of 27 February 2014 on the use of armed drones (\(^1\)); expresses its grave concern over the use of armed drones outside the international legal framework; calls once again for the EU to urgently develop a legally binding framework for the use of armed drones in order to ensure that Member States, in conformity with their legal obligations, do not perpetrate unlawful targeted killings or facilitate such killings by other states; calls on the Commission to keep Parliament properly informed about the use of EU funds for all research and development projects associated with the construction of drones; calls for human rights impact assessments in respect of further drone development projects; 

36. Calls on the VP/HR and the Member States to expand the EU's regime of restrictive measures to include an EU human rights sanctions regime under which CFSP sanction decisions could be based on grave human rights violations, in the same vein as the Magnitsky Act:

37. Urges the VP/HR and the Member States to work towards an international ban on weapon systems that lack human control over the use of force, as requested by Parliament on a number of occasions, and, in preparation for relevant meetings at UN level, to urgently develop and adopt a common position on autonomous weapon systems, speak at relevant forums with one voice and act accordingly;

38. Stresses that corruption undermines the rule of law, democracy and the competitiveness of economies, and puts human rights at risk; emphasises the need for support for human rights defenders and whistle-blowers fighting corruption; calls for improvements to anti-corruption mechanisms and practices, such as the imposition of sanctions on those individuals and countries that commit serious corruption offences; calls on the EEAS and the Commission to devise joint programming on human rights and the fight against corruption, in particular initiatives for improving transparency, fighting impunity, strengthening anti-corruption agencies and ensuring greater transparency and traceability in the use of EU funds; calls on the Commission to negotiate provisions on combating corruption in future trade agreements; recalls the recommendations on corruption and human rights issued in its resolution of 13 September 2017 on corruption and human rights in third countries (1) and calls for follow-up from the EU institutions and Member States;

39. Expresses its concern at the destruction, illicit looting and vandalism of cultural heritage sites, and strongly supports fact-finding and heritage protection and rescue initiatives;

40. Emphasises the significance of free and fair elections for democratic processes and is concerned at the growing number of illegitimate elections around the world; recalls that independent media and diversity of opinion are essential in guaranteeing free and fair elections; calls for the EU not to recognise the results of rigged or falsified elections and to use all the diplomatic, economic and policy tools at its disposal to uphold the credibility of elections around the world and compel countries to meet the free and fair election criteria; considers that the support the EU provides for electoral processes and democracy around the world — its electoral missions and subsequent follow-up, its electoral assistance and, in particular, the active role played by Parliament in this regard — is of the utmost importance; stresses the importance of electoral observation in the context of peaceful democratic transitions, of strengthening the rule of law, of political pluralism and increasing the participation of women in electoral processes, and of transparency and respect for human rights; recalls the importance of involving local civil society organisations in the election observation process and in the implementation of the recommendations issued by election observation missions; considers that interference in other countries' elections through cyber operations violates the right of people to freely elect their representatives;

41. Welcomes the EU's signature of the Istanbul Convention and stresses the need to prevent and combat violence against women, including domestic violence, by all means; calls on the Member States that have not yet done so to ratify and implement this Convention as soon as possible; supports, in this connection, the joint EU-UN Spotlight Initiative; urges countries to step up their legislation in order to tackle, at the earliest possible stage, gender-based violence, female genital mutilation and sexual violence; recalls that violence against women is deeply rooted in gender inequality and therefore needs to be addressed comprehensively, and stresses the importance of social services and protection; stresses that reliable statistics on the prevalence, causes and consequences of all types of violence against women are essential to develop effective legislation and strategies to combat gender-based violence; calls, therefore, for the EU to help countries to improve data collection in this area and meet international legal obligations; asks the EU to work with other countries to step up funding and programming to prevent and respond to sexual and gender-based violence worldwide; condemns all forms of physical, sexual and psychological violence and exploitation, mass rape, trafficking and the violation of women's sexual and reproductive rights; emphases that proper and affordable healthcare and universal respect for and access to sexual and

reproductive rights and education should be guaranteed for all women and that they should be able to make free and responsible decisions about their health, body and sexual and reproductive rights; points out that education is an essential tool for combating discrimination and violence against women and children; condemns the reimposition of the ‘global gag’ rule;

42. Highlights the need for the EU to remain committed to the full implementation of the obligations and commitments to women’s rights entered into in CEDAW, the Beijing Platform for Action and the Programme of Action of the International Conference on Population and Development, and to respect the outcomes of their review conferences;

43. Recalls the publication in August 2017 of the first Annual Implementation Report for 2016 on the EU Gender Action Plan 2016-2020 (GAP II), which highlights a number of positive trends in transforming the lives of girls and women by ensuring their physical and psychological integrity, promoting their economic and social rights and strengthening their voice and participation; believes that the EU should continue mainstreaming support for women in common security and defence policy (CSDP) operations, conflict prevention and post-conflict reconstruction; reiterates the importance of UN Security Council Resolution 1325 (2000) of 31 October 2000 on women, peace and security; emphasises that greater public and private sector involvement is essential in upholding the rights of women and their participation in public and private institutions, policymaking, economic life and peace processes; stresses that the business sector has an important role to play in strengthening women's rights; urges the Commission to take the lead in tackling sexual exploitation and abuse in the humanitarian and development aid sectors, as these sectors should have the highest standards of responsibility and accountability for their work; stresses the importance of reviewing and reinforcing safeguarding procedures and rules of engagement;

44. Calls on the EEAS to ensure that the outcomes of the 62nd session of the Commission on the Status of Women (CSW) will be included in its policies and will provide a renewed impetus in achieving gender equality and the empowerment of rural women and girls;

45. Stresses the importance of making education and training in STEM subjects, as well as in the humanities, accessible to women and girls, with particular emphasis on developing their talents and competences and increasing their participation in STEM sectors;

46. Calls on the Commission to explore ways and means for the EU to accede unilaterally to the UNCR C, considering that all Member States have ratified it and that primary and secondary EU law contains substantive provisions on the protection of the rights of the child; calls on countries that have not yet ratified the UNCR C to do so as a matter of urgency; welcomes the adoption of the revised EU Guidelines for the Promotion and Protection of the Rights of the Child, and highlights the need to ensure that all children are reached, including the most marginalised and those in vulnerable situations; underlines the fact that children are often exposed to specific forms of abuse, such as child marriage, child prostitution, use of child soldiers, genital mutilation, child labour and child trafficking, especially in humanitarian crises and armed conflicts, and therefore require enhanced protection; calls for the EU to cooperate with third countries in order to end early, child and forced marriages by making 18 the legal minimum age for marriage, requiring the verification of the age of both spouses and of their full and free consent, introducing compulsory marriage records, and ensuring compliance with those rules; stresses the need to step up the EU’s engagement when it comes to addressing the protection of children, especially unaccompanied minors, and to devote particular attention to education and psycho-social support; calls for proper implementation of the Guidelines for Protecting Schools and Universities from Military Use during Armed Conflict; calls for an urgent solution to the issue of stateless children within and outside the EU, in particular those born outside their parents’ country of origin, and migrant children, in accordance with international law; urges the EU and its Member States to develop an action plan to stop children being detained as a result of their migratory status, in line with the New York Declaration for Refugees and Migrants; recalls the right to special protection in the best interests of the child;

47. Calls for the EU and its Member States to establish full transparency and monitoring as regards the funds allocated to third countries for cooperation on migration and to ensure that such cooperation is not to the benefit, either directly or indirectly, of the security, police and justice systems involved in human rights violations in this context; emphasises the
possibility of separating development cooperation from cooperation on readmission and migration management; is concerned about the possible instrumentalisation of EU foreign policy as 'migration management', and emphasises that all attempts to work with third countries, including countries of origin and transit, on migration must go hand in hand with improving human rights conditions within these countries and complying with international human rights and refugee law; expresses its profound concern at and solidarity with the large number of refugees, migrants and internally displaced persons who suffer grave human rights violations as the victims of conflicts, persecution, governance failures, and trafficking and smuggling networks; stresses the urgent need to tackle the root causes of migration flows and therefore to address the external dimension of the phenomenon of migration, including by finding sustainable solutions to conflicts and economic underdevelopment, in our neighbourhood and worldwide, by developing cooperation and partnerships with the third countries concerned that comply with international law, ensure respect for human rights and maintain the EU's credibility both within and outside the EU; calls for the EU and its Member States to provide humanitarian assistance in the fields of education, housing, health and other areas in which migrants and refugees need support, and for return policies to be properly implemented; points out that the EU needs to encourage the countries concerned to sign the Protocol against the Smuggling of Migrants by Land, Sea and Air; notes that the UN recorded some 258 million people living in a country other than their country of birth in 2017; calls on the Commission to continue to treat the protection and promotion of the rights of migrants and refugees as a priority in its policies; insists on the need to develop and better implement protection frameworks for migrants and refugees, in particular through safe and legal migration routes and by granting humanitarian visas; calls for Parliament to have oversight of migration agreements; regrets any attempt to encumber, tarnish or even criminalise humanitarian assistance, and insists on the need for greater search and rescue capacities for people in distress at sea and on land in order to fulfil the primary obligations of international law; underlines that the number of people residing in a Member State with citizenship of a non-member country on 1 January 2017 was 21.6 million, representing, 4.2% of the population of the EU-28; calls on Member States to engage in a serious dialogue to establish a common, inclusive understanding, shared responsibilities and a unity of purpose with regard to migration; welcomes the UN initiative on the Global Compact for Safe, Orderly and Regular Migration, the UNHCR Global Compact on Refugees and the pivotal role assigned to human rights in these compacts.

48. Deplores the persistence of trafficking in human beings; underlines the fact that trafficking in human beings commodifies people and constitutes one of the worst forms of human rights violations; emphasises, in this respect, the importance of a consistent approach to the internal and external dimensions of the EU’s policies for combating trafficking in human beings at all levels; calls for the EU and its Member States to increase cooperation with third countries in order to investigate all stages of trafficking in human beings, including all forms of exploitation of persons, especially women and children, such as trafficking in organs, forced labour and sexual exploitation, and to cooperate with the UN and civil society in the field; calls for clear principles and legal instruments addressing human rights abuses related to surrogacy; expresses its profound concern at the extreme vulnerability of migrants and refugees, especially women and children, to exploitation, smuggling and trafficking in human beings, including in migration hotspots; underlines the need to promote victim-centred policies, prevent and reduce this type of crime, and crack down on profits stemming from trafficking in human beings;

49. Encourages all countries, including the Member States, and the EU to engage in the negotiations to adopt a legally binding international human rights instrument for transnational corporations and other companies, through active participation in the UN-established open-ended intergovernmental working group; insists once again on the need for the swift implementation of the UN Guiding Principles on Business and Human Rights (UNGPs), particularly with regard to the third pillar on access to remedy; recognises the major importance of the UN Global Compact and the National Action Plans on Business and Human Rights; stresses the importance of an EU Action Plan on Business and Human Rights, and urges the Commission to speed up its development with the aim of achieving the full implementation of the UNGPs; encourages all companies, including EU-based companies, to exercise due diligence, and reaffirms the importance of promoting corporate social responsibility and of European enterprises playing a leading role in promoting international standards on business and human rights; calls on all countries to effectively and swiftly implement the UNGPs and guarantee that businesses abide by human rights and social labour standards in their jurisdictions; encourages all countries to tackle companies that use raw materials or other commodities originating from conflict zones; reiterates its call for the inclusion of rules on corporate liability for human rights violations in agreements between the EU and third countries; emphasises that the victims of business-related human rights abuses should be guaranteed appropriate and effective access to remedies; reaffirms the
urgent need to address human rights abuses and corruption by corporations when they occur and to ensure that the corporations can be held accountable; regrets that the Commission did not act according to the calls made in Parliament’s resolution of 25 October 2016 on corporate liability for serious human rights abuses in third countries (1); calls for measures to be taken that bind industry to eradicating child labour and preventing human rights violations; calls on the Commission to establish an interinstitutional task force on business and human rights and to explore an EU-level duty of care initiative;

50. Recalls the EU’s commitment to placing human rights and democracy at the centre of its relations with third countries; stresses, therefore, that the advancement of human rights and democratic principles, including the implementation of human rights conditionality clauses in international agreements, needs to be supported through all EU policies with an external dimension, including trade policy; highlights the role that trade relations can play in fostering growth in developing countries and the preservation of their local markets; notes that support for democratic systems and aspirations for the freedom of peoples should continue to be guiding principles for the EU’s economic interests; recalls that policy coherence is essential for development, and stresses the importance of mainstreaming human rights into trade and development policies in all their phases; calls for the EU to ensure that goods circulated in its territory under ethical certification schemes are free from forced and child labour; calls for the introduction of an instrument specifically designed to monitor and strengthen gender policy in trade agreements; welcomes the EU’s programmes, projects, and funding in third countries, and emphasises the need to assess and prevent any violations by creating a complaints mechanism for individuals and groups;

51. Considers sustainable development and good governance (GSP+) trade schemes to be one of the main EU trade policy instruments for promoting democracy, human rights, sustainable development and environmental standards with third countries; calls on the Commission to review and better monitor GSP+ schemes in order to ensure that human rights standards are upheld by beneficiary countries; stresses that, within the framework of a reviewed GSP+, the Commission should aim to increase the transparency and accountability of this mechanism, establishing clear procedures for the meaningful and enhanced participation of civil society organisations, and carrying out effective human rights impact assessments before granting trade preferences and during implementation; calls for the possible inclusion of the Rome Statute of the ICC in the list of conventions required for GSP+ status; urges the Commission to continue to fund civil society initiatives that monitor the implementation of this scheme; stresses the importance of implementing forms of cooperation to facilitate the economic and social development of third countries, with a special focus on the needs of their people;

52. Calls on all the Member States to strictly observe the EU Code of Conduct on Arms Exports, and in particular to halt all transfers of weapons, surveillance and intelligence equipment and material that could be used by governments to crack down on human rights and attack civilians; points out that the global trade in weapons and war materials contributes to their use in numerous conflicts in third countries; notes that the EU Member States are among the biggest arms exporters at the global level and considers it essential that international standards governing arms sales be enforced and reinforced at the global level;

53. Strongly condemns all forms of discrimination, including on grounds of race, religion, caste or similar systems of inherited status, sexual orientation and gender identity, disability or any other status; is alarmed by the many manifestations of racism, xenophobia and other forms of intolerance and the lack of political representation for the most vulnerable groups, such as ethnic, linguistic and religious minorities, people with disabilities, the LGBTI community, women and children; calls for the EU to enhance its efforts to eradicate, without distinction, all forms of discrimination and to promote awareness, a culture of tolerance and inclusion, and special protection for the most vulnerable groups by means of human rights and political dialogues, the work of EU delegations and public diplomacy; calls on all countries to ensure that their respective institutions provide effective legal protection within their jurisdictions; stresses the importance of developing education strategies in schools in order to raise awareness among children and provide them with the tools they need to identify all forms of discrimination;

54. Stresses the need to mainstream credibly the principle of universal accessibility and the rights of persons with disabilities in all relevant EU policies, including in the area of development cooperation, and underlines the prescriptive and horizontal nature of this issue; calls for the EU to incorporate the fight against discrimination on grounds of disability into

its external action and development aid policies; calls on the governments of third countries to review all legislation with a view to harmonisation in line with the United Nations Convention on the Rights of Persons with Disabilities (CRPD); calls for all countries to ratify the CRPD and reiterates the importance of its efficient implementation.

55. Welcomes the participation of the EU and its Member States in the eighth session of the UN Open-Ended Working Group on Ageing, and in particular their joint submissions and statements on equality, non-discrimination, violence, abuse and neglect of older people; remains concerned about the prevalence of ageism and other barriers to the fulfilment of older people's human rights; calls for the EU and the Member States to fully support the process of the Working Group, including by allocating and/or supporting the allocation of adequate resources for its functioning, and also to respond to upcoming calls for submissions, consult and involve older people in preparing them, and include older people in their respective delegations;

56. Welcomes the EU's active participation in the meeting to review the Regional Implementation Strategy for Europe of the Madrid International Plan of Action on Ageing (MIPAA) that took place in Lisbon in 2017; stresses that the MIPAA can contribute significantly to the better realisation of the rights of older people;

57. Condemns the arbitrary detention, torture, persecution and killings of LGBTI people; acknowledges that sexual orientation and gender identity can increase the risks of discrimination, violence and persecution; notes that in a number of countries around the world, LGBTI people still face persecution and violence on the basis of their sexual orientation; condemns violations against women and minority groups which are in breach of the fundamental right to bodily integrity and identity, such as female genital mutilation and intersex genital mutilations; notes that 72 countries still criminalise same-sex relationships and that in 13 of those countries they are treated as a capital offence; urges these states to immediately change their legislation; welcomes the EU's efforts to improve the rights of and legal protection for LGBTI people; urges EU delegations and Member State embassies to fully implement the EU's LGBTI Guidelines; calls on the Commission to carry out annual reporting on the implementation of Council conclusions to this end; notes that, according to the assessment of the first year of the Gender Action Plan 2016-2020 (GAP II), a third of delegations promoted LGBTI rights;

58. Condemns the continuing human rights violations committed against people suffering from caste hierarchies and caste-based discrimination, segregation and caste-induced barriers, including the denial of access to employment and the legal system and other basic human rights; is deeply concerned by the ensuing institutionalised discrimination and by the alarming frequency of caste-based violent attacks; calls for the EU and its Member States to intensify efforts and support initiatives at UN and delegation level to eliminate caste discrimination;

59. Stresses the importance of pursuing equality policies that enable all national, ethnic, religious and linguistic minorities, as well as indigenous peoples, to enjoy their fundamental rights; welcomes UN General Assembly Resolution 71/178 of 19 December 2016 on the rights of indigenous peoples, which proclaims 2019 the International Year of Indigenous Languages; recalls that according to the Special Rapporteur on the rights of indigenous peoples, recent years have seen a worrying increase in discrimination, attacks and threats against indigenous peoples and the criminalisation and killing of those defending their land, territories and resources, and in particular of women; emphasises the need for the EU to ensure the protection of these defenders, and that any crimes are investigated and the perpetrators held accountable; urges the EU and its Member States to actively seek full recognition, protection and promotion of the rights of indigenous peoples; calls on countries to ratify the provisions of ILO Convention 169 concerning Indigenous and Tribal Peoples;

60. Takes note of the manifold benefits the internet provides; is concerned, however, at large commercial operators' mass collection, for marketing purposes and without users' full awareness and/or consent, of users' personal data, which could then be used in potentially harmful ways, for example to repress the activities of human rights defenders, undermine their freedom of expression, and affect electoral outcomes and political decision-making; calls on data companies to undertake human rights assessments; deprecates business models that are based on human rights violations, and calls for personal data to be collected in accordance with data protection rules and human rights; calls on the international community, including the EU and its Member States, to enhance and implement effective legislation in this field as a matter of urgency;
61. Recognises that terrorism and radicalisation pose acute threats to democracy and human rights and in doing so harm society, and regrets the fact that the attacks perpetrated in 2017 often targeted the very individuals or groups that embody these values; strongly condemns the fact that more than 1,000 terrorist attacks took place worldwide in 2017 and resulted in approximately 6,123 deaths; supports the EU’s efforts to prevent and combat terrorism and radicalisation, including EU-wide initiatives and networks such as the Radicalisation Awareness Network, but reiterates that all efforts must comply with international human rights law; points out that education is the best instrument for tackling radicalisation; stresses the need for terrorism victims to be given special attention and support, including psychological support, individual assessments for each victim, legal support, access to justice, translation and interpretation services and effective victim support services in general; stresses the need for counter-terrorism strategies to abide by the rule of law and ensure respect for human rights; recommends that cooperation with third countries on matters of counter-terrorism include the thorough assessment of risks to fundamental liberties and human rights, and safeguards in the case of violations; calls on the Commission to improve the exchange and coordination of information via its channels and agencies with a view to swiftly preventing and identifying terrorist threats and bringing those responsible to justice.

62. Recalls that sanctions are an essential tool of the CFSP; urges the Council to adopt the sanctions provided for in EU legislation when they are deemed necessary to achieving the objectives of the CFSP, in particular with a view to protecting human rights and consolidating and supporting democracy, while ensuring that they do not have an impact on the civilian population; asks that these sanctions be focused on officials identified as responsible for human rights violations in order to punish them for the crimes and abuse perpetrated by them.

63. Takes the view that sport can play a positive role in the promotion of human rights; regrets the fact, however, that there is a specific correlation between certain human rights abuses and major sporting events in countries hosting such events or which are candidates for such hosting; recalls that these abuses include evictions, the silencing of civil society and human rights defenders, and the exploitation of workers for the construction of large sporting facilities; calls for the EU to develop a Union-level policy framework on sport and human rights and to engage with national sports federations, corporate actors and civil society organisations on the modalities of their participation in such events; calls on international and domestic sporting bodies and organisations and the host countries of major events to commit to good governance and the protection of human rights, including labour rights, media freedom and environmental protection, to implement anti-corruption measures in the lead-up to and during major sporting events, and to provide remedies for all human rights abuses; welcomes the decision taken in November 2017 by the International Labour Organisation to close a case over the treatment of migrant workers within the framework of the preparations for the 2022 FIFA World Cup; notes the agreement of reforms that, if effectively implemented, will give workers better protection.

64. Urges the EU to introduce effective and sustainable policies to counter global climate change; stresses that climate change is one of the main causes of increasing internal displacement and forced migration; calls on the international community to develop measures to combat it and protect those affected; notes that EU foreign policy should develop capacities to monitor climate change-related risks, including crisis prevention and conflict sensitivity; believes that consequential and rapid climate action essentially contributes to the prevention of social and economic, but also security risks, conflicts and instability, and ultimately of major political, social and economic costs; stresses, therefore, the importance of mainstreaming climate diplomacy in EU conflict prevention policies, and broadening and adapting the scope of EU missions and programmes in third countries and conflict areas; stresses the need, therefore, to rapidly implement policies to reduce the impact of climate change in line with the Paris Agreement.

65. Instructs its President to forward this resolution to the Council, the Commission, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, the EU Special Representative for Human Rights, the governments and parliaments of the Member States, the UN Security Council, the UN Secretary-General, the President of the 70th session of the UN General Assembly, the President of the UN Human Rights Council, the UN High Commissioner for Human Rights and the EU Heads of Delegation.
The European Parliament,

— having regard to Article 8 and to Title V, notably Articles 21, 22, 36 and 37, of the Treaty on European Union (TEU), as well as to Part Five of the Treaty on the Functioning of the European Union,

— having regard to the Association Agreement between the European Union and its Member States, of the one part, and Ukraine, of the other part (AA), and to the related Association Agenda,


— having regard to the outcome of the mission of the Committee on Foreign Affairs to Ukraine, which took place from 4-6 April 2018,

— having regard to the expert studies drawn up for the Committee on Foreign Affairs, including the study entitled ‘The electoral reforms in three association countries of the Eastern Neighbourhood — Ukraine, Georgia and Moldova and their impact on political developments in these countries’, published on 26 October 2017, the study entitled ‘Institutional Architecture for the Implementation Agreements in Georgia, Moldova and Ukraine’, published in June 2018, and the comparative study entitled ‘The Development of an Institutional Framework for the Implementation of the Association Agreements in Georgia, Moldova and Ukraine’, published in July 2018,

— having regard to Rule 52 of its Rules of Procedure, as well as Article 1(1)(e) of, and Annex 3 to, the decision of the Conference of Presidents of 12 December 2002 on the procedure for granting authorisation to draw up own-initiative reports,

— having regard to the report of the Committee on Foreign Affairs and the opinion of the Committee on International Trade (A8-0369/2018),


General environment of reform — war, security threats and domestic challenges

A. whereas while Ukraine has been making progress on the path towards European integration, registering important achievements in the first electoral period after the Revolution of Dignity, more difficult tasks still need to be addressed, and public support for modernisation and reform is suffering on account of people’s disappointment at deteriorating social conditions, uncertainty about the future, dissatisfaction with the government’s reform policy, the continuing power of the oligarchs and the persistence of endemic corruption in state institutions; whereas the consent of the people of Ukraine for closer relations with the EU remains strong, but a high proportion of the population are nonetheless dissatisfied with the country’s overall development;

B. whereas around five million Ukrainians are now working abroad, both as long-term migrants and as short-term and seasonal workers, with Russia and increasingly Poland the top destinations, and whereas their remittances are an important factor for economic stability;

C. whereas, in this context, the major achievements in EU-Ukraine relations such as the entry into force of the visa-free regime on 11 June 2017 and the AA on 1 September 2017 are to be welcomed;
D. whereas Ukraine deserves particular praise for reforms in the areas of energy, health, pensions, education, public administration, decentralisation, public procurement, defence and security, as well as in the banking sector, and for securing macro-economic stabilisation; whereas these reforms were accompanied by drastic price increases, cuts in social benefits and a deterioration in access to social welfare systems; whereas significant challenges remain, particularly in areas such as the fight against corruption, privatisation and judicial reform; whereas the Deep and Comprehensive Free Trade Agreement (DCFTA), which is part of the AA, and has been officially operational since 1 January 2016, provides a solid basis for Ukraine’s economic development and modernisation; whereas for the past four years Ukraine’s economy has not only stabilised but also shown some signs of improvement; whereas since the signature of the AA in 2014, Ukraine has made more pro-European reforms than during all previous years of Ukrainian independence;

E. whereas the legacies of the past, namely legal uncertainty and a vast number of partially contradictory laws, resistance from oligarchic and other vested interests, corruption, nepotism, weak public institutions, and a lack of clear processes and coordinating institutions in implementing the AA, are hampering institutional reforms in Ukraine; whereas Ukraine’s reform agenda should focus on the cross-cutting themes of decentralisation, public administration reform, deregulation and deoligarchisation;

F. whereas strengthening the administrative capacities of state institutions is key in implementing the AA/DCFTA and ensuring the effectiveness of reforms;

G. whereas communication efforts on the evolving and dynamic nature of the AA and the nature, content and benefits of related reforms for citizens must be improved and intensified in order to secure the public’s acceptance of and trust in the steps required for Ukraine’s European path;

H. whereas the European Union firmly upholds its unwavering support for and commitment to Ukraine’s independence, sovereignty and territorial integrity within its internationally recognised borders, and its support for the internationally coordinated sanctioning of governments and agents undermining the country’s territorial integrity;

I. whereas, while condemning the continued Russian aggression in the eastern part of Ukraine, the illegal annexation of the Autonomous Republic of Crimea and the city of Sevastopol, and Russia’s occupation of some regions of the Donetsk and Luhansk oblasts, all of which breach international law and Russia’s commitments and obligations as part of its membership in international organisations, and its participation in European agreements that both it and Ukraine has signed, notably the UN Charter, the Helsinki Final Act and the Budapest Memorandum and the 1997 Treaty of Friendship, Cooperation and Partnership between Ukraine and the Russian Federation, it is to be recognised that Ukraine is facing challenges of a transformational nature in an environment of warfare and destabilisation attempts;

J. whereas in the context of the Russia-led aggression against Ukraine, EU restrictive measures against the Russian Federation were introduced and regularly prolonged; whereas broader engagement from the EU in resolution of the conflict is desirable, such as by appointing an EU special envoy for the conflict in Eastern Ukraine and Crimea; repeats its call for an international format of negotiations on de-occupation of the Crimean peninsula, with the participation of the EU; whereas the sanctions against Russia should be rolled over and broadened, in particular to individuals and enterprises that profit from illegal situations, until the Russian Federation enables Ukraine to fully restore sovereignty and territorial integrity;

K. whereas on 25 November 2018 three Ukrainian Navy vessels conducting a routine transfer from Odessa to Mariupol were blocked, shot at and seized in international waters by the Russian Coast Guard; whereas a number of Ukrainian sailors were injured and 24 imprisoned and, as a result of this act by Russia, on 26 November 2018 a limited state of martial law was introduced in 10 regions of Ukraine for 30 days; whereas the construction of the bridge over the Kerch Strait linking the illegally annexed Crimean peninsula with mainland Russia, which has been undertaken without Ukraine’s consent and in clear violation of its sovereignty and territorial integrity, is to be condemned; whereas the excessive actions of the Russian Federation in the Sea of Azov, insofar as they breach international maritime law and Russia’s own international commitments, are deplorable; whereas the excessive stopping and inspection of commercial vessels, including both Ukrainian ships and those with flags of third-party states, including ships under the flags of various EU Member States, is to be condemned;
1. whereas the Verkhovna Rada deserves credit for its wisdom in establishing a fine balance between better defence and guaranteeing democratic standards and the rule of law, as well as the separation of constitutional powers, when adopting the law on the imposition of martial law; whereas martial law has only been imposed in those regions of Ukraine that border Russia, the Sea of Azov, the Black Sea and the Moldovan region of Transnistria in which Russian troops are stationed; whereas limitations on fundamental freedoms and civil rights in those regions will only enter into effect if and when there is an attack by Russian land forces on Ukraine; whereas martial law will end on 26 December 2018;

Institutional framework in place to implement reforms

1. Highlights five key areas which Ukraine needs to focus on in order to strengthen the implementation process of the AA: coordination, ownership, prioritisation, monitoring and communication; welcomes, in this context, the recently adopted government communication strategy and the EU Delegation to Ukraine’s communication campaign entitled ‘Moving Forward Together’; recalls the proposal for an Eastern Partnership Plus (EaP+) policy, as advocated by Parliament, in order to unlock additional perspectives;

2. Stresses its conviction that meaningful progress with the implementation of the AA and the reforms will only be possible if the deoligarchisation process is pursued and does away once and for all with the entrenched system in which economic, political and media power is concentrated in the hands of a few individuals feeding off one another, a problem which is continuing to exert a strong influence over and increasingly hampering the progress of reforms; is critical of the fact that deoligarchisation has so far been used mainly as a tool for streamlining the market and restoring the balance between the different groups of oligarchs, which was fundamentally disturbed in 2014; expresses its concern about persistent conflicts of interest on the part of regulatory and supervisory authorities, which have grown into unconcealed battles between authorities;

3. Points to the urgent need for greater political oversight, synergy and coordination of the European integration process at the highest political level and for a greater focus on reforms that bring tangible benefits to citizens;

4. Welcomes the legislative roadmap designed to address the ambitious scope of the AA and emphasises that both quality legislation and continuous will and capacity for proper implementation remain essential for making a real difference to the citizens;

5. Highlights that progress in implementation is contingent on the political leadership’s commitment to reform, a commitment to and prioritisation of European integration by the political elites, and the capacities of ministries, executive agencies and independent regulators;

6. Stresses the need to improve the internal decision-making of the Verkhovna Rada with a view to streamlining and prioritising the adoption of draft laws related to the implementation of the AA; believes, in this regard, that the role of the Committee for European Integration should be enhanced and that the committee should be able to block legislation which contravenes the commitments made under the AA; stresses that these reforms should be done before the end of the current legislature;

7. Is concerned at the lack of tools and resources available at the government’s Bureau for European Integration and the Government Office for European and Euro-Atlantic Integration, including the formal status, personnel and budget required to handle a mandate of its size and complexity; highlights the lack of criteria for evaluating the degree of compliance between domestic legal acts and EU law;

8. Welcomes Ukraine’s efforts to set up the institutional and monitoring system for the implementation of the AA, including the Government Action Plan;

9. Emphasises the urgent need for further technical, expert and financial assistance, focused on capacity-building of the Verkhovna Rada and key ministries; welcomes the European Parliament’s cooperation with the Verkhovna Rada on capacity-building and the Jean Monnet Dialogue process;

10. Points to persistent ‘siloe mentalities’ within certain ministries, which are preventing a coherent position on European integration matters; calls, in this respect, for greater cooperation within the government and in the Verkhovna Rada on EU-related issues;
11. Is concerned that the interaction between the cabinet and the parliament has not been regulated by a specific mechanism in relation to the implementation of the AA/DCFTA;

12. Welcomes the adoption of a new action plan for the implementation of the AA/DCFTA and efforts to consolidate positions and cooperation between the cabinet and the parliament on the basis of the roadmap for implementing the AA; emphasises that the effectiveness of reform implementation is directly linked to the preliminary stages of policymaking and legislation; stresses that the process of scheduled legislative and regulatory approximation in Ukraine needs to be sped up and improved, with a focus on quality of legislation; notes that the policy-making cycle is lacking the essential instrument of public consultation and research-informed decision-making and quality checks of legislation; stresses that the electoral campaign should not be detrimental to the ongoing reform process;

13. Draws attention to the recommendations outlined in the European Parliament Mission’s report on Internal Reform and Capacity-Building for the approximation of Ukrainian legislation with the EU acquis, most of which are yet to be enacted;

14. Encourages Ukraine to focus on three main priorities in its reform agenda: i) establishing an efficient legal framework to fight corruption, including institutions, financial transparency and auditing; ii) decentralisation reform; iii) deoligarchisation and privatisation;

15. Underlines the fact that the AA is not the ultimate goal of EU-Ukraine relations and welcomes Ukraine’s European aspirations; supports the development of new forms of enhanced cooperation with the EU, such as Ukraine’s gradual approximation with the Customs Union, Energy Union and Digital Single Market;

16. Points out that Ukraine has a European perspective pursuant to Article 49 TEU, and may apply to become a member of the European Union provided that it adheres to the Copenhagen criteria and the principles of democracy, respects fundamental freedoms and human and minority rights, and upholds the rule of law;

**Political dialogue**

17. Welcomes and supports the very intense dialogue carried out between the EU and Ukraine at many different levels, not least between the European Parliament and the Verkhovna Rada through, inter alia, the EU-Ukraine Parliamentary Association Committee, including on many controversial issues;

18. Welcomes the first results of the Jean Monnet Dialogue between the European Parliament and the Verkhovna Rada in the establishment of a Working Group on Reforms, the implementation of institutional capacity-building and the adoption of the first institutional reform-oriented legislation;

19. Welcomes the establishment of the Interparliamentary Assembly of Georgia, Moldova and Ukraine, and its first meeting held on 8 and 9 June 2018 in Kyiv; encourages this assembly to scrutinise the implementation of the association agreements;

20. Welcomes the effective and secure implementation of the visa-free regime with Ukraine and the benefits of this for Ukraine-EU people-to-people contacts;

21. Underlines the importance of making further progress and deepening a culture of parliamentary dialogue as a crucial step in making the Verkhovna Rada a more effective, transparent and efficient legislator;

**The rule of law and good governance**

22. Emphasises that the fight against corruption should remain a priority issue and be pursued in a consistent and credible manner, in order to not only implement the AA, but also bring fresh investment and vigour to the Ukrainian economy, as a prerequisite for the generation of jobs and household income;

23. Welcomes all successful measures and steps to shut down the space for corruption and illicit enrichment, for example in the field of public procurement and gas trade;
24. Welcomes the ongoing comprehensive judicial reform, but regrets the extent to which the existing judicial system in Ukraine still remains ineffective, corrupt and politically dependent; underlines the importance of carrying out the vetting process for judges in line with the highest international standards, and of establishing a transparent and highly reliable selection process which will enhance the integrity and professionalism of judges and prosecutors and increase citizens’ trust in the judicial system; calls for the independent High Anti-Corruption Court to be established promptly and in a transparent and trustworthy manner; welcomes the establishment of the new Supreme Court;

25. Welcomes the work already delivered by the National Anti-Corruption Bureau (NABU), but points to the problematic interference from the prosecutor general and attempts to undermine the anti-corruption legal framework; stresses the critical need to safeguard NABU’s independence; underlines the importance of the independence of the special anti-corruption prosecutor and of providing his/her office with the necessary means and sufficient resources with which to operate; calls for an effective investigation into the allegations against the chief anti-corruption prosecutor regarding the disruption of NABU investigations; calls on the Ukrainian authorities to step up their efforts to effectively investigate, prosecute and combat corruption at all levels, and to provide a solid track record in this regard; calls for a comprehensive reform of the public prosecution in order to strengthen the capacity, efficiency, impartiality, objectivity and independence from superiors of the prosecutors;

26. Recalls that the government has committed to further amending the constitution in line with the recommendations of the Venice Commission, including respecting existing minority rights; urges the speedy adoption of the new electoral code, which should secure equal possibilities for representation and running for a mandate of candidates of all nationalities living in Ukraine, and of the law on party financing; welcomes the renewal of Ukraine’s Central Electoral Commission, which is vital for the credibility of Ukraine’s electoral process and the crucial elections to be held in 2019; calls on the government to put in place arrangements in the run-up to the elections in order to prevent a distortion of political competition and manipulation through the concentration in the hands of a few individuals of political, economic and media power;

27. Reiterates, as a matter of great priority, its call to lift e-declaration requirements for NGO activists and to ensure effective and transparent scrutiny of declarations by political officials and civil servants; strongly condemns the growing number of physical attacks against civil rights activists and journalists;

28. Notes with concern that the government has hitherto not made adequate efforts to disarm the units of Right Sector and other right-wing extremist groups, which remain armed as before; urges the government to put an end to the climate of impunity for violent attacks by radical right-wing forces on minorities and dissenters and for the intimidation of judges or influencing of elections, and to consistently prosecute offenders who commit such criminal acts; expects the judiciary and public prosecutors to act clearly and autonomously;

29. Points out that the ‘National Manifesto’ recently adopted by the Svoboda Party, the Right Sector and numerous other right-wing groups expresses clear opposition to the association of Ukraine with the EU and calls for a ‘new geopolitical approach to East and West’; underlines the fact that the government’s unresolved position on these developments is in danger of burdening relations with relevant EU neighbours and the EU as a whole and undermining the political scope for overcoming the political divide in the country and resolving the conflict in Donbas;

30. Calls for greater attention to be devoted to areas affecting civil society space for the purposes of drafting and implementing legislation, so as to ensure that it does not place disproportionate burdens or discriminatory impact on civil society organisations and does not diminish the space for civil society; underlines the need for public funding to be made available to CSOs working on human rights, democracy, and the rule of law, including watchdog and advocacy organisations, small grassroots organisations and those working with minority or marginalised groups; considers that CSOs should be free to receive funding from other donors, such as private donors, international organisations, bodies or agencies;

31. Calls for determined efforts to continue decentralisation reform and for the amalgamation of territorial communities to be expedited in view of the upcoming general and local elections;
32. Takes the view that new municipalities should be able to enjoy financial stability and a well-grounded legal status, and that larger cities should also be able to take part in the amalgamation process; considers it important that Ukraine's anti-corruption policy covers the regions and local institutions; regrets the abolition of the previous open and competitive selection process for hiring the heads of the administrations of rayons and oblasts and their deputies as civil servants, and the power invested in the President to appoint and dismiss them, as it risks seriously undermining the achievements already brought about through political decentralisation and the decentralisation reform in general;

33. Observes that the Ukrainian Government has committed itself in Chapter 13 of the AA to effective application of the ILO's core labour standards and approximation with the relevant EU legislation; calls for these commitments to be honoured and underlines the fact that it is not compatible with implementation of ILO Convention 87 (Article 3(2)) for employers to be required to report strikes or other collective action to the state security service or for trade union leaders and activists to be placed under the supervision of the state security service; calls for the legal basis to be improved so that workers can effectively compel their employers by judicial means to respect their right to wages for work done;

34. Recommends that work on the law on labour inspectorates, which was halted in 2017, be resumed with a view to substantially raising occupational safety and health standards, abolishing the requirement for labour inspectorates to seek approval from entrepreneurs, and providing them with sufficient resources and strong enforcement powers; stresses the need for the active involvement of the social partners in this;

35. Remains deeply concerned at the growing number of illegally detained Ukrainian citizens from the temporarily occupied territories who have been arrested, sentenced and imprisoned by the Russian authorities, and demands that the Russian Federation immediately and unconditionally release the 2018 Sakharov Prize Laureate Oleg Sentsov and all other illegally detained Ukrainian citizens, including people from religious and ethnic minorities, civil society actors and human rights defenders; calls on the Ukrainian authorities and the international community to use all available means to release them;

36. Recalls that the human rights situation on the Crimean peninsula has significantly deteriorated, that the violation of freedom of speech, media abuse and the forced imposition of Russian citizenship have become systematic, and that fundamental human rights and freedoms are not guaranteed in Crimea;

37. Deplores the lack of effective investigations into cases of brutal attacks against human rights activists and journalists, as evidenced by the assassination of anti-corruption activist Kateryna Handziuk, who died on 4 November 2018 after an acid attack; calls on the authorities to bring the instigators and perpetrators of such attacks to justice and to end impunity for these crimes;

38. Calls for more concerted efforts to implement Ukraine’s Human Rights Strategy, including policies to improve the situation of the Roma minority and other minority groups;

39. Regrets the fact that the investigation into the deaths that occurred during the Maidan and Odessa demonstrations and into the assassination of journalists is proving slow and has yielded no tangible results;

40. Welcomes the adoption of the law on the legal status of missing persons;

41. Expresses its concern about the growing number of criminal cases being brought against journalists who have revealed cases of corruption in the State apparatus or have criticised the government's policy of reform or policy towards Eastern Ukraine; reminds the government of its commitment to fully upholding internationally recognised human rights, such as the rights to freedom of expression and public dissemination of views;

42. Calls for the ratification of the Rome Statute of the International Criminal Court and the completion of all the requisite implementation measures;

43. Calls for the ratification of the Istanbul Convention on violence against women; takes heed, in this regard, of the adoption of the Law on Preventing and Combating Domestic Violence; welcomes the newly created position of Government Commissioner for Gender Policy;

Respect for human rights and fundamental freedoms

35. Remains deeply concerned at the growing number of illegally detained Ukrainian citizens from the temporarily occupied territories who have been arrested, sentenced and imprisoned by the Russian authorities, and demands that the Russian Federation immediately and unconditionally release the 2018 Sakharov Prize Laureate Oleg Sentsov and all other illegally detained Ukrainian citizens, including people from religious and ethnic minorities, civil society actors and human rights defenders; calls on the Ukrainian authorities and the international community to use all available means to release them;

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43. Calls for the ratification of the Istanbul Convention on violence against women; takes heed, in this regard, of the adoption of the Law on Preventing and Combating Domestic Violence; welcomes the newly created position of Government Commissioner for Gender Policy;
44. While clearly underlining that the primary responsibility is with the Russian Federation and its proxies, calls on the Ukrainian authorities to bring to bear additional efforts to alleviate the suffering of the people affected by the conflict, including support for internally displaced persons (IDPs) and war veterans, and through easy access to pensions and social benefits and services for those living in the territories currently outside the government’s control;

45. Underlines the need for an independent media and media pluralism in order to ensure the security of media workers and journalists; calls for there to be no limit on the opportunities for minority language media sources in order to ensure that citizens of all ethnicities can enjoy equal access to information;

46. Calls for the Strategy for the Protection and Integration in Ukrainian Society of the Roma National Minority to be revised to include the monitoring of safety as a key priority and for it to be properly implemented at all levels; calls for the establishment of state programmes aimed at the prevention of hate crimes and other forms of discrimination as part of the implementation of the National Human Rights Strategy; condemns the deep-rooted stigmatisation and social exclusion of Roma arising from anti-Gypsyism; is deeply concerned by the recent cases of violence against Roma and the LGBTI community and calls for immediate and effective investigations by the authorities and vocal and public condemnation of these acts and their perpetrators by the government;

47. Takes notes of Ukraine’s intention to amend the law on education in line with the recommendations of the Venice Commission and calls for this to be swiftly translated into concrete action; calls for the law to be fully implemented on the basis of a substantive dialogue with the representatives of persons belonging to national minorities, including legislation which extends the transition period until 2023 and regulates exemption for private schools;

48. Expresses concern at the recent ruling by a Ukrainian court that provides access to the mobile phone data of an investigative reporter from Radio Free Europe/Radio Liberty (RFE/RL) and emphasises the fundamental importance of media freedom and protecting journalists’ sources, especially in the fight against corruption;

49. Calls for consistent and prompt efforts to develop public-service media that are politically and economically independent and committed to the free formation of opinions without state control as a counterbalance to the dominance of private oligarchic monopolies;

50. Strongly condemns the recent abduction and extradition of Turkish citizens on account of their alleged links with the Gülen movement, in violation of the principle of the rule of law and basic human rights; urges the Ukrainian authorities to ensure that any requests for extradition from third countries are processed transparently and with due regard for judicial procedures carried out in accordance with European principles and standards, and that all actions taken by local authorities must fully abide by the rule of law, human rights and fundamental freedoms; stresses that arbitrary procedures involving arrests, detention or extradition are in violation of these principles; calls on the Ukrainian authorities to protect all asylum seekers and to examine their requests in compliance with international conventions; urges the EU to support and help the Eastern Partnership countries withstand the pressure exerted by Turkey;

51. Expresses concern at the diminished space for civil society in Crimea, not least the closure of media outlets, a move that has disproportionately affected the Crimean Tatar community, including their right to information and their right to maintain their culture and identity;

52. Emphasises that freedom of expression and the press in Ukraine must be guaranteed, and expresses concern at reports of judicial harassment and the surveillance of journalists and human rights defenders;

53. Expresses concern at the high number of children and adults infected with measles in Ukraine; welcomes the response measures that have been undertaken but emphasises that there are still many vulnerable children and adults in the country; reiterates, in this regard, the need for Europe-wide efforts to increase the number of vaccinated children and adults;

**Trade and economic cooperation**

54. Welcomes Ukraine’s economic stabilisation and the progress achieved in implementing the DCFTA; encourages the Commission to support Ukraine in identifying areas that could further foster economic diversification and in prioritising them in the process of implementing the DCFTA;
55. Welcomes the increase in trade volume between the EU and Ukraine and the diversification of Ukrainian exports to the EU; encourages the Commission to support Ukraine in identifying those areas that could further foster economic diversification and in prioritising them in the process of implementing the DCFTA; points out that exports to Russia over the same period have decreased;

56. Emphasises the importance of ensuring that the DCFTA is properly implemented and that its provisions are complied with; calls on the Commission to contact the party in question without delay in the event of failure to comply with a provision, and to use the instruments it has at its disposal to overcome any problems;

57. Calls on Ukraine to appoint, as a matter of urgency, its domestic advisory group in order to ensure that implementation of the agreement is properly monitored by civil society organisations;

58. Acknowledges Ukraine's economic growth and introduction of reforms notes, however, the growing concerns of large parts of the population with regard to the rise of consumer and utility prices and encourages the prioritisation of the reform agenda in areas that are more closely related to the country's production structure and export opportunities, with a view to generating economic growth and creating employment and income; expresses its deep concern about the ongoing redistribution of wealth in the hands of oligarchical structures or families and the growing poverty of large parts of the population; calls, therefore, for greater attention to be devoted to the country's social situation;

59. Believes that consolidating Ukraine's economy and addressing pressing social challenges, such as unemployment, underemployment, and the grey economy will require a significant increase in investment; calls on the Ukrainian authorities to undertake the necessary reforms to attract new investments, particularly foreign direct investment (FDI); welcomes, in this context, the recently agreed Reform Contract for Investment and calls on the Commission to step up its efforts to reduce risks for the private sector to invest in Ukraine; invites the Member States to join forces with the Commission in this respect and to promote Ukraine as an investment destination among their business communities;

60. Calls on the Commission to submit to Parliament a detailed assessment of the AA on the basis of progress made so far, since the 2007 impact assessment has long been overtaken by events; considers that this should cover the following points in particular:

— an in-depth presentation of Ukraine's trade balance, set out according to sector and region;

— the development of small and medium-sized enterprises (SMEs) and a presentation of the DCFTA loan facility for SMEs, which was set up with EUR 200 million in 2015 to help SMEs in the Eastern Neighbourhood;

— a presentation of market share;

— a presentation of the socio-economic situation;

— a presentation of the labour market situation, the shadow economy and informal employment;

— an up-to-date analysis of Ukraine's macro-financial situation, including tax revenues and expenditure, tax avoidance and tax evasion;

61. Recalls that Regulation (EU) 2017/1566 of the European Parliament and of the Council on the introduction of temporary autonomous trade measures for Ukraine supplementing the trade concessions available under the AA includes a legal requirement that the Commission's annual report on the implementation of the DCFTA include a detailed assessment of the autonomous trade measures, including their social impact;

62. Considers the regulatory approximation between the EU and Ukraine under the DCFTA to be a fundamental instrument bringing Ukraine closer to the EU and contributing to trade facilitation, a better business and investment climate, and sustainable economic development of Ukraine; considers that the trade liberalisation dimension should be carefully managed with a view to minimising costs while maximising benefits to Ukrainian enterprises and society and encourages the Commission to consider further autonomous trade preferences and other means; encourages Ukraine to prioritise the implementation of the reform agenda in areas that are more closely related to its production structure and opportunities to export to the EU with a view to minimising transition costs and maximising potential benefits; calls on Ukraine to appoint, as a matter of urgency, its domestic advisory group to ensure the monitoring of the implementation of the agreement by civil society organisations; is concerned at the growing poverty of the population;
63. Considers that regulatory approximation with the EU acquis is the key dimension of the DCFTA because actual access to the EU market and reform very much depend on appropriate implementation and enforcement of the relevant legislation; is aware of the major challenge this represents for governance, institutions and public administration in Ukraine and encourages the Commission to provide adequate technical and financial support; commends the activities of the Support Group for Ukraine and calls on the group to provide more reporting to Parliament on the kind of assistance provided, notably with regard to acquis transposition and implementation;

64. Considers that involving Ukrainian authorities from the time of drafting of the relevant legislation is useful in order to make the process more inclusive and reduce transition costs for Ukraine, and calls on the Commission to make full use of ex ante information-sharing mechanisms;

65. Welcomes the adaptation of the National Transport Strategy and calls for the requisite legal and institutional reforms to be passed to implement it effectively;

66. Regrets the lack of progress in the approximation with EU animal welfare standards and calls on Ukraine to urgently adopt a strategy to fulfil that commitment;

67. Notes the high preference utilisation rate and welcomes the continuous increase in tariff lines where preferences are utilised;

68. Notes that the evaluation of DCFTA implementation is very much focused on trade flows and trade irritants; calls on the Commission to appropriately monitor and assess the implementation of the DCFTA, with special attention being paid to acquis transposition and implementation, as well as to the impact on Ukrainian society, and to provide public and comprehensive annual reporting, including on the technical and financial support provided by the EU;

69. Expects Ukraine to appoint arbitrators for the dispute settlement system and to establish bodies and designate representatives under the Trade and Sustainable Development chapter;

70. Welcomes the Verkhovna Rada’s adoption at first reading of Bill No 5495 on the preservation of Ukrainian forests and the prevention of the illegal export of unprocessed timber on 20 March 2018; considers that any liberalisation of trade in wood should be conditional on the setting-up of a legal framework on the prevention and prohibition of illegal exports;

71. Notes Ukraine’s commitment under the AA to combat and prevent illicit trade, and calls on the country to take steps to criminalise it;

72. Notes that the Eastern Partnership has until now primarily been focused on bilateral trade and investment between the EU and the other countries involved; calls for the development of a more unified approach for all countries in the Eastern Partnership and increased cooperation with the Eurasian Economic Union in terms of trade facilitation, visa freedom and technical standards;

Cooperation in energy, security and defence

73. Praises Ukraine for good cooperation in the energy sector, not least the progress it has made in energy efficiency; emphasises the key role of improved energy efficiency and renewable energy development, including as vectors of economic growth and employment; points out the need for continued reforms, in particular to complete reform of the gas and electricity markets with a view to full integration into the EU energy market, and to end existing and prevent new monopolies, which will bring long-term economic benefits to industry and consumers; encourages the Commission to ensure that all pipeline projects comply with EU regulations; calls for energy cooperation to be enhanced within the Eastern Partnership with a view to implementing the 2015 Paris Climate Change Agreement; stresses the need for a national authority, independent of policy and private interests, to regulate the gas and electricity market, which must be committed to a socially fair balance between the interests of suppliers and end consumers when pricing and ensure justified price-building;
74. Welcomes the adoption of a large number of laws in the area of environment, especially those on strategic environmental assessment and environmental impact assessment, and draws attention to the need for implementation and essential public awareness campaigns; welcomes the progress on climate policy, with the adoption and submission to the UN Framework Convention on Climate Change of the low carbon development strategy; encourages the early adoption of the state environmental policy strategy and new waste management and climate policy legislation in line with the EU acquis.

75. Recalls that environmental governance is a key feature of the requirements under the AA; asks the authorities to reconsider the agreement and any future plans concerning the Dniester Hydro Power Complex, to bring them into line with international conventions and EU standards, ensuring that all parties concerned from Moldova and Ukraine are publically consulted, including civil society, and to protect the ecosystem and environment of the Dniester River.

76. Expresses its deep concern at the deterioration of the ecological situation in the East of Ukraine and Crimea as a consequence of the conflict, and in particular the problems relating to water supply, which could have devastating consequences for the whole region and lead to an irreversible disaster; urges all stakeholders to forestall such a scenario and to work with all means to ensure proper maintenance and water pumping, including in the mines.

77. Recognises Ukraine’s efforts to build a genuine digital market economy, including progress with open data development, broadening access to conditional access systems for digital television and virtual network services, increasing the number of electronic communication services for citizens and public registers such as ProZorro; highlights that further work must be done to ensure that the rights and needs of Ukrainian citizens using the internet are protected and to fully implement the Digital Single Market requirements.

78. Welcomes the adoption of the law on electronic trust services and the priorities defined in the Concept for the Development of the Digital Economy and Society in Ukraine for 2018-2020, which constitute important steps on Ukraine’s path of integration into the EU Digital Single Market.

79. Reiterates the crucial role of Ukraine in the European energy supply network; condemns the construction of the Nord Stream 2 pipeline, as it is a political project that poses a threat to European energy security and the efforts to diversify energy supply; calls for the project to be cancelled.

80. Is concerned at the schemes to illegally exploit natural resources, such as amber, coal, sand and timber that are, in many cases, protected and organised with the help of local or regional administrations and law-enforcement bodies, which are damaging and endangering landscapes and habitats, such as forests and rivers, and prevent the ecologically and economically sustainable management of the country’s resources for the benefit of its citizens.

81. Deplores the depletion of Ukrainian forests, an issue linked to corruption schemes that benefit vested interests in Ukraine and companies in the EU; calls for effective regulations to be devised, and swiftly implemented and enforced in order to prevent illegal logging and timber corruption in Ukraine and to establish sustainable forestry management so as to protect and preserve Ukraine’s forests and resources.

82. Welcomes the steps undertaken to modernise Ukraine’s army and Naval Forces in the Black and Azov Seas as strong guarantees of the stability and territorial integrity of Ukraine, while encouraging, nonetheless, reform of the defence industry as a matter of urgent necessity.

83. Strongly condemns the deliberate act of aggression by the Russian Federation against Ukraine on 25 November 2018 in the Kerch Strait; demands the immediate and unconditional release of all Ukrainian vessels and sailors, who in the meantime should be treated as prisoners of war; calls on the EU and its Member States to introduce targeted sanctions if the Ukrainian servicemen are not released and if there is any further military escalation; underlines that there is no justification for such use of military might by Russia; expresses serious concern that this may constitute a creeping attempt to annex Ukraine’s sovereign rights in the Sea of Azov with the aim of transforming it into a Russian ‘internal lake’ and exclusive military zone, and to put a stranglehold on the economy of south-east Ukraine; demands that Russia guarantee freedom of navigation through the Kerch Strait and in the Sea of Azov, which is ensured by international law; urges the OSCE and its Members to extend the mandate of the OSCE Special Monitoring Mission to the Sea of Azov; calls on the EU and its Member States to close access to EU ports for Russian ships coming from the Sea of Azov should Russia not re-establish freedom of navigation through the Kerch Strait and in the Sea of Azov; calls for all diplomatic means to be used to de-escalate the situation and welcomes the offer to mediate between Kiev and Moscow;
84. Recalls the importance of strengthening cooperation with Ukraine at different levels, including security and defence; welcomes, in this regard, Ukraine’s interest in further engaging in defence projects, including the Permanent Structured Cooperation (PESCO) on security and defence;

85. Encourages Ukraine and the EU to continue developing their cooperation in the areas of justice, freedom and home affairs;

**Institutional provisions**

86. Highlights the importance of proactively communicating to Ukrainian citizens information on the concrete benefits and goals of the Eastern Partnership;

87. Emphasises the importance of fighting Russia’s fake news and propaganda, including its anticipated meddling in elections in Ukraine and throughout the European Union; calls for Ukraine-EU cooperation on this issue to be enhanced;

88. Calls for better monitoring and follow-up of the implementation of reforms on both the Ukrainian and the EU side, on the basis of coherent and measurable indicators; calls once more on the Commission and the EEAS to submit to Parliament and the Council more frequent and detailed written reports on the implementation of the agreements;

89. Calls on the Commission to appropriately monitor and assess the implementation of the DCFTA, devoting special attention to acquis transposition and implementation, and to the impact on Ukrainian society, and to provide public and comprehensive annual reporting, including on the technical and financial support provided by the EU;

90. Believes and emphasises that provided that it commits to implementing the AA and to abiding by the principles of democracy, the rule of law and fundamental freedoms, Ukraine (and other associated states — Moldova and Georgia) should be granted specific support mechanisms by the EU, including within the framework of the post-2020 multiannual financial framework in line with the Eastern Partnership Plus model, as advocated by Parliament;

91. Resolves to draw up annual reports on the implementation of the Association Agreements;

92. Instructs its President to forward this resolution to the Council, the Commission and the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, and to the President, Government and Parliament of Ukraine.
Iran, notably the case of Nasrin Sotoudeh

European Parliament resolution of 13 December 2018 on Iran, notably the case of Nasrin Sotoudeh (2018/2967(RSP))

(2020/C 388/12)

The European Parliament,

— having regard to its previous resolutions on Iran,

— having regard to the statement on Iran of 29 November 2018 by the Special Rapporteur on the situation of human rights defenders, the Special Rapporteur on the independence of judges and lawyers, the Chair-Rapporteur of the Working Group on Arbitrary Detention, the Chair of the Working Group on the issue of discrimination against women in law and in practice and the Special Rapporteur on the situation of human rights in the Islamic Republic of Iran,

— having regard to the EU Guidelines on the Death Penalty, on Torture and Other Cruel Treatment, on Freedom of Expression Online and Offline and on Human Rights Defenders,

— having regard to the report of 27 September 2018 of the Special Rapporteur on the situation of human rights in the Islamic Republic of Iran,

— having regard to the awarding of the Sakharov Prize for Freedom of Thought and Expression to Nasrin Sotoudeh in 2012,

— having regard to the Universal Declaration of Human Rights of 1948,

— having regard to the International Covenant on Civil and Political Rights of 1966 and the International Covenant on Economic, Social and Cultural Rights of 1966, to which Iran is a party,

— having regard to the Iranian President’s Charter on Citizens’ Rights,

— having regard to Rules 135(5) and 123(4) of its Rules of Procedure,

A. whereas Nasrin Sotoudeh, a prominent Iranian human rights lawyer, was arrested on 13 June 2018 after she represented a woman facing imprisonment for peacefully protesting against Iran’s compulsory hijab law by removing it in public; whereas Nasrin Sotoudeh has been in the women’s ward of Evin Prison since her arrest and started her third hunger strike on 26 November 2018 to protest against the Iranian authorities’ refusal to allow Farhad Meysami to receive hospital treatment;

B. whereas Nasrin Sotoudeh was informed that she had been detained as the result of a five-year prison sentence that was issued against her in absentia in 2015 by a Revolutionary Court judge; whereas she was charged with ‘espionage in hiding’;

C. whereas Nasrin Sotoudeh received the Sakharov Prize for Freedom of Thought in 2012 in absentia for her work and commitment to human rights; whereas Nasrin Sotoudeh has campaigned long and tirelessly for human rights in Iran, and has already spent several years in prison for her efforts; whereas her prosecution and the charges brought against her demonstrate the grave extent to which the Iranian judiciary is criminalising human rights activism;

D. whereas Nasrin Sotoudeh has on several occasions spoken publicly about rule of law deficiencies in Iran and inadequacies in its justice system; whereas the arrest of Nasrin Sotoudeh is part of an intensified crackdown against women’s rights defenders in Iran; whereas women’s rights defenders who have actively campaigned to enhance women’s empowerment and rights have suffered harassment, arbitrary arrests and detention, and their rights to a fair trial and due process have been violated;
E. whereas in September 2018, her husband, Reza Khandan, was arrested while peacefully demonstrating for the release of Nasrin Sotoudeh, and accused of 'spreading propaganda against the system' and of 'promoting the practice of appearing in public without a veil' among other charges;

F. whereas in Iran, civil society protests against poverty, inflation, corruption and political authoritarianism have been on the increase and have been met by the Iranian authorities with severe repression; whereas the Iranian intelligence service has intensified its crackdown on civil society workers and human rights defenders, lawyers, environmental activists, women's rights defenders, students, teachers, truck drivers and peaceful activists; whereas in 2018, the Iranian authorities stepped up their repression of those seeking to peacefully exercise the rights to freedom of expression, association and peaceful assembly and jailed hundreds of people on broad and vaguely worded national security charges;

G. whereas UN human rights experts have called on Iran to guarantee the rights of human rights defenders and lawyers who have been jailed for publicly supporting protests against the mandatory wearing of the hijab in Iran;

H. whereas the Special Rapporteur on the situation of human rights in Iran has reiterated the grave concerns previously expressed by the Secretary-General of the United Nations, the UN High Commissioner for Human Rights, and his predecessor with respect to the continuing executions of juvenile offenders in Iran;

I. whereas substantial violations of the rights of religious and ethnic minorities in Iran have been described in the reports of the Special Rapporteur on the situation of human rights in Iran and the Secretary-General of the United Nations, including allegations of discrimination against religious minorities, including Christians and Baha’is;

J. whereas Iranian courts fall short in providing due process and fair trials, with denial of access to legal counsel, particularly during the investigation period, and denial of consular, UN or humanitarian organisation visits; whereas sentences by the Iranian judiciary are often based on vague or unspecified national security and espionage charges;

K. whereas there have been numerous reports regarding the inhuman and degrading conditions in prisons and the lack of adequate access to medical care during detention with the aim of intimidating, punishing, or coercing detainees, in contravention of the UN Standard Minimum Rules for the Treatment of Prisoners;

L. whereas on 12 April 2018, the Council extended until 13 April 2019 its restrictive measures responding to serious human rights violations in Iran, including asset freeze and visa bans for individuals and entities responsible for grave human rights violations and a ban on exports to Iran of equipment which might be used for internal repression and of equipment for monitoring telecommunications;

M. whereas the EU and Iran held the fourth meeting of the High Level Political Dialogue on 26 November 2018 in Brussels; whereas discussions on human rights were held as an integral part of the EU-Iran political dialogue and as a continuation of regular exchanges held in November 2017 and in February 2016;

N. whereas the actual implementation of the Charter on Citizens’ Rights would be a step towards improving the civil rights of the Iranian people;

1. Calls on the Government of Iran to immediately and unconditionally release Nasrin Sotoudeh; commends Nasrin Sotoudeh for her courage and commitment; urges the judiciary system of Iran to respect due process and fair trial and disclose information on the charges against Nasrin Sotoudeh;

2. Calls on the Iranian authorities to ensure that the treatment of Nasrin Sotoudeh while in detention adheres to the conditions set out in the ‘Body of Principles for the Protection of All Persons under Any Form of Detention or Imprisonment’, adopted by UN General Assembly resolution 43/173 of 9 December 1988; stresses that the Iranian authorities must guarantee the safety and well-being of all detainees while in detention, including through the provision of adequate medical care; calls on the Iranian authorities to investigate all allegations of ill-treatment in detention and bring the perpetrators to justice; condemns the systematic torture carried out in Iranian prisons and calls for all forms of torture and ill-treatment of all prisoners to be brought to an immediate end; calls on Iran to ensure, in law and in practice, that no one is subjected to torture or other cruel, inhuman or degrading treatment or punishment;
3. Calls on the Government of Iran to respect human rights and fundamental freedoms, including of opinion and expression; calls for the release of all those arrested for the peaceful exercise of the rights to freedom of assembly, opinion and expression, including Reza Khandan, as well as other human rights defenders, environmental activists, trade unionists, women's rights campaigners and prisoners of conscience; calls on the Iranian authorities to fully respect the universal human rights of all people, in particular the rights to freedom of expression online and offline; calls on the Iranian authorities to respect and protect the rights of peaceful assembly, and refrain from the use of violent force in dispersing non-peaceful assemblies;

4. Expresses its sympathy for and solidarity with the campaign against the country's mandatory dress code; condemns the detention of women who removed their head scarves as part of the campaign, and calls for their immediate and unconditional release;

5. Expresses its solidarity with Iranians demonstrating to improve their social and economic situation and pursuing social and economic rights;

6. Expresses grave concern over the arrests of EU-Iranian dual nationals upon entry to Iran; stresses that these arrests hinder opportunities for people-to-people contacts, and calls on the Iranian authorities to allow all Iranians to safely travel to their country of birth;

7. Calls on the Iranian authorities to ensure the right of all defendants to a legal counsel of their choice in all court cases without undue limitations, and to a fair trial, in line with Iran's international commitments under the International Covenant on Civil and Political Rights; calls on the Iranian Government to ensure the due process rights of all citizens detained in Iran and to grant them a fair trial;

8. Calls on the Iranian authorities to guarantee religious freedom in accordance with the Iranian Constitution and its international commitments, and to stop discrimination against religious minorities as well as non-believers; condemns the systematic persecution of the Baha'i minority; calls, furthermore, on the Iranian authorities to ensure that all those who reside in the country have equal protection before the law, regardless of ethnicity, religion or belief;

9. Calls on the Iranian authorities to guarantee in all circumstances that all human rights defenders in Iran are able to carry out their legitimate human rights activities without fear of reprisals and free of all restrictions, including the deprivation of liberty, intimidation and judicial harassment; calls on the Iranian authorities to halt all acts of intimidation and reprisals against human rights defenders, including for communicating with EU and UN officials and independent human rights organisations;

10. Calls on the European External Action Service (EEAS) and the Commission to step up their efforts in support of Sakharov prize laureates at risk, including Nasrin Sotoudeh and others who have either been arrested or convicted or who are facing the death penalty or manifestly unfair trials in third countries;

11. Calls on EU Member States with diplomatic missions on the ground to fully implement the EU Guidelines on Human Rights Defenders and to provide all appropriate support to Nasrin Sotoudeh and other human rights defenders, including prison visits, trial monitoring and the provision of legal or any other form of assistance that they might require;

12. Strongly condemns the use of the death penalty, including its use against juvenile offenders, and calls on the Iranian authorities to introduce an immediate moratorium on the use of the death penalty as a step towards its abolition; notes the amendments to the drug-trafficking law, which should reduce the imposition of capital punishment;

13. Reiterates its call on Iran to deepen its engagement with international human rights mechanisms by cooperating with the Special Rapporteurs and special mechanisms, including by approving requests for access to the country by mandate holders; stresses the need for closer engagement with the Human Rights Council;
14. Calls for the EU, including the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, and the Member States to systematically raise human rights concerns in public and in private with the Iranian authorities in bilateral and multilateral fora, including on the situation of political prisoners and human rights defenders and on freedom of expression and association, as an essential condition for making further progress in economic and political relations; expresses its support for discussions on human rights; emphasises, however, the necessity of a formal EU-Iran human rights dialogue based on universal human rights;

15. Instructs its President to forward this resolution to the Council, the Commission, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, the governments and parliaments of the Member States, the Secretary-General of the United Nations and the Government and Parliament of Iran.
The European Parliament,

— having regard to its previous resolutions on Egypt, in particular that of 8 February 2018 on executions in Egypt (1), that of 10 March 2016 on Egypt, notably the case of Giulio Regeni (2), that of 17 December 2015 on Ibrahim Halawa, potentially facing the death penalty (3), and that of 15 January 2015 on the situation in Egypt (4),

— having regard to the EU Guidelines on the Death Penalty, on Torture, on Freedom of Expression and on Human Rights Defenders,

— having regard to the EU Foreign Affairs Council conclusions on Egypt of August 2013 and February 2014,

— having regard to the EU-Egypt Association Agreement of 2001, which entered into force in 2004, strengthened by the Action Plan of 2007; having regard also to the EU-Egypt Partnership Priorities 2017-2020, adopted on 25 July 2017, to the joint statement issued following the 2017 meeting of the EU-Egypt Association Council, and to the joint statement issued following the 5th meeting of the EU-Egypt Subcommittee on Political Matters, Human Rights and Democracy in January 2018,

— having regard to the joint declaration of 10 October 2017 by the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy (VP/HR), Federica Mogherini, and the Secretary-General of the Council of Europe on the European and World Day against the Death Penalty, and to the statement of 2 November 2018 by the EEAS spokesperson on the attack on Coptic Christian pilgrims in Egypt,

— having regard to the joint statement of 26 January 2018 by UN experts including Nils Melzer, the Special Rapporteur on torture and other cruel, inhuman or degrading treatment or punishment, urging the Egyptian authorities to halt imminent executions, to the statement of 4 December 2018 by the UN Special Rapporteur on adequate housing, Leilani Farha, and the UN Special Rapporteur on the situation of human rights defenders, Michel Forst, and to the statement of 9 September 2018 by the UN High Commissioner for Human Rights, Michelle Bachelet, condemning the death sentences passed en masse on 75 people,

— having regard to the Constitution of Egypt, notably its Articles 52 (on the prohibition of torture in all forms and types), 73 (on freedom of assembly) and 93 (on the binding character of international human rights law),

— having regard to Protocols 6 and 13 to the European Convention on Human Rights,

— having regard to Article 2 of the Charter of Fundamental Rights of the European Union,

— having regard to the African Principles and Guidelines on the Right to a Fair Trial and Legal Assistance, which prohibit military trials of civilians under all circumstances,
— having regard to the new EU Strategic Framework and Action Plan on Human Rights, which aims to place the protection and surveillance of human rights at the heart of all EU policies,

— having regard to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment, the Convention on the Rights of the Child, and the Arab Charter on Human Rights, all of which have been ratified by Egypt,

— having regard to the International Covenant on Civil and Political Rights (ICCPR), to which Egypt is party, and in particular to its Articles 14 and 18 and its second optional protocol on the death penalty,

— having regard to the decision of Italy’s lower house, the Chamber of Deputies, to suspend its relations with the Egyptian Parliament owing to the lack of progress in the investigation into the death of Italian student Giulio Regeni,

— having regard to the impact on human rights, both at domestic and regional level, of the sanctions put in place by Saudi Arabia, Egypt, Bahrain and the United Arab Emirates against Qatar in June 2017, and to the report on the impact of the Gulf crisis on human rights published by the Office of the United Nations High Commissioner for Human Rights (OHCHR) in December 2017,

— having regard to Rules 135(5) and 123(4) of its Rules of Procedure,

A. whereas the Egyptian Government has intensified its crackdown against civil society organisations, human rights defenders, peaceful activists, lawyers, bloggers, journalists, labour rights defenders and trade unionists, including by arresting and disappearing several of them and increasingly using counter-terrorism and state of emergency laws; whereas since late October 2018, at least 40 human rights workers, lawyers and political activists have been arrested, some of them forcibly disappeared; whereas women human rights defenders and activists defending the rights of LGBTQI people in Egypt continue to face various forms of state-led harassment, notably via defamatory campaigns and judicial prosecution;

B. whereas human rights lawyer Ezzat Ghoneim, head of the Egyptian Coordination for Rights and Freedoms (ECRF), has been in pre-trial detention since March 2018, charged with ‘human rights terrorism’; whereas his whereabouts remain unknown since a court ordered his release on 4 September 2018; whereas human rights lawyer Ibrahim Metwally Hegazy, co-founder of the League of Families of the Disappeared, was subjected to enforced disappearance and tortured and then ordered into arbitrary preventive detention, and remains in solitary confinement; whereas the El Nadeem Centre was forced to close in 2017;

C. whereas the human rights defender Amal Fathy was handed a two-year prison sentence in September 2018, on charges of ‘spreading false news’ with intent to harm the Egyptian state and of ‘public indecency’ for publishing a video on social media criticising the government’s failure to combat sexual violence; whereas Ms Fathy is being held in pre-trial detention pending investigation over a second set of national security-related charges;

D. whereas Ola al-Qaradawi, a Qatari national, and her husband Hosam Khalaf, an Egyptian national, have been detained in appalling conditions in Egypt since 30 June 2017, with no charges formulated against either of them; whereas in June 2018 the UN Working Group on Arbitrary Detention found that they have been subjected to cruel, inhuman or degrading treatment that may amount to torture, declared their detention arbitrary and called on the Egyptian government to release them;

E. whereas on 2 February 2016 the body of Giulio Regeni, who disappeared in Cairo on 25 January, was found bearing evidence of horrible torture and a violent death; whereas the Egyptian authorities have still not revealed the truth regarding his death and have not brought all the perpetrators to justice; whereas Egypt has once again rejected the request of the Italian prosecutor’s office that it identify the agents involved in the disappearance and death of Regeni;
F. whereas Reporters Without Borders have documented at least 38 media workers who are currently in detention in Egypt for their work, on the basis of politically-based prosecution and multiple due process violations; whereas foreign media workers are also targeted, with several international media correspondents having been deported or denied entry into Egypt; whereas photojournalist Mahmoud ‘Shawkan’ Abu Zeid was sentenced to five years in a mass trial for his legitimate professional activities and is still serving an additional six-month sentence for non-payment of a substantial fine; whereas Ismail al-Iskandarani, a prominent journalist and one of the very few covering human rights violations in Sinai, was detained in November 2015 and was sentenced in May 2018 to ten years’ imprisonment by a military court;

G. whereas in July 2018 a new media law was adopted broadening the definition of the press to include any social media account with more than 5,000 followers, making such accounts liable to prosecution for publishing ‘false news’ or anything deemed to constitute incitement to break the law; whereas respect for civil liberties — including freedom of expression and media freedom — is an essential part of the foundations of a democratic society, and journalists should be free to exercise their profession without fear of prosecution or imprisonment;

H. whereas companies based in several EU Member States have continued to export surveillance technology to Egypt facilitating hacking and malware, as well as other forms of attack on human rights defenders and civil society activists on social media; whereas this has led to the repression of freedom of expression online;

I. whereas Egypt opened a legal front against NGOs last year with a law requiring their funding, foreign or domestic, to be approved by the security agencies of the state, thus virtually banning them; whereas on 15 November 2018 President Al-Sisi called for a review of the NGO law to make it more ‘balanced’ and tasked the parliament with reviewing the law; whereas the retrial of 16 defendants of the ‘foreign funding case’ 173/2011 is scheduled for 20 December 2018 and the accused face charges of establishing and operating branches of international organisations without a government license;

J. whereas there is an ongoing state of emergency in Egypt, in place since April 2017 and extended for three months from 21 October 2018; whereas according to state media the state of emergency was introduced to help tackle the ‘dangers and funding of terrorism’; whereas the President and those acting on his behalf have the power to refer civilians to state security emergency courts for the duration of the three-month period; whereas the UN High Commissioner for Human Rights, Michelle Bachelet, has criticised attempts to bestow immunity from prosecution for crimes allegedly committed by members of the security forces, which undermines the faith of the Egyptian people in the Government’s capacity to deliver justice for all;

K. whereas Egypt’s 2015 counter-terrorism law uses a broad definition of terrorism that includes ‘infringing the public order, endangering the safety, interests, or security of society, obstructing provisions of the constitution and law, or harming national unity, social peace, or national security’, putting peaceful dissenters, pro-democracy activists and human rights defenders at risk of being labelled terrorists and sentenced to death;

L. whereas under the rule of President el-Sisi, Egyptian courts have recommended at least 2,443 preliminary death sentences — including for at least 12 children — and confirmed at least 1,451 death sentences; whereas at least 926 of the confirmed death sentences are the result of mass trials of 15 or more people simultaneously; whereas during the same period, Egypt has carried out at least 144 executions; whereas the death penalty, particularly in mass trials, has frequently been applied against persons exercising their fundamental rights, including freedom of assembly;

M. whereas in August a court in Egypt confirmed the sentences of over 739 people in relation to the protests that took place in Raba’aa Square after the 2013 coup; whereas the court ratified 75 death sentences and confirmed sentences of life imprisonment for another 47 people; whereas numerous irregularities were denounced during the trial, and the UN High Commissioner for Human Rights described it as a serious miscarriage of justice;
N. whereas at the end of November, Egypt announced the establishment of a ‘High Permanent Commission for Human Rights’, reportedly in order to ‘respond to claims’ made against Egypt’s human rights record and ‘formulate a unified Egyptian vision’; whereas the main members of this commission are representatives of the foreign and interior ministries, the military, and the intelligence services;

O. whereas despite the constitutional recognition of the Coptic culture as a ‘pillar’ of the country, violence and discrimination against Egyptians of Coptic descent, who make up the majority of Egypt’s nine million Christians, has risen since 2011; whereas Coptic Christians, who constitute approximately 10% of the mostly Muslim Egyptian population, have borne the brunt of sectarian violence; whereas on 2 November 2018 an attack perpetrated by Islamic militants on a bus of Coptic Christian pilgrims in Minya killed seven and left 19 injured, demonstrating the security challenges that Egypt is facing;

P. whereas the EU-Egypt Association Council is due to meet on 20 December 2018; whereas a mission of the European Parliament’s Subcommittee on Human Rights to Egypt has been scheduled prior to the meeting of the Association Council; whereas Egypt has not officially extended an invitation to this delegation;

Q. whereas Egypt has gone through several difficult developments since the 2011 revolution and the international community is supporting the country in addressing its economic, political and security challenges; whereas serious security challenges exist within Egypt, particularly in Sinai, where terrorist groups have staged attacks on security forces; whereas a number of devastating terrorist attacks have occurred in Egypt;

R. whereas the new 2017-2020 EU-Egypt Partnership Priorities adopted in July 2017 are guided by a shared commitment to the universal values of democracy, the rule of law and respect for human rights, and constitute a renewed framework for political engagement and enhanced cooperation, including on security, judicial reform and counter-terrorism, on a basis of due respect for human rights and fundamental freedoms; whereas the Subcommittee on Political Matters, Human Rights and Democracy of the Association Agreement between Egypt and the European Union held its fifth session in Cairo on 10 and 11 January 2018, addressing cooperation in the areas of human rights, democracy and the rule of law; whereas the 6th meeting of the Egypt-EU Association Committee took place on 8 November 2018;

S. whereas the EU is Egypt’s first economic partner and its main source of foreign investment; whereas EU bilateral assistance to Egypt under the European Neighbourhood Instrument for 2017-2020 amounts to around EUR 500 million; whereas on 21 August 2013 the Foreign Affairs Council tasked the High Representative with reviewing EU assistance to Egypt; whereas the Council decided that the EU’s cooperation with Egypt would be readjusted in accordance with developments on the ground;

T. whereas avenues for peaceful political opposition were eliminated throughout the 2018 presidential election process, with a massive denial of Egyptian voters’ right to political participation;

U. whereas the Foreign Affairs Council conclusions of 21 August 2013 stated that ‘Member States also agreed to suspend export licenses to Egypt of any equipment which might be used for internal repression and to reassess export licenses of equipment covered by Common Position 2008/944/CFSP and review their security assistance with Egypt’; whereas these conclusions were reiterated by the FAC in February 2014; whereas the VP/HR confirmed in a written reply dated 27 October 2015 that these conclusions constituted ‘a political commitment against any military support to Egypt’;

I. Strongly condemns the continuous restrictions on fundamental democratic rights, notably freedom of expression both online and offline, freedom of association and assembly, political pluralism and the rule of law in Egypt; calls for an end to all acts of violence, incitement, hate speech, harassment, intimidation, enforced disappearances and censorship directed at human rights defenders, lawyers, protesters, journalists, bloggers, trade unionists, students, women’s rights activists, LGBTI people, civil society organisations, political opponents and minorities, including Nubians, by state authorities, security forces and services and other groups in Egypt; condemns the excessive use of violence against protesters; calls for an independent and transparent investigation into all human rights violations and for those responsible to be held to account;
2. Calls on the Egyptian Government to immediately and unconditionally release human rights defenders Ahmad Amasha, Hanan Badr el-Din, Amal Fathy, Ezzat Ghoneim, Hoda Abdelmoneim, Ibrahim Metwally Hegazy, and Azzouz Mahgoub and media workers Mahmoud ‘Shawkan’ Abu Zeid, Hisham Gaafar, Mohammed ‘Oxygen’ Ibrahim, Ismail Iskandarani, Adel Sabri, Ahmed Tarek Ibrahim Ziada, Alaa AbdelFattah, Shady Abu Zaid, Mostafa al-Aasar, Hassan al-Banna and Moataz Waddan, and all others detained solely for the peaceful exercise of their freedom of expression, in violation of Egypt’s constitution and international obligations; pending their release, calls on Egypt to allow them full access to their families, lawyers of their choice and adequate medical care, and to conduct credible investigations into any allegations of ill-treatment or torture; calls on the EU to implement in full its export controls vis-à-vis Egypt with regard to goods that could be used for torture or capital punishment;

3. Reminds the Egyptian Government that the long-term prosperity of Egypt and its people goes hand in hand with the protection of universal human rights and the establishment and anchorage of democratic and transparent institutions that are engaged in protecting citizens’ fundamental rights; calls, therefore, on the Egyptian authorities to fully implement the principles of the international conventions which Egypt has adhered to;

4. Calls on the Egyptian authorities to drop all existing baseless criminal investigations into NGOs, including the ‘foreign funding case’, and to repeal the draconian NGO law; encourages the replacement of that law by a new legislative framework, to be drafted in genuine consultation with civil society organisations in accordance with Egypt’s domestic and international obligations in order to protect freedom of association;

5. Expresses its serious concern at the mass trials by Egyptian courts and the large number of death sentences and long prison terms handed down; calls on the Egyptian judicial authorities to cease applying the death penalty against individuals, including against those who were aged under 18 at the time of their alleged offence, and to uphold and respect the International Covenant on Civil and Political Rights, to which Egypt is a party, and notably Article 14 thereof on the right to a fair and timely trial based on clear charges and ensuring the respect of the defendants’ rights;

6. Reiterates its call on Egypt to sign and ratify the Second Optional Protocol to the International Covenant on Civil and Political Rights aimed at the abolition of the death penalty, as well as the UN’s International Convention for the Protection of All Persons from Enforced Disappearance; encourages the Egyptian Government to issue an open invitation to the relevant UN Special Rapporteurs to visit the country;


8. Expresses grave concern at the reprisals against persons who cooperate or seek to cooperate with international human rights organisations or UN human rights bodies, such as most recently the United Nations Special Rapporteur on Adequate Housing; reminds the Egyptian authorities of Egypt’s obligations as a UN member to refrain from such acts;

9. Condemns the continued persecution of minority groups in Egypt; reiterates its commitment to freedom of conscience and religion in Egypt, and calls for the promotion of international collaboration, including an independent investigation by the UN to assess the situation of Coptic Christians in Egypt; calls on Egypt to review its blasphemy laws and ensure the protection therefrom of religious minorities;

10. Urges the Egyptian Government to put an end to all discriminatory measures put in place after June 2017 against Qatari nationals, with particular reference to the case of Ola al-Qaradawi and her husband Hosam Khalaf;

11. Supports the aspirations of the majority of Egyptian people who want to establish a free, stable, prosperous, inclusive and democratic country which respects its national and international commitments on human rights and fundamental freedoms; recalls that respect for peaceful expression of opinion and criticism is important;

12. Extends its most sincere condolences to the families of victims of terrorism; stands in solidarity with the Egyptian people and reaffirms its commitment in fighting the spread of radical ideologies and terrorist groups;
13. Urges the Egyptian Government to ensure that all operations in Sinai are conducted in line with international human rights standards, to thoroughly investigate all abuses, to immediately open North Sinai to independent observers and journalists, to provide residents with essential needs, and to allow independent relief organisations to provide aid for people in need;

14. Calls on the VP/HR to prioritise the situation of human rights defenders in Egypt, and to condemn the alarming human rights situation in the country, including the use of the death penalty; urges the EEAS to address recent developments in Egypt and to use all means of influence at its disposal to put pressure on Egypt to improve its human rights situation and halt imminent executions, to call for the prompt release of those in detention, and to encourage the Egyptian authorities to respect their commitments to international norms and laws;

15. Underlines the importance that the EU attaches to its cooperation with Egypt as an important neighbour and partner; strongly urges Egypt to therefore respect its commitment made in the EU-Egypt Partnership Priorities adopted on 27 July 2017 to promote democracy, fundamental freedoms and human rights, in line with its constitution and international standards; underlines that the Partnership Priorities were concluded with Egypt in 2017 despite continuous backsliding in the field of human rights, democracy and the rule of law; urges the VP/HR and the Member States to make further cooperation with Egypt conditional on respect for human rights, and to mainstream human rights concerns in all talks with the Egyptian authorities, especially with regard to the three priorities established; reiterates that human rights should not be undermined by migration management or counter-terrorism actions;

16. Reminds the Egyptian authorities that the EU’s level of engagement with Egypt should be incentive-based, in line with the ‘more for more’ principle of the European Neighbourhood Policy, and should depend on progress in the reform of democratic institutions, the rule of law and human rights;

17. Urges the VP/HR and the Member States to maintain a strong and unified position on the EU’s stance on human rights at the meeting of the EU-Egypt Association Council scheduled for 20 December 2018, as they should in all human rights fora and in bilateral and multilateral meetings, and to articulate clearly the consequences that the Egyptian Government will face should it fail to reverse its abusive trend, such as targeted sanctions against individuals responsible for human rights violations; calls also for the EU to issue a firm statement at the next session of the UN Human Rights Council, also in view of the recommendations for the 2019 UN Universal Periodic Review (UPR);

18. Recalls its continued outrage at the torture and killing of the Italian researcher Giulio Regeni; stresses that it will continue to press the EU authorities to engage with their Egyptian counterparts until the truth is established on this case and the perpetrators are held accountable; reminds the Egyptian authorities of their responsibility for the safety of the Italian and Egyptian legal team investigating the case of Giulio Regeni;

19. Reiterates its call on the Member States to halt exports of surveillance technology and security equipment to Egypt that can facilitate attacks on human rights defenders and civil society activists, including on social media;

20. Deeply regrets the unwillingness shown by the Egyptian authorities to organise a mission of Parliament’s Subcommittee on Human Rights to Cairo; expects the EU side to raise the continued refusal of the Egyptian authorities to authorise this visit;

21. Instructs its President to forward this resolution to the Council, the Commission, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, the governments and parliaments of the Member States, and the Government and Parliament of Egypt.
The European Parliament,

— having regard to its previous resolutions on Tanzania, including that of 12 March 2015 (1),

— having regard to the Declaration by High Representative Federica Mogherini of 15 November 2018 on behalf of the EU on EU-Tanzania relations,

— having regard to the local EU statement of 23 February 2018 on the rise in politically-related violence and intimidation in Tanzania,

— having regard to the Council conclusions of 16 June 2016 on LGBTI equality,

— having regard to the statement by Michelle Bachelet, UN High Commissioner for Human Rights (OHCHR), of 2 November 2018 on the prosecution and arrests of LGBT people in Tanzania,

— having regard to the EU Council’s Toolkit to promote and protect the enjoyment of all human rights by lesbian, gay, bisexual and transgender people (the LGBT Toolkit),

— having regard to the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the Convention on the Elimination of All Forms of Discrimination against Women,

— having regard to the UN Convention on the Rights of the Child,

— having regard to the African Charter on Human and Peoples’ Rights (ACHPR),

— having regard to the ACP-EU Partnership Agreement (Cotonou Agreement),

— having regard to Rules 135(5) and 123(4) of its Rules of Procedure,

A. whereas, since the election of Tanzanian President John Pombe Magufuli in 2015, basic rights in the country have been undermined through repressive laws and decrees; whereas critical journalists, opposition politicians and outspoken civil society activists have faced threats, arbitrary detention and harassment;

B. whereas there has been increasing stigmatisation, violence and targeted arrests against LGBTI people over the past two years in the country; whereas, under Tanzanian law, same-sex relationships are criminal offences punishable by 30 years to life imprisonment; whereas Tanzania’s anti-homosexuality law is among the harshest in the world;

C. whereas suspected gay men in Tanzania are subjected to forced anal examinations, a discredited method of ‘proving’ homosexual conduct that the United Nations and the African Commission on Human and People’s Rights have denounced as torture;

D. whereas Paul Makonda, the regional commissioner of Dar Es Salaam, has been a prominent advocate of the repression; whereas, at a press conference on 31 October 2018, he announced the creation of a task force to track down gay men, prostitutes and people conducting fraudulent fundraisers on social media; whereas he called on the public to report suspected gay people to the authorities;

E. whereas the Ministry of Health has temporarily suspended the provision of HIV and AIDS services at community level and has closed drop-in centres for key populations, including gay men; whereas it closed 40 health centres on 17 February 2017 for allegedly encouraging homosexuality; whereas several organisations have reported that the crackdown on the LGBTI community has resulted in HIV-positive men failing to access their anti-retroviral treatment, while others have stopped accessing testing and preventive services;

F. whereas in November 2018 ten men were arrested in Zanzibar for allegedly conducting a same-sex marriage ceremony; whereas 13 health and human rights activists were arrested on 17 October 2018 for participating in a meeting to discuss a law restricting the access of LGBTI people to some health services;

G. whereas many children and adolescents, particularly girls, are exposed to human rights abuses and harmful practices, including widespread sexual violence, corporal punishment, child marriages and teenage pregnancies, that make schooling difficult or impossible for them; whereas the Tanzanian Government obstructs access to sexual and reproductive health services and intimidates organisations providing information about such services;

H. whereas on 22 June 2018 President Magufuli issued a declaration banning pregnant girls from attending school; whereas the authorities are intimidating civil society organisations (CSOs) that advocate the rights of pregnant girls to go back to school;

I. whereas the Tanzania Commission for Human Rights and Good Governance has not been operational for some time; whereas President Magufuli has not appointed commissioners or other office bearers to the Commission;

J. whereas the government has shut down or threatened privately owned radio stations and newspapers, and ended live transmissions of parliamentary debates; whereas local channels and decoders which air local channels have been closed;

K. whereas Tanzania’s National Assembly passed the Cybercrimes Act in 2015 and the Online Content Regulations in September 2018 with the aim of controlling content used on social media; whereas the Statistics Act adopted in 2015 states that it is not allowed to discuss or question certain statistics communicated by the government;

L. whereas leading opposition members are regularly arrested on charges ranging from allegedly insulting the President to false information and sedition; whereas 20 members of Tanzania’s main opposition party were arrested in July 2018 over claims that they were fomenting trouble; whereas several political opposition members and parliamentarians have been violently attacked and even killed since the start of 2018; whereas on 22 February 2018 Godfrey Luena, a member of parliament with Tanzania’s main opposition party Chama Cha Demokrasia na Maendeleo (CHADEMA) and a vocal land rights defender, was killed with machetes outside his home; whereas in November 2018 the programme coordinator of the Committee to Protect Journalists (CPJ), Africa Angela Quintal, and her colleague Muthoki Mumo were arrested and released after pressure by international institutions;

M. whereas tourism development in recent years has led to increased activity, particularly in the Serengeti region where the Maasai live; whereas the control of arable or scarce land for speculative purposes has led to strong tensions in the area;

N. whereas the EU Head of Delegation Roeland van de Geer was forced to leave the country after the Tanzanian authorities exerted increased pressure on him; whereas, since the election of President Magufuli, the Head of UN Women, the Head of the UNDP and the Head of Unesco have all been expelled from Tanzania;

O. whereas the EU High Representative Federica Mogherini has announced a comprehensive review of the Union’s relations with Tanzania;
1. Expresses its concern about the deteriorating political situation in Tanzania characterised by a shrinking of the public space through the tightening of restrictions on the activities of civil society organisations, human rights defenders, the media and many political parties; is especially worried about the deteriorating situation for LGBTI persons;

2. Denounces all incitement to hatred and violence on grounds of sexual orientation; urges the Tanzanian authorities to ensure that Paul Makonda ends his provocation against the LGBTI community and is brought to justice for incitement to violence;

3. Calls for independent investigations to be conducted into cases of attacks and assaults on journalists, LGBTI people, human rights defenders and opposition party members, with a view to bringing suspected perpetrators to justice;

4. Reminds the Tanzanian Government of its obligation, including commitments made under the Cotonou Agreement, to protect the rights, dignity and physical integrity of all its citizens in all circumstances;

5. Calls on Tanzania to repeal laws criminalising homosexuality;

6. Urges the EU and its Member States to make full use of the LGBT Toolkit to encourage third countries to decriminalise homosexuality, help reduce violence and discrimination and protect LGBTI human rights defenders;

7. Calls on the Tanzanian authorities to amend all restrictive provisions in the Cybercrimes Act, the Electronic and Postal Communications (Online Content) Regulations and the Media Services Act and replace these with provisions that will guarantee freedom of expression and the media in line with international human rights standards;

8. Calls on the Tanzanian authorities to repeal any laws, policies or other barriers to services and information that women, girls and young mothers need for a healthy life, most notably President Magufuli’s declaration that girls who give birth should not be allowed to return to school, including the repeal of regulations that make it legal for pregnant girls to be expelled from school;

9. Urges the President of Tanzania to make the country’s Human Rights Commission operational as soon as possible, to appoint commissioners to follow up on human rights violations, and to take action to support domestic workers abroad;

10. Calls on the Tanzanian authorities to release political prisoners;

11. Expresses serious concern about the pressure exerted by the Tanzanian Government on the EU Head of Delegation, Roeland van de Geer; welcomes the decision of the European Union and its Member States to conduct a comprehensive review of EU policies towards Tanzania; insists on the importance of political dialogue to seek tangible commitments from the Tanzanian authorities towards creating an enabling environment for the operation of civil society, political parties and the media; calls on the Commission to ensure that an explicit reference to non-discrimination based on sexual orientation is included in the future ACP-EU partnership agreement post-2020;

12. Expresses concern at the situation of the Maasai people; denounces the use of force by the authorities and security forces;

13. Calls on the Tanzanian authorities to act decisively to safeguard the rights of civil society organisations, human rights defenders, journalists, health workers and political activists in accordance with the Tanzanian constitution, the African Charter of Human and Peoples’ Rights and the country’s international and regional obligations and commitments;

14. Calls for the EU to continue to closely monitor the human rights situation in Tanzania, particularly through regular reporting by its delegation; calls on the European Union Delegation and Member States to do all they can to provide emergency protection and support to human rights defenders at risk;
15. Instructs its President to forward this resolution to the Council, the Commission, the Vice-President of the European Commission / High Representative of the Union for Foreign Affairs and Security Policy, the EU Special Representative for Human Rights, the ACP-EU Council, the institutions of the African Union, the institutions of the East African Community, and the President, Government and Parliament of Tanzania.
Blockchain: a forward-looking trade policy

European Parliament resolution of 13 December 2018 on Blockchain: a forward-looking trade policy (2018/2085(INI))

(2020/C 388/15)

The European Parliament,

— having regard to Articles 207(3) and 218 of the Treaty on the Functioning of the European Union (TFEU),

— having regard to the General Agreement on Trade in Services,

— having regard to the World Trade Organisation (WTO) Information Technology Agreement,

— having regard to the WTO Work Programme on E-commerce,

— having regard to the WTO Trade Facilitation Agreement,

— having regard to the World Customs Organisation Revised Kyoto Convention,

— having regard to its resolution of 26 May 2016 on virtual currencies (1),

— having regard to its resolution of 5 July 2016 on a new forward-looking and innovative future strategy for trade and investment (2),

— having regard to its resolution of 12 December 2017 on ‘Towards a digital trade strategy’ (3),

— having regard to its resolution of 16 May 2017 on the evaluation of external aspects of customs performance and management as a tool to facilitate trade and fight illicit trade (4),

— having regard to its resolution of 12 September 2017 on the impact of international trade and the EU’s trade policies on global value chains (5),

— having regard to the Joint Declaration on Trade and Women’s Economic Empowerment on the Occasion of the WTO Ministerial Conference in Buenos Aires in December 2017 (6),

— having regard to Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (the General Data Protection Regulation or GDPR) (7),

— having regard to the Commission proposal on horizontal provisions for cross-border data flows for personal data protection (in EU trade and investment agreements),

— having regard to the Commission report to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the implementation of the Trade Policy Strategy ‘Trade for All: Delivering a Progressive Trade Policy to Harness Globalisation’ (COM(2017)0491),

— having regard to the 2016 report of the Chief Scientific Adviser of the UK Government Office for Science on ‘Distributed Ledger Technology: beyond blockchain’ (8),

(1) OJ C 76, 28.2.2018, p. 76.
(4) OJ C 307, 30.8.2018, p. 44.
— having regard to the 2018 White Paper of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) on the technical applications of blockchain,

— having regard to the declaration of 10 April 2018 by 21 EU Member States and Norway on the establishment of a European Blockchain Partnership (1), after which five more Member States joined the Partnership, bringing to 27 the current number of signatory countries,

— having regard to the Commission's launch of the EU Blockchain Observatory and Forum on 1 February 2018 (2),

— having regard to the Council conclusions of 19 October 2017 (3),

— having regard to Rule 52 of its Rules of Procedure,

— having regard to the report of the Committee on International Trade and the opinions of the Committee on Industry, Research and Energy and the Committee on Civil Liberties, Justice and Home Affairs (A8-0407/2018),

A. whereas in this report blockchain will be considered, unless otherwise stated, as a private, permissioned distributed ledger technology (DLT), comprising a database made up of sequential blocks of data that are added with the consensus of network operators;

B. whereas various case studies and industries will derive different utility from a mixture of private/public, permissioned/permissionless blockchains;

C. whereas each block on a blockchain contains a hash that verifies the data on previous blocks, thereby enabling separate parties to engage in transactions with enhanced trust and accountability, given that data stored on a ledger cannot be easily falsified;

D. whereas open-source blockchain technology is the bedrock of the rise of permissioned blockchains worldwide, helping to raise the level of participant trust in a given business-related network;

E. whereas blockchain could enable certain administrators to clearly define participants' roles, responsibilities, levels of access, and rights of validation;

F. whereas global trade is based on an estimated EUR 16 trillion supply-chain sector in which the high transactional costs and burdensome paperwork lead to a complexity of processes and systems susceptible to error;

G. whereas pilot initiatives have been launched with promising potential to reduce transport costs, make the industry more environment-friendly and boost economic performance;

H. whereas there are at least 202 government blockchain initiatives in 45 countries around the world and economies in regions of Asia-Pacific, the Americas and the Middle East, in particular, are investing in blockchain technologies for trade;

I. whereas blockchain can enhance and improve EU trade policies, such as Free Trade Agreements (FTAs), Mutual Recognition Agreements (MRAs), particularly of Authorised Economic Operators (AEOs), data adequacy decisions and trade defence measures;

J. whereas blockchain has great potential to improve transparency and traceability throughout the supply chain, raise the level of participant trust in a given network, streamline customs checks and regulatory compliance, reduce transaction costs, strengthen the immutability and security of data and function as a tool to combat corruption; whereas the potential benefits are accompanied by several challenges, such as cybersecurity;

K. whereas blockchain can provide a framework for transparency in a supply chain, reduce corruption, detect tax evasion, enable the tracking of unlawful payments and tackle trade-based money laundering (TBML); whereas there are risks associated with the use of unpermissioned blockchain applications for criminal activities, including tax evasion, tax avoidance and TBML; whereas the Commission and the Member States must monitor and address these issues as a matter of urgency;

L. whereas blockchain is still evolving in the area of international trade and therefore needs an innovation-friendly, enabling and encouraging approach that provides legal certainty, while at the same time promoting consumer, investor and environmental protection, increasing the social value of the technology, reducing the digital divide and improving the digital skills of citizens;

M. whereas blockchain technology may provide all parties involved in trade, be they public or private, with permanent real-time access to an immutable, time-stamped database holding documents pertaining to transactions, thus helping to build confidence, avoid compliance issues and tackle the use of counterfeited goods or fake documents;

N. whereas some regional and metropolitan areas of the EU have already started developing this technology through specific projects and programmes, based on their own characteristics, and creating networks to spread best practices;

EU trade policy

1. Recognises that despite previous trade successes, EU FTAs have large untapped potential and have yet to be fully utilised with, on average, only 67 % of EU exporters and 90 % of EU importers making use of the preferential tariffs in both the EU and its partner countries or regions, and supports analysis of technical solutions that may increase FTA utilisation and exports; notes that exporters could upload all their documents to a public authority application underpinned by blockchain, and demonstrate their compliance with preferential treatment granted by an FTA, such as qualification for preferential rules of origin, sanitary and phytosanitary (SPS) rules, and Trade and Sustainable Development (TSD) provisions; believes that blockchain could enhance provisions for cumulation in FTAs;

2. Views the procedures for obtaining certification for both preferential and non-preferential rules of origin to be costly and cumbersome for businesses; considers that, in the case of preferential rules, blockchain can assist in establishing the economic nationality of a good; considers furthermore that, in the case of non-preferential rules, blockchain could assist the Union’s proportionate use of trade defence instruments by providing transparency over the provenance of goods entering the European market and an overview of the influx of imports to ensure a more level playing field for businesses;

3. Stresses that blockchain has the potential to support the TSD agenda by providing trust in the provenance of raw materials and goods, transparent production processes and supply chains, and in their compliance with international rules in the field of labour, social and environmental rights, considering the particular relevance to conflict minerals, illicit trade in cultural goods, exports control and corruption; stresses that blockchain could contribute to the sustainability work of companies and promote responsible business conduct;
4. Believes that MRAs of AEOs enable businesses to diversify their supply chains through reduced time and costs associated with cross-border customs; notes that there are implementation issues to be addressed; believes that blockchain offers the potential to reduce the uncertainty associated with implementing MRAs of AEOs, through a seamless exchange of data;

**External aspects of customs and trade facilitation**

5. Strongly welcomes the Trade Facilitation Agreement (TFA); views the TFA as a foundation for WTO members to explore further ways to ease trade, including through blockchain; welcomes the EU’s efforts to maintain and strengthen the WTO and its commitment to a rules-based trading system in order to ensure a level playing field and enforce global trade rules;

6. Considers that blockchain could enable customs authorities to automatically obtain the required information for a customs declaration, reduce the need for manual verification and paper trails, and provide a precise update on the status and characteristics of goods entering the EU to all relevant parties simultaneously, thereby improving track-and-trace capabilities and transparency;

7. Believes that digitisation will enable the exchange of information to be more efficient and transparent; considers that blockchain can enable producers, laboratories, logistics operators, regulators and consumers to have access to, and share, all necessary information regarding, for example, provenance, testing, certification and licensing; notes that blockchain could also assist in the appropriate issuing of e-certificates; views digitisation and the use of applications along supply chains to be both a prerequisite for, and a complement to, blockchain’s full functioning; notes that there exist substantial differences between Member States as regards digitisation;

8. Believes that the adoption of blockchain technologies throughout the supply chain can increase the efficiency, speed and volume of global trade by limiting the costs associated with international transactions and assisting business to identify new trading partners, and can lead to increased consumer protection and confidence in digital trade;

9. Underlines the application of blockchain, notably in the following ways:

   a) strengthening the certainty of both the provenance and the intellectual property rights of goods, thereby reducing the risk of illicit goods, including fake and counterfeit goods, entering the supply chain,

   b) providing authorities with precise information as to when a good may have been damaged/tampered with on supply chains,

   c) improving transparency and traceability by enabling all participants to record their transactions and share this information in the network,

   d) upholding consumer protection and trust by providing consumers with detailed information on goods and contributing to the sustainability work of businesses,

   e) reducing the costs of supply-chain management by removing the need for intermediaries and their associated costs, along with the physical requirement to produce, transport and process paper documentation,

   f) improving the application of correct duty and VAT payments and revenue collection within trade policy, and
g) reducing the total time goods are in transit by automating tasks that are typically accomplished through manual means; notes the associated benefit, in particular to just-in-time supply chains, in reducing both the costs and the carbon footprint of the logistics industry;

10. Notes that criminals can manipulate legitimate trade to mask their illicit activities, such as TBML, by tampering with the necessary documentation by means of false reporting, such as overvaluation or undervaluation of the good concerned; believes that blockchain can enable customs and other authorities to take necessary actions in a timely, prompt and coordinated manner to expose illicit financial flows;

**Cross-border data flows and data protection**

11. Recognises cross-border data flows as an integral function for international trade in goods and services, and the design of blockchain architecture;

12. Highlights the scope of blockchain for validating transactions across an international supply chain by defining levels of access and validation procedures for participants;

13. Notes the connection between blockchain and cross-border data flows for trade; notes that a private permissioned inter-ledger network can provide trust between platforms by integrating data from multiple sources; recognises the importance of cross-border data flows for growth and jobs; highlights the distinction between personal and non-personal data on blockchains;

14. Recognises the challenge posed by the relationship between blockchain and the implementation of the GDPR; highlights that the implementation of blockchain should be compliant with all existing and future EU legislation on data protection and privacy rules; underlines that blockchain technology can provide solutions for the ‘data protection by design’ provisions in GDPR implementation on the basis of their common principles of ensuring secured and self-governed data; emphasises the limited effect of the GDPR on commercial transactions due to the absence of personal data on private permissioned blockchains; acknowledges, however, the need for necessary safeguards and regulatory oversight; underlines that the GDPR applies only where personal data are concerned; invites the Commission to look further into this issue;

15. Acknowledges the need for blockchains to be designed in compliance with the right to be forgotten and notes that verified users of blockchain and blockchain applications should at all times have access to all data related to transactions in which they are involved, in accordance with their access rights;

16. Reiterates its call for provisions allowing for the full functioning of the digital ecosystem and for the promotion of cross-border data flows in free trade agreements; notes, in this regard, that adequacy decisions do not advance the free flow of non-personal data; calls, therefore, on the Commission to negotiate binding and enforceable commitments on data transfers in FTAs, including on non-personal data;

17. Underlines that blockchain represents a new paradigm of data storage and management that is capable of decentralising forms of human interaction, markets, banking and international trade; emphasises that the rise of blockchain presents both opportunities and challenges in terms of data protection, transparency and financial crime, as the data is immutable once it has been input and is shared with all participating parties, which also ensures its security and integrity; requests that everything possible be done, including at national level, to guarantee the non-falsifiable and immutable character of the technology and to ensure that the fundamental right to data protection is not put at risk;

18. Recognises the challenge posed by the relationship between blockchain technologies and the implementation of the EU data protection framework, namely the General Data Protection Regulation (GDPR), and recalls that, as a result, this relationship could reveal a clash between the protection of fundamental rights, on the one hand, and the promotion of innovation, on the other; suggests the need to ensure that blockchain fully conforms with the EU’s data protection framework and fully respects the principles set out in EU law, particularly in relation to the processing of personal data as a fundamental right under Article 8(1) of the Charter of Fundamental Rights of the European Union and Article 16(1) of the TFEU;
19. Stresses, furthermore, that blockchains, partly as a result of the clash described above, by no means automatically support data sovereignty, and must therefore be specifically designed to do so, given that they can also present risks to data protection;

20. Underlines that, if adequately designed, blockchain technology should be in line with the principle of ‘data protection by design’, which serves to give data subjects more control over their data, in line with the GDPR; stresses, moreover, that personal data in a blockchain is normally not anonymous, thereby bringing it within the scope of the GDPR; insists that blockchains should be fully compatible with EU law, including when they are used to process personal data; recommends, in this respect, that blockchains and applications should integrate mechanisms that ensure that data can be fully anonymous, thereby guaranteeing that they store only data that does not relate to an identified or identifiable natural person;

21. Underlines that future blockchain applications should implement mechanisms that protect personal data and the privacy of users and ensure that data can be fully anonymous; calls on the Commission and the Member States to fund research, in particular academic research, and innovation on new blockchain technologies that are compatible with the GDPR and based on the principle of data protection by design, such as zk-SNARK (zero-knowledge succinct non-interactive arguments of knowledge);

22. Takes the view that, in order to prevent the infringement of the fundamental right to the protection of personal data, blockchain technology should not be used for the processing of personal data until the user organisation concerned is in a position to guarantee compliance with the GDPR and to specifically ensure that the rights to the rectification and erasure of data are protected;

23. Highlights the fact that blockchain users may be both data controllers, for the personal data that they upload onto the ledger, and data processors, by virtue of storing a full copy of the ledger on their own computer;

24. Notes that, in cases where the blockchain contains personal data, the immutable nature of some blockchain technologies is likely to be incompatible with the ‘right to erasure’ set out in Article 17 of the GDPR;

25. Notes with concern that, in cases where the blockchain contains personal data, the proliferation of copies of data in a blockchain is likely to be incompatible with the data minimisation principle set out in Article 5 of the GDPR;

26. Invites the European Data Protection Board to issue guidelines and recommendations to ensure that blockchain technology is compliant with EU law;

27. Notes with concern the lack of any reference to the serious implications of how blockchain technology is applied, particularly in areas such as the fight against money laundering, tax evasion and the financing of terrorism; deems that any utilisation of blockchain technologies should be anticipated by delineating what will be stored on and off the chain, with personal data stored off the chain;

Small and medium-sized enterprises (SMEs)

28. Believes that innovation and promotion regarding blockchain can create economic opportunities for SMEs to internationalise and to overcome the costs associated with exporting, by making it easier to interact with consumers, customs authorities, international and domestic regulatory bodies, and other businesses involved in the supply chain; adds that blockchain infrastructure can help to quickly and inexpensively bring products and services to market;

29. Highlights the benefits blockchain could bring to SMEs by allowing peer-to-peer communication, collaboration tools and secure payments, increasing the ease of doing business and reducing the risk of non-payment and legal procedure costs of contract fulfilment through the use of smart contracts; recognises the need to ensure that the development of blockchain in international trade includes SMEs; highlights that, at the moment, smart contracts may not be sufficiently mature to be considered legally enforceable within any sectoral regulation and further assessment of risks is needed;
30. Acknowledges the opportunities, including for SMEs, deriving from the introduction of blockchain technology as part of the EU’s trade policy, which could bring, among other benefits, lower transactional costs and greater efficiency; acknowledges, furthermore, that blockchain technology offers the potential to improve trust and confidence in the current trade system by providing an immutable record of transactions; recognises, however, that in cases that fall outside the scope of the EU’s trade policy, the application of this technology may present risks of money laundering and facilitate the financing of organised crime;

**Interoperability, scalability and interactions with related technologies**

31. Considers the scalability challenges associated with the implementation of blockchain systems, in the context of expanding international trade networks;

32. Notes the proliferation of different blockchains anchoring data for a transaction into separate private and public ledgers; recognises that there is an increasing need to develop global interoperability standards to integrate transactions across blockchains around the movement of an item along a supply chain to encourage interoperability between systems, including legacy operation systems; calls on the Commission to enhance collaboration with ISO and other relevant standardisation bodies;

33. Considers the possible interactions of blockchain technologies with other international trade innovations; underlines the need to analyse the opportunities and challenges connected with developments in blockchain technologies; calls for further research into their applicability to the digital transformation and automation of international trade, as well as the public sector, in particular under the Digital Europe Programme;

**Conclusions**

34. Calls on the Commission to follow developments in the area of blockchain, in particular the ongoing pilots/initiatives in the international supply chain, and the external aspects of customs and regulatory processes; invites the Commission to produce a horizontal strategy document involving relevant DGs on adopting blockchain technologies in trade and supply-chain management as well as in the area of intellectual property and in particular regarding the fight against counterfeiting; invites the Commission to assess the judicial and governance aspects of blockchain and whether blockchain offers better solutions to existing and emerging technologies that can address current challenges in EU trade policy; calls on the Commission to follow developments in the area of blockchain, in particular the ongoing pilots/initiatives in the international supply chain; invites the Commission to produce a strategy document on adopting blockchain technologies in trade and supply-chain management; believes that the aim must be to win the support of blockchain players for projects and initiatives in the international supply chain and to pursue projects on a joint basis, incorporating the identity, provenance and data storage of a variety of partners;

35. Calls on the Commission to develop a set of guiding principles for blockchain application to international trade, in order to provide industry and customs and regulatory authorities with a sufficient level of legal certainty that encourages the use of blockchain and innovation in this area; stresses that legislating the technology forming the basis of the applications would limit innovation and the creation of new applications; underlines the importance for the EU, and especially for European industry, of showing leadership and ownership in the field of blockchain technologies and of ensuring a level playing field regarding global competition and in the areas of development and the regulatory environment; underlines the importance of dialogue and exchange of practices, as well as the building of competence and digital skills; calls on the Commission to work with the Member States to launch and supervise pilot projects using blockchain technology in international trade, in order to test its benefits;

36. Encourages the Commission to work with Member States towards simplifying and enhancing the flow of information related to trade facilitation, by, amongst other measures, adopting suitable information and communication technologies;
37. Calls on the Commission to set up an advisory group within DG Trade on blockchain and to develop a concept note for private permissioned pilot projects on the end-to-end use of blockchain in the supply chain, involving customs and other cross-border authorities, and taking into account intellectual property rights and the fight against counterfeiting; recognises that blockchain technology is still in the early stages of development, yet there is a need for an industry strategy on the effective implementation of blockchain;

38. Calls on the Commission to examine ways in which blockchain could support trade and sustainable development; recalls Parliament’s position that measures supporting an EU digital trade strategy should be fully in line with, and contribute to, the realisation of the Sustainable Development Goals (SDGs), including SDG5 on gender equality and women’s empowerment; recalls Parliament’s position on the importance of promoting female participation in STEM (science, technology, engineering and mathematics) and of closing gender gaps in access to, and the use of, new technologies;

39. Calls on the Commission to conduct policy investigations into how blockchain can modernise the Union’s trade defence policies to strengthen their legitimacy and enforcement;

40. Calls on the Commission to assess the optimality of blockchain architecture that keeps private data off the chain;

41. Calls on the Commission to assess how to increase trade facilitation and security by means of blockchain technology, including the concept of AEOs;

42. Encourages the Commission to collaborate with, and contribute to the work of, international organisations and feed into current projects on producing a set of standards and principles to underpin regulation aimed at facilitating the use of blockchain;

43. Calls for the European Union and its Members States to play a leading role in the process of standardisation and security of blockchain, and to work with international partners and all relevant stakeholders and industries to develop blockchain standards, including terminology, development, and deployment of the technology in trade and supply-chain management; stresses that cybersecurity is critical for blockchain applications, including for international trade; calls on the Commission to explore security challenges, to assess technological risks such as quantum computing and to undertake actions to address them;

44. Calls on the Commission to work with relevant stakeholders in order to review and develop a framework for addressing challenges to interoperability and compatibility between blockchain systems;

45. Welcomes the launch of the EU Blockchain Observatory and Forum and encourages it to study applications aimed at facilitating international trade; hereby requests that the Commission explore the possibility of expanding the mandate of the EU Blockchain Observatory and Forum and involve relevant local and global stakeholders to address upcoming challenges and foster the support of decision-makers;

46. Calls on the Commission to take the lead in the assessment and further development of blockchain technologies, including in specific sectors, such as those covered by the EU’s trade policy, and to set up an advisory group on blockchains, which should include experts on anti-money laundering, tax evasion, data protection and organised crime;

47. Reminds the Commission that the EU has an opportunity to become a leading actor in the field of blockchain and international trade, and that it should be an influential actor in shaping its development globally, together with international partners;
48. Instructs its President to forward this resolution to the Council and the Commission, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, and the EEAS.
Adequacy of the protection of personal data afforded by Japan

European Parliament resolution of 13 December 2018 on the adequacy of the protection of personal data afforded by Japan (2018/2979(RSP))

(2020/C 388/16)

The European Parliament,

— having regard to the Treaty on European Union, the Treaty on the Functioning of the European Union and Articles 6, 7, 8, 11, 16, 47 and 52 of the Charter of Fundamental Rights of the European Union,

— having regard to Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (1), and to other relevant European data protection acquis,

— having regard to the judgment of the European Court of Justice of 6 October 2015 in Case C-362/14 (Maximillian Schrems v Data Protection Commissioner) (2),

— having regard to the judgment of the European Court of Justice of 21 December 2016 in Joined Cases C-203/15 (Tele2 Sverige AB v Post- och telestyrelsen) and C-698/15 (Secretary of State for the Home Department v Tom Watson and Others) (3),

— having regard to its resolution of 12 December 2017 entitled 'Towards a digital trade strategy' (4),

— having regard to the Article 29 Working Party document ‘Adequacy Referential’ of 6 February 2018 (5), which provides guidance to the Commission and the European Data Protection Board (EDPB) under the General Data Protection Regulation (GDPR) for the assessment of the level of data protection in third countries and international organisations,

— having regard to the opinion of the European Data Protection Board of 5 December 2018 on the EU-Japan draft adequacy decision,


— having regard to the findings of the visit to Japan in October 2017 of an ad hoc delegation of the Committee on Civil Liberties, Justice and Home Affairs, organised in the context of the adequacy negotiations in order to meet the relevant Japanese authorities and stakeholders in relation to the essential elements to be considered by the Commission when adopting its adequacy decision,

— having regard to Rule 123(2) of its Rules of Procedure,

A. whereas the GDPR has been applicable since 25 May 2018; whereas Article 45(2) of the GDPR establishes the elements to be taken into account by the Commission when assessing the adequacy of the level of protection in a third country or international organisation;

B. whereas the Commission must, in particular, take account of the rule of law, respect for human rights and fundamental freedoms, relevant legislation both general and sectoral, including that concerning public security, defence, national security, criminal law and access of public authorities to personal data, the existence and effective functioning of one or more independent supervisory authorities, and the international commitments that the third country or international organisation has entered into;

(2) ECLI:EU:C:2015:650.
(3) ECLI:EU:C:2016:970.
(5) http://ec.europa.eu/newsroom/article29/item-detail.cfm?item_id=614108; endorsed by the EDPB at its first plenary meeting.
C. whereas the European Court of Justice, in its judgment of 6 October 2015 in Case C-362/14 (Maximilian Schrems v Data Protection Commissioner), clarified that an adequate level of protection in a third country must be understood to be 'essentially equivalent' to that guaranteed within the European Union by virtue of Directive 95/46/EC read in the light of the Charter;

D. whereas Japan is one of the EU’s key trading partners, with which it has recently concluded an Economic Partnership Agreement (EPA) that enshrines shared values and principles while safeguarding the sensitivities of both partners; whereas the common recognition of fundamental rights, including privacy and data protection, constitutes an important basis for the adequacy decision which will provide the legal basis for the transfer of personal data from the EU to Japan;

E. whereas the ad hoc delegation of the Committee on Civil Liberties, Justice and Home Affairs to Japan was made aware of the interest of the Japanese authorities and stakeholders not only in the application of the new GDPR rules themselves, but also in developing a robust and high-level personal data transfer mechanism between the EU and Japan that would meet the conditions laid down by the EU legal framework in terms of a level of protection considered essentially equivalent to that afforded by the EU data protection legislation;

F. whereas transfers of personal data between the EU and Japan for commercial purposes are an important element of EU-Japan relations in light of the ever-increasing digitisation of the global economy; whereas such transfers should be carried out on a basis of full respect of the right to the protection of personal data and the right to privacy; whereas one of the basic objectives of the EU is the protection of fundamental rights, as enshrined in the Charter of Fundamental Rights of the European Union;

G. whereas the EU and Japan launched discussions in January 2017 to facilitate personal data transfers for commercial purposes by means of the first ever ‘mutual adequacy finding’; whereas Parliament, in its resolution of 12 December 2017 entitled ‘Towards a Digital Trade Strategy’, explicitly recognised that adequacy decisions […] constitute a fundamental mechanism in terms of safeguarding the transfer of personal data from the EU to a third country;

H. whereas the adequacy decision for transfers of personal data to Japan would be the first such decision adopted under the new and stricter rules of the GDPR;

I. whereas Japan has recently modernised and strengthened its data protection legislation to align it with international standards, in particular with the safeguards and individual rights provided by the new European data protection legislative framework; whereas the Japanese data protection legal framework is composed of various pillars, with the Act on Protection of Personal Information (APPI) being the central piece of legislation;

J. whereas the Cabinet of Japan adopted a Cabinet Order on 12 June 2018 that delegates to the Personal Information Protection Commission (PPC), as the authority competent for administering and implementing the APPI, ‘the power to take the necessary action to bridge differences of the systems and operations between Japan and the concerned foreign country based on Article 6 of the Act in view of ensuring appropriate handling of personal information received from such country’; whereas this decision stipulates that this includes the power to establish enhanced protections through the adoption by the PPC of stricter rules supplementing and going beyond those laid down in the APPI and the Cabinet Order; whereas pursuant to this decision, these stricter rules would be binding and enforceable on Japanese business operators;

K. whereas the draft Commission implementing decision on the adequate protection of personal data by Japan is accompanied by, as Annex I thereto, the Supplementary Rules adopted by the PPC on 15 June 2018, which are based on Article 6 of the APPI, which explicitly allows the PPC to adopt stricter rules, including for the purpose of facilitating international data transfers; whereas the Supplementary Rules are not yet publicly available;
L. whereas the purpose of these Supplementary Rules would be to address relevant differences between Japanese and EU data protection law with a view to ensuring appropriate handling of personal information received from the EU based on an adequacy decision, in particular regarding special care-required personal information (‘sensitive data’), retained personal data, specifying a utilisation purpose, restriction due to a utilisation purpose, restriction on provision to a third party in a foreign country, and anonymously processed information;

M. whereas the Supplementary Rules would be legally binding on any personal information-handling business operator which receives personal data transferred from the EU on the basis of an adequacy decision and is therefore required to comply with those rules and any related rights and obligations, and would be enforceable by both the PPC and the Japanese courts;

N. whereas, in order to ensure an essentially equivalent level of protection for personal data transferred from the EU to Japan, the Supplementary Rules create additional protections to be applicable on a basis of stricter conditions or limitations for the processing of personal data transferred from the EU, for instance in the cases of special care-required personal information, onward transfers, anonymous data and purpose limitation;

O. whereas the Japanese data protection legal framework makes a distinction between ‘personal information’ and ‘personal data’ and refers, for some cases, to a specific category of personal data, namely ‘retained personal data’;

P. whereas, according to Article 2(1) of the APPI, the concept of ‘personal information’ includes any information relating to a living individual which enables the identification of that individual; whereas the definition distinguishes two categories of personal information, namely (i) individual identification codes and (ii) other personal information, whereby a specific individual can be identified; whereas the latter category includes information which by itself does not enable identification but can, when ‘readily collated’ with other information, allow the identification of a specific individual;

Q. whereas, according to Article 2(4) of the APPI, ‘personal data’ means personal information constituting a personal information database, etc; whereas Article 2(1) of the APPI specifies that the information in such databases is systematically arranged, similarly to the concept of a filing system under Article 2(1) of the GDPR; whereas according to Article 4(1) of the GDPR, ‘personal data’ means any information relating to an identified or identifiable natural person; whereas an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data or an online identifier, or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person; whereas in order to determine whether a natural person is identifiable, account should be taken of all the means reasonably likely to be used, such as singling out, either by the controller or by another person, to identify the natural person directly or indirectly;

R. whereas, according to Article 2(7) of the APPI, ‘retained personal data’ means personal data which a personal information-handling business operator has the authority to disclose, correct, add or delete the contents of, cease the utilisation of, erase, or cease the third-party provision of, and which shall be neither those prescribed by cabinet order as likely to harm the public or other interest if their presence or absence is made known, nor those set to be deleted within a period of no longer than one year that is prescribed by cabinet order; whereas the Supplementary Rules align the notion of ‘retained personal data’ with the notion of ‘personal data’ to ensure that certain limitations to individual rights attached to the former will not apply to data transferred from the EU;

S. whereas the Japanese data protection law which is the object of the draft implementing decision excludes from its scope several sectors when they process personal data for specific purposes; whereas the draft implementing decision would not apply to the transfer of personal data from the EU to a recipient falling within any of the above-mentioned exceptions provided for by Japanese data protection law;
T. whereas as regards onward transfers of EU personal data from Japan to a third country, the draft implementing decision excludes the use for such onward transfers of transfer instruments that do not create a binding relationship between the Japanese data exporter and the third country's data importer and do not guarantee the required level of protection; whereas this would be the case, for instance, for the Asia-Pacific Economic Cooperation Cross-Border Privacy Rules (APEC CBPR) system, in which Japan is a participating economy, as in that system the protections do not result from an arrangement binding exporter and importer in the context of their bilateral relationship, and are clearly of a lower level than that guaranteed by the combination of the APPI and the Supplementary Rules;

U. whereas in its opinion of 5 December 2018, the European Data Protection Board assesses, on the basis of the documentation made available by the Commission, whether the Japanese data protection legal framework provides sufficient guarantees for an adequate level of data protection for individuals; whereas the European Data Protection Board welcomes the efforts made by the Commission and the Japanese PPC to increase convergence between the Japanese and European legal frameworks in order to facilitate personal data transfers; whereas the European Data Protection Board recognises that the improvements brought in by the Supplementary Rules to bridge some of the differences between the two frameworks are very important and well received; whereas it notes that a number of concerns remain, such as the protection of personal data transferred from the EU to Japan throughout their life cycle, and recommends that the Commission provide further evidence and explanations regarding the issues raised, and that it closely monitor the effective application of the rules;

V. whereas the draft implementing decision is also accompanied by a letter from the Minister of Justice of 14 September 2018 referring to a document drawn up by the Ministry of Justice and several ministries and agencies on 'collection and use of personal information by Japanese public authorities for criminal law enforcement and national security purposes', containing an overview of the legal framework applicable and providing the Commission with official representations, assurances and commitments signed at the highest ministerial and agency level, attached as Annex II to the implementing decision;

1. Takes note of the detailed analysis provided by the Commission in its draft adequacy implementing decision in relation to the safeguards, including oversight and redress mechanisms, applicable to the processing of data by commercial operators as well as to access to data by Japanese public authorities, in particular in the area of law enforcement and national security;

2. Takes note of the fact that Japan is also simultaneously preparing the recognition of the level of protection of personal data transferred from Japan to the EU pursuant to Article 23 of the APPI, which would result in the first ever ‘two-way’ adequacy finding worldwide leading to the creation of the world’s largest area of free and safe data flows;

3. Welcomes this development as an expression of the global spread of high data protection standards; points out, however, that this must not by any means lead to ‘tit-for-tat’ approaches in EU adequacy decisions; recalls that for an adequacy decision under the GDPR, the Commission must objectively assess the legal and practical situation in the third country, territory, sector or international organisation;

4. Points out that the European Court of Justice has ruled that the term ‘adequate level of protection’ does not require an identical level of protection to that guaranteed in the EU, but must be understood as requiring the third country in fact to ensure, by reason of its domestic law or its international commitments, a level of protection of fundamental rights and freedoms that is essentially equivalent to that guaranteed within the European Union by virtue of the GDPR read in the light of the Charter;

5. Notes that the right to privacy and to the protection of personal data is guaranteed at constitutional level both in Japan and in the EU, but that a complete alignment of the rules of the EU and Japan will not be possible given the differences in constitutional structure as well as culture;

6. Takes note of the amendments to the APPI that entered into force on 30 May 2017; welcomes the substantive improvements;

7. Notes that the categories of business and processing activities that are excluded from the material scope of the APPI have been expressly excluded from the scope of the adequacy finding;
8. Considers that, following the adoption of the amended APPI and of the GDPR in 2016, the Japanese and EU data protection systems share a high degree of convergence in terms of principles, safeguards and individual rights, as well as oversight and enforcement mechanisms; highlights, in particular, the creation of an independent supervisory authority, the PPC, through the amended APPI;

9. Notes, however, that the PPC itself finds that ‘despite a high degree of convergence between the two systems, there are some relevant differences’; also notes that in order to provide for a higher level of protection for personal data transferred from the EU, the PPC adopted the Supplementary Rules on 15 June 2018;

10. Welcomes a number of important clarifications in the Supplementary Rules, including the alignment of ‘anonymised personal information’ in the APPI with the definition of ‘anonymous information’ in the GDPR;

11. Considers that the additional protections of the Supplementary Rules cover only transfers under adequacy decisions; recalls that in view of the scope of the adequacy decision, some data transfers will be conducted under these other available mechanisms;

12. Acknowledges that the additional protections stipulated in the Supplementary Rules are limited to personal data transferred from Europe, hence business operators who have to simultaneously process Japanese and European personal data will be obliged to comply with the Supplementary Rules, by ensuring, for example, technical means (tagging) or organisational means (e.g. storing in a dedicated database) in order to be able to identify such personal data throughout their ‘life cycle’; calls on the Commission to monitor the situation so as to prevent potential loopholes by which operators could circumvent the obligations laid down in the Supplementary Rules by transferring data via third countries;

13. Notes that the definition of ‘personal data’ in the APPI excludes data ‘prescribed by cabinet order as having little possibility of harming an individual’s rights and interests considering their utilisation method’; urges the Commission to assess whether this harm-based approach is compatible with the EU approach under which all processing of personal data falls within the scope of data protection law; also notes, however, that this approach would apply in very limited situations;

14. Notes further that the definition of ‘personal information’ in the APPI is limited to information ‘whereby a specific individual can be identified’; also notes that this definition does not include the clarification provided by the GDPR that personal information should also be considered personal data when it can be merely used to ‘single out’ a person, as clearly established by the European Court of Justice;

15. Is concerned that the narrower definition of ‘personal data’ (based on the definition of ‘personal information’) in the APPI might not meet the standard of being ‘essentially equivalent’ to the GDPR and to the case law of the European Court of Justice; questions, therefore, the statement in the draft implementing decision that ‘EU data will always fall into the category of “personal data” under the APPI’; calls on the Commission to closely monitor the practical implications of the different concepts in the course of the application of the adequacy decision and its periodic review;

16. Calls on the Commission to provide further clarifications, and if necessary to request further binding supplementary rules from the Japanese authorities, in order to ensure that all personal data in the meaning of the GDPR are protected when transferred to Japan;

17. Notes with concern that as regards automated decision-making and profiling, differently from EU law, neither the APPI nor the PPC Guidelines contain legal provisions and that only certain sectoral rules address this matter, without providing a comprehensive overall legal framework with substantial and strong protections against automated decision-making and profiling; calls on the Commission to demonstrate how this is addressed in the Japanese data protection framework in such a way as to ensure an equivalent level of protection; considers that this is especially relevant given the recent Facebook/Cambridge Analytica profiling cases;

18. Considers that in the light of the Adequacy Referential of the EDPB further in-depth clarifications are needed as regards direct marketing, given the lack of specific provisions in the APPI, in order to demonstrate the Japanese equivalent level of personal data protection;
19. Takes note of the opinion of the European Data Protection Board, which identifies several issues of concern, such as the protection of personal data transferred from the EU to Japan throughout their whole life cycle; calls on the Commission to properly address and provide, in the implementing decision, further evidence and explanation demonstrating the existence of appropriate safeguards;

20. Invites the Commission to clarify whether, as regards onward transfers, the solution provided in the Supplementary Rules, which consists of requiring prior consent on the part of EU data subjects for approval of onward transfer to a third party in a foreign country, lacks certain essential elements that would enable data subjects to formulate their consent, as it does not expressly define what is covered by the notion of ‘information on the circumstances surrounding the transfer necessary for the [data subject] to make a decision on his/her consent’, in line with Article 13 of the GDPR, such as the third country of destination of the onward transfer; invites the Commission to further clarify the consequences for the data subject in case of refusal of consent for onward transfer of his or her personal data;

21. Regrets that, as regards effective enforcement of the APPI, the level of possible fines that would be imposed by the penal authorities is insufficient to ensure effective compliance with the Act, as it does not seem to be proportionate, effective or dissuasive in relation to the gravity of the infringement; notes, however, that the APPI also provides for criminal sanctions including imprisonment; calls on the Commission to provide information on the actual use of administrative fines and criminal sanctions in the past;

22. Takes note that while the PPC has no oversight of the data processing activities of the law enforcement sector, other supervision mechanisms exist, including oversight by the independent Prefectural Public Safety Commission; notes that the Information Disclosure and Personal Information Protection Review Board also has some competences in this field, including reviewing access requests and publishing opinions, but points out that these powers are not legally binding: welcomes the fact that the EU and Japan have agreed to put in place a specific redress mechanism, administered and supervised by the PPC, which will apply to the processing of personal data in law enforcement and national security sectors;

23. Notes that under the Japanese Act on the Protection of Personal Information held by Administrative Organs (APPIHAO), business operators can also hand data over to law enforcement authorities on a ‘voluntary basis’; points out that this is not provided for in the GDPR or the Police Directive and invites the Commission to assess whether this is compliant with the standard of being ‘essentially equivalent’ to the GDPR;

24. Is aware of media reports about the Japanese Directorate for Signals Intelligence (DFS), ‘which employs about 1 700 people and has at least six surveillance facilities that eavesdrop around the clock on phone calls, emails, and other communications’ (1); is worried that this element of indiscriminate mass surveillance is not even mentioned in the draft implementing decision; calls on the Commission to provide more information about Japanese mass surveillance: is seriously worried that this mass surveillance will not stand the test of the criteria established by the European Court of Justice in the Schrems judgment (Case C-362/14);

25. Regrets that the document ‘Collection and use of personal information by Japanese public authorities for criminal law enforcement and national security purposes’, which forms part of Annex II to the draft implementing decision, does not have the same legally binding effect as the Supplementary Rules;

Conclusions

26. Calls on the Commission to provide further evidence and explanation regarding the above-mentioned matters, including those identified by the European Data Protection Board in its opinion of 5 December 2018, in order to demonstrate that the Japanese data protection legal framework ensures an adequate level of protection that is essentially equivalent to that of the European data protection legal framework;

27. Believes that this adequacy decision can, furthermore, send out a strong signal to countries around the world that convergence with the EU’s high data protection standards offers very tangible results; stresses, in this regard, the importance of this adequacy decision as a precedent for future partnerships with other countries that have adopted modern data protection laws;

28. Instructs its Committee on Civil Liberties, Justice and Home Affairs to continue to monitor developments in this field, including on cases brought before the Court of Justice, and to monitor the follow-up to the recommendations made in this resolution:

29. Instructs its President to forward this resolution to the Council, the Commission, the governments and parliaments of the Member States, the European Data Protection Board, the European Data Protection Supervisor, the Committee established pursuant to Article 93(1) of the General Data Protection Regulation, the Council of Europe and the Government of Japan.
Conflict of interest and the protection of the EU budget in the Czech Republic

European Parliament resolution of 13 December 2018 on conflicts of interest and the protection of the EU budget in the Czech Republic (2018/2975(RSP))

(2020/C 388/17)

The European Parliament,

— having regard to its previous decisions and resolutions on discharge to the Commission (1) for the years 2014, 2015 and 2016,

— having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union (2) (the new Financial Regulation), in particular Article 61 thereof on conflicts of interest,

— having regard to the questions to the Commission sent by the Czech Pirate Party on 2 August 2018,

— having regard to the official complaint lodged with the Commission by Transparency International Czech Republic on 19 September 2018,

— having regard to the opinion of the Commission’s Legal Service of 19 November 2018 entitled ‘Impact of Article 61 of the new Financial Regulation (conflict of interests) on payments from the European Structural and Investment (ESI) Funds’,

— having regard to the presentation given on 20 November 2018 by the Commission’s Directorate-General for Budget to Parliament’s Committee on Budgetary Control, entitled ‘Conflict of Interests Rules in the Financial Regulation 2018’,

— having regard to Rule 123(2) and (4) of its Rules of Procedure,

A. whereas the provision in the 2012 Financial Regulation on conflicts of interest did not apply explicitly to shared management, but Member States were required to ensure effective internal control including the avoidance of conflicts of interest;

B. whereas public procurement rules oblige Member States to avoid conflicts of interest (Article 24 of Directive 2014/24/EU (3)), including direct or indirect personal interests, and for situations perceived as conflicts of interest or specific obligations in shared management, rules (e.g. Regulation (EU) No 1303/2013 (4)) are already in place;

C. whereas the Council adopted its position on the new Financial Regulation on 16 July 2018 and the final act was signed on 18 July 2018; whereas Article 61 of the Financial Regulation, which prohibits conflicts of interest, entered into force on 2 August 2018;

D. whereas Article 61(1) of the Financial Regulation (in conjunction with Article 61(3)) lays down:

(i) a negative obligation on financial actors to prevent situations of conflicts of interest in relation to the EU budget;

(ii) a positive obligation on financial actors to take appropriate measures to prevent conflicts of interest from arising in the functions under their responsibility and to address situations which may objectively be perceived as a conflict of interest;

E. whereas according to the case law of the Court of Justice of the European Union (1) 'a conflict of interests constitutes, objectively and in itself, a serious irregularity without there being any need to qualify it by having regard to the intentions of the parties concerned and whether they were acting in good or bad faith'; whereas the Commission is obliged to suspend EU fund payments in cases where a serious deficiency in the functioning of the management and control systems exists and where undiscovered, unreported and uncorrected serious irregularities related to a conflict of interest have come to light;

F. whereas on 19 September 2018, Transparency International Czech Republic lodged a formal complaint with the Commission claiming that the Czech Prime Minister, Andrej Babiš, had persistently violated EU and Czech law on conflicts of interest;

G. whereas Mr Babiš has been revealed to be the beneficial owner of Agrofert, the controlling company of the Agrofert Group, including among others a number of important Czech media outlets, through trust funds AB I and AB II of which he is the founder and, at the same time, the sole beneficiary;

H. whereas Mr Babiš is also Chair of the Czech Council for the European Structural and Investment Funds;

I. whereas companies belonging to the Agrofert Group take part in projects subsidised by the Rural Development Programme of the Czech Republic, which in turn is funded by the European Agricultural Fund for Rural Development;

J. whereas companies belonging to the Agrofert Group have received significant sums from the European Structural and Investment Funds during the 2014-2020 period, ranging from EUR 42 million in 2013 to EUR 82 million in 2017;

K. whereas the opinion of the Commission’s Legal Service states that according to the declaration of income of Czech public officials, Mr Babiš received an income of EUR 3.5 million during the first six months of 2018 from the Agrofert Group via his trust funds;

L. whereas Parliament has repeatedly called on the Commission in its discharge resolutions to speed up a conformity clearance procedure with the aim of obtaining information on the risk of a conflict of interest concerning the State Agricultural Intervention Fund in the Czech Republic; and whereas Parliament has stressed that failure to take the necessary measures to prevent a conflict of interest could oblige the Czech authority to withdraw the accreditation of the paying agency and could also lead to the application of financial correction by the Commission;

M. whereas in September 2018, Parliament’s Committee on Budgetary Control decided to address this issue within the framework of the annual discharge procedure, notably in the hearings with the Commissioners most concerned;

N. whereas these hearings did not provide MEPs with clear and sufficient answers on the state of play of the potential conflict of interest of the Czech Prime Minister;

O. whereas on 1 December 2018, European media outlets such as The Guardian, Le Monde, De Standaard and the Süddeutsche Zeitung published information about the legal opinion issued by the Commission’s Legal Service confirming Mr Babiš’s conflict of interest;

1. Is deeply concerned about the Czech Republic’s non-compliance with Article 61(1) of the Financial Regulation regarding the conflict of interest of the Czech Prime Minister and his links to the Agrofert Group;

2. Deplores any kind of conflict of interest that could compromise the implementation of the EU budget and undermine the trust of EU citizens in the proper management of EU taxpayers’ money; calls on the Commission to ensure that a zero tolerance policy with no double standards will apply regarding conflicts of interest of any EU politicians, and to find no excuse for delays when protecting the financial interests of the Union;

3. Recalls its resolution of 27 April 2017 on discharge for the financial year 2015 (1), in which it ‘notes that the European-Anti Fraud Office (OLAF) opened administrative investigations […] into the project in the Czech Republic known as “Stork Nest” on the basis of alleged irregularities’ and ‘calls on the Commission to inform its competent committee immediately when the investigations are completed’; recalls its resolution of 18 April 2018 on discharge for the financial year 2016 (2), in which it ‘welcomes the fact that the OLAF has completed its administrative investigation into the Czech “stork nest” project’ and ‘regrets that OLAF found serious irregularities’;

4. Takes note of the answer of 29 November 2018 provided by Commissioner Oettinger within the 2017 discharge procedure to written question 51 informing Parliament that in accordance with the OLAF recommendation on the Stork Nest case, adopted in December 2017, the Czech authorities have withdrawn the project investigated by OLAF from the final claim of the Regional Operational Programme for Central Bohemia, and that no EU funds have been paid into this operation; notes in addition that OLAF has recommended to the national judicial authorities that they open a criminal investigation into the matters uncovered by the OLAF investigation and that they are now the competent authorities for this case;

5. Stresses that given the direct applicability of Article 61(1) of the Financial Regulation on conflicts of interest, all those involved in EU budget implementation, including heads of government, are responsible for complying with the obligation of preventing conflicts of interest and for addressing situations that may objectively be perceived as conflicts of interest;

6. Regrets that for a long time the Commission remained passive, despite there having been strong indications since 2014 that Mr Babiš had a conflict of interest in his role as Minister of Finance and later as Prime Minister;

7. Recalls the obligation of national authorities to ensure that the Union’s legislation on conflicts of interest is applied in all cases and to all people;

8. Calls on the Commission to set up a control mechanism to address the issue of conflicts of interest in the Member States and to set active avoidance of conflicts of interest as one of its priorities; calls on the Commission to intervene decisively, especially when national authorities fail to act to prevent conflicts of interest of their highest representatives;

9. Calls on the Commission to follow up on this issue without delay, on the basis of the opinion of its Legal Service stemming from the complaint by Transparency International Czech Republic, and to implement the necessary corrective measures and procedures to amend any possible illegal state of affairs, including a measure to suspend all EU funding to the Agrofert Group until the conflict of interest has been fully investigated and resolved;

10. Calls on all national authorities and government officials to proactively apply the new Financial Regulation, in particular Article 61 on conflicts of interest, in order to prevent situations harmful to the EU’s reputation, that of its Member States, democracy and the EU’s financial interests, and to serve as an example of working for the public good rather than personal gain;

11. Calls on the Member States’ national parliaments to make sure that no national legislation on the prevention of conflicts of interest goes against the letter and the spirit of the new Financial Regulation;

12. Takes note of the opinion drafted by the Commission’s Legal Service on the possible conflict of interest of the current Czech Prime Minister, Mr Babiš, in his role as Minister of Finance in 2014; demands that the Commission fully investigate the legality of all EU subsidies paid to the Agrofert Group since Mr Babiš joined the Czech Government, taking into account the previous Financial Regulation applicable prior to 2 August 2018 and the section therein on conflicts of interest;

13. Requests that the Commission publish all documents at its disposal related to the possible conflict of interest of the Czech Prime Minister and Minister of Agriculture, and explain what steps it intends to take to remedy the situation;

14. Urges the Commission to recover all funds that have been illegally or irregularly paid out;

15. Insists on full transparency on any connections Mr Babiš may have with the Agrofert Group, and that these must not interfere with his role as Prime Minister of the Czech Republic;

16. Calls on the Council to take all necessary and appropriate measures to prevent conflicts of interest in the context of the negotiations of the future EU budget and the next multiannual financial framework, in line with Article 61(1) of the Financial Regulation;

17. Instructs its President to forward this resolution to the Commission, the Council and the Government and Parliament of the Czech Republic.
Activities of the European Ombudsman in 2017

The European Parliament,

— having regard to the annual report on the European Ombudsman's activities in 2017,
— having regard to Articles 9, 11, 15, 24 and 228 of the Treaty on the Functioning of the European Union (TFEU),
— having regard to Articles 11, 35, 37, 41, 42 and 43 of the Charter of Fundamental Rights of the European Union,
— having regard to Protocol No 1 to the Treaties on the role of National Parliaments in the European Union,
— having regard to Protocol No 2 to the Treaties on the application of the principles of subsidiarity and proportionality,
— having regard to the UN Convention on the Rights of Persons with Disabilities (UN CRPD),
— having regard to Decision 94/262/ECSC, EC, Euratom of the European Parliament of 9 March 1994 on the regulations and general conditions governing the performance of the Ombudsman's duties (1),
— having regard to the European Code of Good Administrative Behaviour, as adopted by Parliament on 6 September 2001,
— having regard to the Framework Agreement on Cooperation concluded between Parliament and the European Ombudsman on 15 March 2006, which entered into force on 1 April 2006,
— having regard to its previous resolutions on the European Ombudsman's activities,
— having regard to Rules 52 and 220(1) of its Rules of Procedure,
— having regard to the report of the Committee on Petitions (A8-0411/2018),

A. whereas the annual report on the activities of the European Ombudsman in 2017 was formally submitted to the President of Parliament on 22 May 2018 and the Ombudsman, Emily O’Reilly, presented it to the Committee on Petitions in Brussels on 16 May 2018;

B. whereas Articles 24 and 228 of the TFEU empower the European Ombudsman to receive complaints concerning instances of maladministration in the activities of the Union institutions, bodies, offices or agencies, with the exception of the Court of Justice of the European Union acting in its judicial role;

C. whereas Article 10(3) of the Treaty on European Union establishes that ‘every citizen shall have the right to participate in the democratic life of the Union’ and that ‘decisions shall be taken as openly and as closely as possible to the citizen’;

D. whereas Article 15 TFEU states that ‘in order to promote good governance and ensure the participation of civil society, the Union’s institutions, bodies, offices and agencies shall conduct their work as openly as possible’ and that ‘any citizen of the Union, and any natural or legal person residing or having its registered office in a Member State, shall have a right of access to documents of the Union’s institutions, bodies, offices and agencies’;

E. whereas Article 41 of the Charter of Fundamental Rights, concerning the right to good administration, states inter alia that ‘every person has the right to have his or her affairs handled impartially, fairly and within a reasonable time by the institutions, bodies, offices and agencies of the Union’;

F. whereas Article 43 of the Charter states that ‘any citizen of the Union and any natural or legal person residing or having its registered office in a Member State has the right to refer to the European Ombudsman cases of maladministration in the activities of the institutions, bodies, offices or agencies of the Union, with the exception of the Court of Justice of the European Union acting in its judicial role’;

G. whereas Article 298(1) TFEU establishes that ‘in carrying out their missions, the institutions, bodies, offices and agencies of the Union shall have the support of an open, efficient and independent European administration’;

H. whereas in 2017 the Ombudsman opened 447 inquiries, of which 433 were complaint-based and 14 own-initiative, while closing 363 inquiries (348 complaint-based and 15 own-initiative); whereas most of the inquiries concerned the Commission (256 inquiries or 57.3 %), followed by the EU agencies (35 inquiries or 7.8 %), the European Personnel Selection Office (EPSO) (34 inquiries or 7.6 %), Parliament (22 inquiries or 4.9 %), the European External Action Service (EEAS) (17 inquiries or 3.8 %), the European Anti-Fraud Office (OLAF) (16 inquiries or 3.6 %) and other institutions (67 inquiries or 15 %);

I. whereas the top three concerns in the inquiries closed by the Ombudsman in 2017 were: transparency, accountability and public access to information and documents (20.6 %); culture of service (16.8 %) and respect for procedural rights (16.5 %); whereas other concerns included ethical issues, public participation in EU decision-rights, the proper use of discretion, inclusion in infringement procedures, sound financial management of EU tenders, grants and contracts, recruitment, and good management of EU personnel issues;

J. whereas in its strategic work in 2017, the Ombudsman’s office closed four strategic inquiries and opened four new ones on Council transparency; on the ‘revolving doors’ issue concerning former European Commissioners; on the accessibility of Commission websites for persons with disabilities and on pre-submission activities linked to medicine assessments by the European Medicines Agency (EMA); whereas in 2017 the Ombudsman opened eight strategic initiatives on, among other subjects, European Council lobbying transparency, improving the European Citizens’ Initiative (ECI), and revolving doors rules at various EU institutions and bodies, and closed six strategic initiatives;

K. whereas the EU is still facing the worst economic, social and political crisis since its foundation; whereas the ineffective approach adopted by the EU institutions in tackling the lack of transparency in both the EU decision-making process and in lobbying activities, in addition to other significant ethical issues within the institutions, are contributing to further undermining the image of the EU;

L. whereas the refusal of access to EU documents and related transparency issues continued to account for the greatest proportion of European Ombudsman inquiries in 2017;

M. whereas given the often time-sensitive nature of requests for access to documents, the Ombudsman initiated a trial phase for a fast-track procedure;

N. whereas the Ombudsman has a crucial role to play with regard to ensuring the accountability of the EU institutions and the maximum transparency and impartiality of the EU administration and decision-making processes in order to successfully protect citizens’ rights, thereby increasing their trust, engagement and participation in the democratic life of the Union;

O. whereas the Court of Justice of the European Union has stipulated that the principles of publicity and transparency are inherent to the EU legislative process, and that the effectiveness and integrity of the legislative process cannot undermine the principles of publicity and transparency which underlie that process; whereas the Court of Justice of the European Union has given clear guidance on this issue, such as in its judgement of 22 March 2018 on case T-540/15;

P. whereas the Ombudsman conducted a year-long complaint-based inquiry into the ECB President’s membership of the Group of 30 (G30), a private organisation whose members include representatives of banks supervised either directly or indirectly by the ECB; whereas the Ombudsman recommended that the ECB President suspend his membership of the G30;
Q. whereas the Ombudsman inquired into complaints on the Commission's handling of the post-mandate employment of its former Commissioners; whereas the Ombudsman had already found that the Commission's failure to take a specific decision in the case of former Commission President Barroso constituted maladministration; whereas on the Barroso case, the Ethics Committee concluded that there were not sufficient grounds to establish a violation of the legal obligations, having taken into account the former President's written statement that he had not been engaged to lobby on behalf of Goldman Sachs and that he did not intend to do so;

R. whereas the financial crisis has brought about an economic and social crisis, casting doubt on the European institutions;

S. whereas on 25 October 2017 a meeting took place between former Commission President Barroso and a current Commission Vice-President, which was registered as an official meeting with Goldman Sachs; whereas the Ombudsman noted that the exact nature of this meeting was not clear; whereas the Ombudsman highlighted that there are understandable concerns that the former President is using his previous status and his contacts with former colleagues to influence and obtain information; whereas this case raises systematic issues as to the Commission's overall approach to handling such cases and the degree of independence of the Ethics Committee; points out the need, therefore, for stronger rules at EU level to prevent and sanction all conflicts of interests in the institutions and agencies of the EU;

T. whereas in March 2017 the Ombudsman opened a strategic inquiry into the openness and accountability of the Council; whereas the Ombudsman found maladministration in the Council's failure to record the identities of Member States that take a position in a legislative procedure and in the lack of transparency by the Council on public access to its legislative documents, such as the practice of disproportionately marking documents as 'LIMITE', i.e. not for circulation; whereas the Ombudsman submitted a special report to Parliament on her strategic inquiry on the accountability and transparency of the Council's legislative work on 17 May 2018;

U. whereas greater openness on the positions taken by national governments may serve to alleviate the 'blame Brussels' phenomenon, which distorts the reality of how EU legislation is agreed, fomenting Euro-scepticism and anti-EU sentiment;

V. whereas the Ombudsman inquired into the non-compliance with EU and international rules of the EIB's transparency policy on access to documents;

W. whereas the adequate prevention of conflicts of interest within the EU institutions, agencies and bodies is an essential part of guaranteeing good administration and increasing citizens' trust in the EU decision-making process; whereas the Ombudsman launched a strategic inquiry into how the Commission carries out conflict of interest assessments for its special advisers, who often simultaneously work for the private sector;

X. whereas the Ombudsman inquired into citizens' complaints denouncing the Commission's failure to reach a timely decision on infringement cases concerning the abuse of fixed-term work contracts; whereas several Member States have, over the years, experienced a significant increase in atypical and temporary employment contracts, which has called into question the implementation of European employment law and the jurisprudence of the Court of Justice of the European Union;

Y. whereas for the purposes of decisions relating to the protection of human health and the safety of humans, animals and plants, the EU institutions, agencies and offices should be especially focused on citizens and service-minded in their outlook, and should properly address the public's concerns regarding full transparency, independence and accuracy in the collection and evaluation of scientific evidence; whereas the scientific evidence and procedures used at EU level which led to the authorisations of, inter alia, genetically modified organisms, pesticides and glyphosate drew significant criticism and triggered a wide public debate;

Z. whereas the Commission has yet to implement the Ombudsman's recommendations concerning its dealings with the tobacco industry, and is thus failing to ensure full transparency in line with its obligations under the WHO Framework Convention on Tobacco Control (WHO FCTC);
whereas the Ombudsman published clear and practical recommendations for how public officials should interact with lobbyists, and made efforts to increase awareness of these within the Council and the Commission;

whereas the Ombudsman is part of the EU framework under the UN CRPD tasked with protecting, promoting and monitoring the implementation of the Convention at the level of the EU institutions;

whereas the Ombudsman conducted an inquiry into how Martin Selmayr, the then Head of Cabinet of the President of the Commission, was appointed Secretary-General of the Commission; whereas the Ombudsman highlighted that the Commission created an artificial sense of urgency to fill the post of Secretary-General in order to justify not publishing a vacancy notice, and organised a selection procedure for Deputy Secretary-General not to fill that role directly, but to make Mr Selmayr Secretary-General in a rapid two-step appointment; whereas the Ombudsman found four instances of maladministration in Mr Selmayr’s appointment due to the Commission’s failure to follow the relevant rules correctly, both in letter and spirit;

whereas the work of the European Ombudsman perfectly complements the work of her national and regional counterparts; whereas the exchange and coordination of their work within the European Network of Ombudsmen, under the auspices of the European Ombudsman, is a very positive part of efforts to ensure that all EU citizens and residents enjoy the right to good administration at all levels;

whereas the current statute of the European Ombudsman was most recently updated before the Lisbon Treaty entered into force; whereas since then, new expectations have emerged among EU citizens on good administration and the role played by the Ombudsman in securing it, particularly as regards access to documents, whistleblowing and harassment, and in ensuring that the Commission handles the admissibility of European Citizens’ Initiatives fairly and impartially;

 Approves the annual report for 2017 presented by the European Ombudsman; takes note of its clear and easy-to-read style of presentation, highlighting as it does the most important facts and figures concerning the work of the Ombudsman in 2017;

Congratulates Emily O’Reilly for her excellent work and constructive efforts to improve the quality of the EU’s administration and the accessibility and quality of the services it offers to citizens; reaffirms its strong support for the actions carried out by the Ombudsman for citizens and European democracy;

Welcomes the Ombudsman’s five-year strategy ‘Towards 2019’, which aims to increase the impact and visibility of her office and forge strong relationships with the EU institutions, agencies and organisations, for the greater benefit of citizens;

Notes with great concern that inquiries relating to transparency and accountability, including on access to information and documents, continued to account for the greatest proportion of cases handled by the Ombudsman in 2017, followed by complaints relating to EU agencies and other bodies;

Welcomes the Ombudsman’s efforts to present the staff of the EU institutions with the Award for Good Administration 2017, in particular that for the Commission’s DG Health for their efforts on behalf of patients with rare diseases;

Emphasises the importance of maximum transparency and improved public access to the documents held by the EU institutions; highlights the Ombudsman’s structural work in bringing instances of maladministration to light by adopting a case-by-case approach and launching an increasing number of own-initiative enquiries;

Is grateful for the good cooperation of the Ombudsman and her team with the Committee on Petitions, which has been characterised by esteem and attention to detail;
8. Underlines the fact that EU legislation on access to documents should be updated; reiterates its call for Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents (1) to be revised in order to also facilitate the Ombudsman's work in scrutinising the granting of access to documents by Parliament, the Council and the Commission; welcomes the Ombudsman's introduction of the fast-track complaint procedure to deal with inquiries on access to documents;

9. Emphasises that citizens must be able to participate more directly in the democratic life of the EU and follow the decision-making process at the EU institutions in detail, and have access to all the relevant information in order to fully exercise their democratic rights;

10. Stresses the role of the Ombudsman in working for greater transparency and accountability in the EU legislative process in order to increase citizens' trust, with regard not only to the lawfulness of an isolated act, but also to the legitimacy of the decision-making process as a whole;

11. Calls for a review of the Council's internal guidelines on LIMITE documents, which have no solid legal basis, in order to uphold the principle according to which LIMITE status can only be given to a preliminary draft that does not yet have an author and has no bearing on the legislative procedure;

12. Recognises the need for maximum transparency in the EU decision-making process and commends the Ombudsman's inquiry into the usual practice of informal negotiations between the three main EU institutions (trilogues); supports the publication of all trilogue documents in accordance with the rulings of the Court of Justice of the European Union;

13. Strongly believes that the Ombudsman's recommendations on the EIB's transparency policy must be implemented without further delay; recalls that this policy is based on a presumption of disclosure and that under it anyone can access the EIB's documents and information;

14. Calls for the EIB Group's disclosure policy to ensure an increasingly high level of transparency as regards the principles governing its pricing policy and governance bodies; calls for the minutes of the EIB Group's management committee meetings to be published;

15. Stresses that the positions of the Member States within the Council during the EU legislative process must be recorded and made a matter of public knowledge in a timely and accessible manner, as in any system rooted in the principle of democratic legitimacy, co-legislators must be held accountable to the public for their actions; believes that increased accountability in the Council on positions taken by national governments on EU legislation, including making legislative documents proactively accessible to the public while the legislative process is ongoing, would help to address the lack of transparency in decision making and alleviate the 'blame Brussels' culture for decisions ultimately taken by national governments themselves; demands that the Council, in accordance with Article 15(3) TFEU, revise its confidentiality policy in order to ensure the highest level of transparency in its work;

16. Calls on the Commission to ensure maximum transparency and access to documents and information with regard to the EU Pilot procedures, at least in relation to petitions received, and full transparency and full access to the EU Pilot and infringement procedures that have already ended;

17. Urges the Ombudsman to continue to monitor the implementation of the Commission's reform of the expert groups' system in order to ensure full compliance with legally binding rules and maximum transparency in the performance of all expert groups' activities, and to investigate and report any possible conflict of interests; believes that a careful assessment of and information on all expert groups is needed in order to understand their degree of independence, with a view to serving the public interest and delivering added value in EU policymaking; believes that all members of expert groups must be on the transparency register;

18. Reiterates its call for a central transparency hub for all EU institutions and agencies;

19. Supports the Ombudsman’s commitment to improving the transparency of EU lobbying; stresses the importance of adopting an appropriate legislative act to make the EU transparency register mandatory and legally binding for all EU institutions and agencies and interest representatives, thereby ensuring full transparency of lobbying;

20. Stresses the importance of regularly updating and greatly improving the accuracy of data on the EU transparency register, including the obligation for law firms that lobby to declare all their clients; underlines the need to make available all information on the influence of lobbyists free of charge, fully comprehensible and easily accessible to the public; believes that full transparency of the funding of all interest representatives must be ensured; calls for any organisation that breaks the revolving doors rules to be suspended from the transparency register;

21. Highlights the Ombudsman’s findings that the ECB President’s continued membership of the G30 constituted maladministration as it gave rise to a public perception that the ECB’s independence from private financial interests could be compromised; stresses that the ECB’s executive board members should refrain from also being members of fora or other organisations which include executives from banks supervised by the ECB; takes note of the Ombudsman’s recommendations of 15 January 2018 on the involvement of the ECB’s President and members of its decision-making bodies in the G30 and urges the ECB to amend the relevant rules in order to ensure that the highest ethical and accountability standards are implemented in practice;

22. Believes that the Commission failed to respect the principles of transparency, ethics and the rule of law in the procedure it used to appoint Martin Selmayr as its new Secretary-General; strongly regrets the Commission’s decision to confirm Mr Selmayr as its new Secretary-General, disregarding the extensive and widespread criticism from EU citizens and the reputational damage caused to the EU as a whole; emphasises that Mr Selmayr must resign as Secretary-General and calls on the Commission to adopt a new procedure for appointing its Secretary-General, ensuring that the highest standards of transparency, ethics and the rule of law are upheld;

23. Calls on the Ombudsman to continue her work on strengthening ethics rules within the EU institutions in order to solve revolving door issues and to guarantee full transparency on all information relating to such cases, including the swift publication of the names of all those EU senior officials involved; looks forward to the Ombudsman’s analysis into how the Commission is implementing her guidelines and suggestions on how to improve the handling of revolving doors situations, including the possibility of adopting legislative rules for preventing and sanctioning such situations and possible abuses;

24. Strongly believes that stricter, clear and easily applicable moral and ethical rules and standards need to be swiftly applied throughout the EU institutions, agencies and bodies, with a view to securing respect for the duty of integrity and discretion, and to preventing conflict of interests with the private sector; considers that these rules and standards must be based on a legislative act; takes note of the updated code of conduct for Commissioners, which entered into force in February 2018 and introduced stricter cooling-off periods; considers, however, that post-term-of-office notification periods should be increased;

25. Stresses the urgent need for the existing Code of Good Administrative Behaviour to be upgraded effectively, by adopting a binding regulation on the matter;

26. Believes that the meeting between former Commission President Barroso and a current Commission Vice-President, which was registered as an official meeting with Goldman Sachs, further demonstrated the urgent need to revise the current rules and practices in order to strengthen integrity requirements for Commissioners both during and after their mandates;

27. Reiterates its call on the Commission to guarantee proactive publication and full transparency with regard to the post-term-of-office occupations of former Commissioners; calls on the Commission to ensure that the Ethics Committee is fully independent and accountable and encourages the Ombudsman to continue to assess and report on any possible conflict of interest of the Ethics Committee’s members;
28. Congratulates the Ombudsman on her strategic inquiry on the transparency of the Council legislative process (OI/2/2017/TE), but regrets the Council’s failure to reply to the findings within the deadline; notes that this is, regrettably, a recurring topic that is constantly reflected in complaints submitted to the Ombudsman; believes, moreover, that it should be deemed of great importance for the democratic life of the Union and the effective participation of citizens across the continent, as it is hindering the fulfilment of the constitutional treaties and the Charter of Fundamental Rights; notes, in this connection, the Ombudsman’s findings in a recent case (1272/2017/LP — the Council’s refusal to give public access to the opinion of its Legal Service concerning an interinstitutional agreement on a Transparency Register), which suggested that the issue is threatening the principle of institutional balance and contravenes the essential practice of mutual sincere cooperation; points out that it is impossible to carry out ex-post checks on an ad hoc basis after a request is refused.

29. Highlights the need to adopt major improvements on conflict of interest rules for special advisers; specifically calls on the Commission to fully implement the Ombudsman’s recommendations in this regard, by adopting maximum transparency and a proactive approach to its assessment of any potential conflict of interests before and after the appointment of special advisers, and to ensure that citizens have complete access to all the relevant information.

30. Applauds the Ombudsman’s constant interest in issues pertinent to the staff of the institutions and highlights the importance of diminishing any kind of discrimination that might arise from differentiated status; reiterates the significance of the Ombudsman’s findings on unpaid traineeships in EU delegations of the EEAS (case 454/2014/PMC) and the recommendation that the EEAS should pay its trainees an appropriate allowance in accordance with the principle of non-discrimination; deplores the fact that other EU institutions follow the same malpractice of unpaid traineeships, which does not afford fair opportunities to young people or offer work equal to that of an employee, leaving young professionals excluded from a lack of sufficient funds with which to sustain themselves and inadequately remunerated for their services; points out that shortcomings in the status of trainees are witnessed in other areas, such as a lack of mechanisms for reporting sexual harassment in agencies of the Union; calls on the Ombudsman, therefore, to open a general strategic inquiry on the status of trainees.

31. Urges the Commission to make its work fully transparent by publishing data online on all its meetings with tobacco lobbyists or their legal representatives and all minutes thereof, in line with its obligations under the WHO FCTC.

32. Urges the Ombudsman to monitor the implementation of the recommendations for EU public officials on their interactions with interest representatives, and to continue to raise awareness of these recommendations among EU staff members throughout all the EU institutions, through educational training, seminars and related support measures.

33. Deeply regrets the delays accumulated by the Commission in connection with infringement procedures on the abuse of fixed-term contracts in both the private and public sectors, which has allowed for the abuse and violation of workers’ rights in the Member States; calls on the Ombudsman to monitor this issue in order to safeguard citizens’ rights effectively.

34. Supports the Ombudsman’s role in shaping a proactive and transparent policy in all EU agencies; urges the Ombudsman to continue monitoring all EU agencies in order to ensure that they meet the highest standards of transparency and provide public access to documents and information, with a particular focus on procedures and activities relating to the protection of human health.

35. Urges the Ombudsman to launch a strategic inquiry in order to assess whether EU institutions, offices and agencies, such as the European Chemicals Agency (ECHA), the European Food Safety Authority (EFSA) and the EMA, ensure that the collection, examination and publication of scientific evidence is fully independent, transparent, impartial, accurate and free from conflict of interests, and whether the proper policies and procedural safeguards are in place, notably when dealing with genetically modified organisms, glyphosate, pesticides, phytosanitary and biocidal products and medicines; suggests, in this regard, a further inquiry into the composition and selection procedures of the scientific committees and panels of these agencies, in order to ensure that they are completely independent and to put into place the most stringent mechanisms preventing any possible conflict of interests.
36. Welcomes the Ombudsman’s strategic inquiries into the treatment of persons with disabilities under the Commission’s Joint Sickness Insurance Scheme and on the accessibility of the Commission’s web pages and online tools for persons with disabilities; encourages the Ombudsman to do her utmost with a view to ensuring the full and consistent implementation of the UN CRPD by the EU administration;

37. Welcomes the Ombudsman’s commitment to openness and transparency throughout the Brexit negotiations; underlines the positive response received by the Ombudsman from both the Council and the Commission recognising the importance of transparency; calls on the UK Government to match this commitment;

38. Encourages the Ombudsman to continue her collaboration with national ombudsmen through the European Network of Ombudsmen;

39. Calls on the European Network of National Ombudsmen to show greater vigilance in monitoring that public authorities act immediately on cases of police brutality, racism and anti-Semitism in respect of human rights and democratic governance;

40. Calls for greater financial and human resources to be allocated to the office of the Ombudsman so that it may cope with the current and future workload, with a view to upholding its crucial duty of enhancing good administrative practices within the EU, a service of vital importance to the citizens of the Union;

41. Welcomes the annual conference of the European Network of Ombudsmen of 19 June 2017, which was dedicated to the fallout for citizens’ rights from Brexit and from increased populism in Europe;

42. Welcomes the Ombudsman’s Award for Good Administration, which recognises the efforts of the EU civil service to find innovative ways of implementing citizen-friendly policies;

43. Reiterates its willingness to update the statute of the European Ombudsman (*), and any related tranche of the acquis in order to tailor its role to EU citizens’ current needs and expectations regarding good administration;

44. Stresses the need to improve social dialogue;

45. Stresses that trust between citizens and the institutions is of paramount importance in the light of the current economic difficulties;

46. Stresses the need for the Ombudsman to investigate the conflict of interest between the Commission’s role in the Troika and its responsibility as guardian of the Treaties and the acquis;

47. Calls on the Ombudsman to ensure that the Commission will help to create an infrastructure for the ECI, providing legal advice and a legal framework that protects its members;

48. Instructs its President to forward this resolution and the report of the Committee on Petitions to the Council, the Commission, the European Ombudsman, the governments and parliaments of the Member States, and the Member States’ ombudsmen or similar competent bodies.

Deliberations of the Committee on Petitions 2017

European Parliament resolution of 13 December 2018 on the deliberations of the Committee on Petitions during the year 2017 (2018/2104(INI))

The European Parliament,

— having regard to its previous resolutions on the outcome of the Committee on Petitions’ deliberations,
— having regard to Articles 10 and 11 of the Treaty on European Union,
— having regard to Articles 24 and 227 of the Treaty on the Functioning of the European Union (TFEU), which reflect the importance the Treaty attaches to the right of EU citizens and residents to bring their concerns to the attention of Parliament,
— having regard to Article 228 of the TFEU,
— having regard to Article 44 of the Charter of Fundamental Rights of the European Union concerning the right to petition the European Parliament,
— having regard to the provisions of the TFEU relating to the infringement procedure and, in particular, to Articles 258 and 260 thereof,
— having regard to Rules 52, 215 and 216 of its Rules of Procedure,
— having regard to the report of the Committee on Petitions (A8-0404/2018),

A. whereas 1 271 petitions were received in 2017 — compared to 1 569 in 2016 — of which 776 petitions (60.2 %) were considered admissible;

B. whereas 15 540 users of Parliament’s Petitions web portal supported one or more petitions in 2017, as compared to 902 users in 2015 and 6 132 users in 2016; whereas the total number of clicks in support of petitions was 21 955, as compared to 18 810 in 2016 and 1 329 in 2015; whereas this new form of public participation in petitions submitted is increasingly common and should be taken into account;

C. whereas almost 250 identical or very similar petitions on three different subjects submitted in 2017 were treated together in groups per subject;

D. whereas of the petitions submitted in 2017, 67 were co-signed by one or more citizens, 25 by more than 100 citizens, 10 by more than 10 000 citizens, and two by more than 100 000 citizens;

E. whereas the number of petitions received was modest in relation to the total population of the EU; whereas this might indicate that a large portion of EU citizens and residents do not make use of the right to petition for lack of knowledge, taking into account the many potential concerns or expectations in different fields of activities of the Union; whereas more needs to be done to promote the right to petition the European Parliament;

F. whereas only a small number of EU citizens and residents are aware of the right to petition, confirming the need for greater efforts and appropriate measures to increase public awareness and achieve a substantial improvement regarding the exercise of this right;

G. whereas the criteria for the admissibility of petitions pursuant to Article 227 of the TFEU and Rule 215 of Parliament’s Rules of Procedure specify that petitions must satisfy the formal conditions governing admissibility, namely that a petitioner, who is an EU citizen or residing in the EU, is affected by a matter which falls within the European Union’s fields of activity; whereas 495 petitions were declared inadmissible because they did not comply with the admissibility conditions;
H. whereas the right to submit a petition to Parliament offers EU citizens and residents the means to address their directly elected representatives in a formal way; whereas the right to petition should constitute a crucial element of active participation of EU citizens and residents in the EU’s fields of activity and should therefore be promoted in the best way possible; whereas full exercise of the right to petition is related to the need for the EU institutions and Member States to arrive at prompt and effective solutions to issues raised by petitioners, ensuring full protection of their fundamental rights;

I. whereas Parliament has long been at the forefront of the development of the petitions process internationally and has the most open and transparent petitions process in Europe, allowing petitioners to participate fully in its activities;

J. whereas active participation is only possible provided there is a democratic and transparent process that enables Parliament and the Committee on Petitions to render its work citizen-friendly and meaningful; whereas this requires an aim of continuous improvement in the interaction with petitioners, keeping track and taking advantage of, among other aspects, the implementation of new technological developments, as well as with other concerned citizens and residents, such as supporters of petitions through the Petitions web portal;

K. whereas petitions are useful tools for detecting breaches of EU law, as well as shortcomings, inconsistencies and possible loopholes in this law, when it comes to ensuring the highest standards of social justice and full protection of the fundamental rights of all citizens; whereas petitions allow Parliament and other EU institutions to assess the transposition and application of EU law and the actual impact of its improper implementation on EU citizens and residents; whereas they can also provide insight into the absence of regulatory provisions in fields of activity where the EU could legislate;

L. whereas petitions represent an extra guarantee for EU citizens and residents compared to complaints directly to the Commission, as they involve Parliament in the process and allow better scrutiny of the Commission’s performance of its inquiry duties, as well as providing transparent debates on the matter, with the presence of petitioners, Members of the European Parliament and the Commission, as well as any other authority concerned where appropriate;

M. whereas petitions often provide useful information in various EU policy areas to other parliamentary committees, also in relation to their legislative activities; whereas in return the committees responsible for the subject matters pertaining to a petition are expected to provide their expertise, with the aim of due treatment of the petition allowing a meaningful response to it from Parliament itself; whereas it is Parliament’s responsibility as a whole to fulfil the fundamental right to petition through an adequate treatment of petitions;

N. whereas each petition should be carefully assessed and dealt with; whereas the petitioner has the right to receive information on the decision on admissibility taken by the Committee on Petitions and to have their issue addressed fully, both within a reasonable period of time;

O. whereas a considerable number of petitions are discussed publicly in meetings of the Committee on Petitions; whereas petitioners have the right to present their petitions, and frequently take full part in the discussion, thereby contributing actively to the work of the committee; whereas in 2017, 248 petitions were discussed in committee meetings with 208 petitioners present, while 59 petitioners participated actively by taking the floor;

P. whereas the information provided by citizens and residents in petitions and during committee meetings — complemented by expertise provided by the Commission, the Member States and other bodies — is pivotal to the work of the committee; whereas in order to avoid any socio-economic discrimination, petitioners whose petition is to be debated in a public committee meeting and who are willing to participate in the discussion, should be entitled to a reimbursement of the related costs, within reasonable limits;

Q. whereas the main subjects of concern raised in petitions in 2017 pertained to environmental matters (notably issues concerning water and waste management, and preservation), fundamental rights (notably voting rights and rights of the child), the issue of stolen babies, free movement of persons, social affairs (working conditions), various forms of discrimination, and immigration, in addition to many other areas of activity;
R. whereas the revision of Parliament’s Rules of Procedure should lead to an improved petitions procedure and whereas the relevant rules should optimise the ability of the Committee on Petitions to investigate citizens’ concerns, thereby ensuring full protection and more effective exercise of the right of petition;

S. whereas 69.1% of the petitions received (878 petitions) in 2017 were submitted via Parliament’s Petitions web portal, as compared to 68% (1,067 petitions) in 2016; whereas the predominance of this format and its expected increase over time could allow a quicker initial treatment of these petitions;

T. whereas petition summaries can now be uploaded on the Portal sooner — approximately one week after the Committee on Petitions reaches a decision on admissibility; whereas the automatic uploading of meeting agendas, minutes and Commission replies relating to petitions was introduced at the end of 2017, which has made these documents publicly available and increased the transparency of the work of the Committee on Petitions; whereas all these features reflect Parliament’s commitment to the aim of providing a more interactive experience and real-time communication with petitioners; whereas the frequently asked questions (FAQs) and privacy statement features were revised to reflect changes in the confidentiality provisions of the Rules of Procedure; whereas there have also been technical improvements, including further improvements to the search function and the introduction of a ‘read first’ page before a petition can be submitted, which contains information and advice for petitioners; whereas a large number of individual support requests have been handled successfully;

U. whereas the Committee on Petitions considers the European Citizens’ Initiative an important instrument of direct and participatory democracy that, if taken seriously, should enable citizens to become actively involved in the shaping of European policies and legislation;

V. whereas 2017 saw four fact-finding visits, conducted pursuant to Rule 216a of the Rules of Procedure: one to Sweden on the difficulties encountered by EU citizens in obtaining the identification number required to access most of the services they needed when temporarily moving to Sweden; one to Spain on petitions addressing allegations concerning newborn babies stolen from hospitals during and after Franco’s dictatorship; one to Taranto (Italy) on the impact of a local steel plant and refinery on the environment and how they had been causing air, land and water pollution; and one to Larnaca (Cyprus) on the environmental and health impact of a newly-built industrial port in the city;

W. whereas pursuant to the Rules of Procedure, the Committee on Petitions is responsible for relations with the European Ombudsman, who investigates complaints about maladministration within the institutions and bodies of the European Union; whereas the current European Ombudsman, Emily O’Reilly, presented her Annual Report for 2016 to the Committee on Petitions at its meeting of 30 May 2017, and the annual report of the Committee on Petitions is, in turn, partly based on the Ombudsman’s annual report, or on the Special Reports submitted to Parliament, the latest being on the transparency of the decision-making of the Council;

X. whereas the Committee on Petitions is a member of the European Network of Ombudsmen, which also includes the European Ombudsman, national and regional ombudsmen and similar bodies of the EU Member States and candidate countries, and other European Economic Area countries, and which aims to promote the exchange of information about EU law and policy, and to share best practices;

1. Draws attention to the fundamental role of the Committee on Petitions as a bridge between EU citizens and residents and the EU institutions, through which EU citizens and residents can formally alert Parliament of cases of misapplication of EU law and bring their concerns and ideas to the attention of their elected representatives, thereby allowing for the timely examination and resolution of petitioners’ requests wherever possible; points out that the manner in which the concerns of petitioners are addressed has a major impact on citizens regarding effective respect for the right to petition as enshrined in EU law and on their opinions of the EU institutions; reminds the Commission that petitions offer a unique means to identify situations in which EU law is not upheld and to investigate such situations by means of the political scrutiny of the European Parliament;

2. Points out that petitions constitute both an opportunity and a challenge for Parliament and other EU institutions, since they allow a direct dialogue to be established with EU citizens and residents, particularly if they are affected by the application of EU law and seek an effective and efficient redress mechanism; highlights that the EU institutions and Member States must do their utmost within their respective spheres of competence to arrive at prompt and effective solutions to issues raised by petitioners;
3. Stresses the importance of raising awareness through a continuous public debate and wider information about the actual competences of the EU, its functioning and its need for future improvements, in order to ensure that citizens and residents are well informed about the levels at which decisions are taken, so that they can be also involved in discussions about possible reforms and to prevent the ‘blame Brussels’ phenomenon used by some irresponsible Member States; considers that a broader public debate about the EU, as well as better information and education and rigorous media reporting would reduce the number of inadmissible petitions, as citizens and residents would be better aware of the competences of the EU; notes that the subject matter of an inadmissible petition can play a role in policy making even if it falls outside the scope of the committee;

4. Stresses the need for enhanced cooperation between the Commission and other EU institutions and Member States’ national, regional and local authorities in ensuring the adoption and implementation of EU provisions intended to achieve the highest standards of social justice and full and effective protection of the economic, social and cultural rights of all citizens; underlines the need for more active cooperation with Member States’ representatives at committee meetings and for swifter follow-up to requests sent from the committee; calls therefore for a strong commitment from all the authorities involved at national and European level in handling and resolving petitions as a matter of priority; notes once again that numerous petitions have received superficial replies from the Commission;

5. Urges the Commission to make proper use of its powers stemming from its role as guardian of the Treaties, as this role is of the utmost importance to the functioning of the EU with regard to citizens and European legislators; calls for a timely handling of infringement procedures in order to put an end, without delay, to situations where EU law is not respected;

6. Reiterates that cooperation with other parliamentary committees is essential for a comprehensive treatment of petitions; notes that in 2017, 18 petitions were sent to other parliamentary committees for opinion and 357 for information; welcomes the fact that 21 opinions on petitions were received from parliamentary committees; encourages dialogue between the various parliamentary committees to be promoted in order to give proper attention to the problems raised by EU citizens;

7. Points to the launch of the petitions network on 21 March 2017, attended by members from all parliamentary committees, at which the network’s guidelines were presented and its purpose and the role of its members outlined; is convinced that, if taken seriously, the petitions network is a useful tool for a better follow-up of petitions in parliamentary and legislative work; emphasises the importance of the network in raising awareness among the members about citizens’ concerns submitted to Parliament by means of a petition, and in discussing possible procedural improvements and sharing best practices; stresses that closer contact between the committees may improve efficiency in planning hearings and parliamentary studies on similar subjects; looks forward to the publication of the study by Parliament’s Policy Department C on the current functioning of the cooperation of the different committees with the Committee on Petitions; underlines the fact that enhanced cooperation with parliamentary committees on issues raised by petitioners should enable Parliament to provide a better and individualised follow-up to petitions and respond much more swiftly and efficiently to citizens’ concerns, delivering added value to the lives of EU citizens and residents, and to the activities of Parliament and Europe as a whole;

8. Underlines the important contributions of petitions submitted ahead of the Brexit negotiations by citizens and residents concerned; points to the joint public hearing held on 11 May 2017 by the Committee on Petitions and the Committees on Civil Liberties, Justice and Home Affairs (LIBE), Constitutional Affairs (AFCO) and Employment and Social Affairs (EMPL) on citizens’ and residents’ rights after Brexit, with a view to ensuring that these rights be made one of Parliament’s main priorities in the Brexit negotiations;

9. Considers that, in order to ensure full consistency between the treatment of different petitions, the Committee on Petitions and its Secretariat should be allocated more resources; underlines the fact that the committee’s guidelines, adopted in January 2016, make the treatment of petitions and the decision-making process transparent and clear;

10. Recalls that petitions are examined in accordance with Article 227 of the Treaty on the Functioning of the European Union, which stipulates that any EU citizen and any natural or legal person who is resident or has a registered office in a Member State can submit a petition to the European Parliament on matters which fall within the European Union’s fields of activity; recalls that the procedure for dealing with petitions is laid down in the Rules of Procedure of the European Parliament;
11. Notes that refusal to investigate citizens' complaints, including individual cases, thoroughly and promptly in line with the Commission's approach in its 2016 communication entitled 'European Union Law: Better Results through Better Application'\(^{(1)}\) may prevent a rapid understanding of possible serious systemic shortcomings, thereby perpetuating multiple rights infringements at the expense of numerous citizens, whereby it essentially leaves to the national courts the bulk of the responsibility to monitor possible breaches of EU legislation except in systemic breaches; finds too much ambiguity in the interpretation of this notion and considers particularly such an approach within the domain of environmental legislation to be harmful; considers it a regression from the previous approach to EU environmental legislation implementation and an overall inhibition from its duties of guardian of the Treaties;

12. Points out that consideration of petitions on precarious working conditions has revealed that, in certain Member States, many workers are the victims of inadmissible and discriminatory practices, reflecting a lack of effective preventive mechanisms and penalties in a number of cases; deprecates the fact that the Commission has accumulated a substantial backlog of cases relating to breaches of EU labour law by certain Member States, thereby allowing infringements of workers' rights to continue for years;

13. Repeats its call on the Commission to inform the Committee on Petitions on a systematic basis about ongoing EU pilots and infringement procedures related to petitions and for access to the documents exchanged in the course of the procedures once these are closed in application of the jurisprudence of the Court of Justice of the European Union (CJEU), especially when they were fully or partly opened on the basis of petitions; welcomes the centralised platform created by the Commission in 2014 on which infringement decisions are published;

14. Expects the Commission to be always duly represented during the public debates within the Committee on Petitions, namely by high-ranked officials who can provide additional information and respond to the requests of petitioners and Members of the European Parliament, beyond the scope of the previously provided written reply if necessary;

15. Welcomes the increasing trend of the Committee on Petitions to raise issues to the plenary, by means of oral questions, resolutions or short motions for resolutions in accordance with Rule 216(2) of its Rules of Procedure; draws attention to its resolutions that were adopted following the publication of the Annual Report on the Committee on Petitions' activities in 2016\(^{(2)}\), the Annual Report on the European Ombudsman's work in 2016\(^{(3)}\) and the EU Citizenship report 2017\(^{(4)}\); draws attention to its resolution of 15 March 2017 on obstacles to EU citizens' freedom to move and work in the internal market\(^{(5)}\);

16. Notes the hearings on multiple and diverse topics organised by the Committee on Petitions during 2017, alone or in cooperation with other committees, namely those on 'Fighting against discrimination and protecting minorities' of 4 May, on the 'Situation and rights of EU citizens in the UK following Brexit of 11 May together with the LIBE and EMPL committees, on Restoring citizens' confidence and trust in the European Project' of 22 June, on 'Statelessness' of 29 June together with the LIBE committee, on the European Citizens' Initiative 'Ban glyphosate and protect people and the environment from toxic pesticides' of 20 November, and on the 'Protection of the rights of workers in temporary or precarious employment' of 22 November; also welcomes the fact that the yearly workshop on the Protection of the Rights of Persons with Disabilities took place on 12 October 2017;

17. Notes that the Committee on Petitions expressed its opinion on various issues raised in petitions in several contributions to parliamentary reports, such as those on the European Accessibility Act\(^{(6)}\), on the interpretation and implementation of the interinstitutional agreement on Better Law Making\(^{(7)}\), on the Marrakesh Treaty\(^{(8)}\), on monitoring the application of EU law 2015\(^{(9)}\), on the use of energy from renewable sources\(^{(10)}\), on the European Disability Strategy\(^{(11)}\), on the Annual Report on the Situation of Fundamental Rights in the EU in 2016\(^{(12)}\), and on the Revision of Regulation (EU) No 211/2011 on the citizens' initiative\(^{(13)}\);

\(^{(1)}\) OJ C 18, 19.1.2017, p. 10.
\(^{(4)}\) OJ C 369, 11.10.2018, p. 11.
\(^{(7)}\) Opinion adopted on 24 January 2017.
\(^{(10)}\) Opinion adopted on 22 March 2017.
\(^{(11)}\) Opinion adopted on 7 September 2017.
\(^{(12)}\) Opinion adopted on 7 September 2017.
\(^{(14)}\) Opinion adopted on 7 September 2017.
18. Notes that environmental issues were the main area of concern for petitioners in 2017; points to the special Eurobarometer 468 report published in November 2017 (1), which showed that the environment is one of European citizens’ main concerns; stresses the importance of delivering on the expectations of EU citizens and residents concerning proper environmental legislation, and of implementing the rules and policies that have been adopted; regrets the fact that environmental rules are not always properly implemented in the Member States, as described in the petitions; urges the Commission, as the guardian of the Treaties, together with the Member States, to ensure the proper implementation of EU law;

19. Stresses the need for the Commission to ensure that accurate and comprehensive analyses of compliance with EU law are carried out in respect of environmental assessments by Member States for the authorisation of infrastructure projects about which petitioners have expressed concerns with respect to serious risks to human health and the environment;

20. Deeply regrets the fact that air quality problems flagged by petitioners in a number of Member States are being exacerbated by pollution from 43 million diesel vehicles that fail to comply with EU rules on the type-approval and emissions of passenger and light commercial vehicles;

21. Points to the work of the Committee on Petitions in connection with petitions relating to issues on disabilities; notes that there were fewer petitions on disability issues submitted in 2017; emphasises that access to transport and the built environment and discrimination, in particular in employment, are among the main challenges for persons with disabilities; notes that special attention was paid to discussions of petitions on disability issues, such as on support for family caregivers for persons with disabilities and on the swift ratification, implementation and application of the Marrakesh Treaty;

22. Emphasises the protective role of the Committee on Petitions within the EU framework of the UN Convention on the Rights of Persons with Disabilities; points to the workshop on the Protection of the Rights of Persons with Disabilities that took place at the committee meeting of 12 October 2017, which included the presentation of a study on inclusive education; calls for the EU institutions to lead by example on this subject and to ensure that national authorities are correctly implementing, without delay, the legislation adopted in this field;

23. Points to its resolution of 15 March 2017 on obstacles to EU citizens’ freedom to move and work in the internal market: reiterates its call on the Commission to clarify, update and expand its guidance for better transposition and application of Directive 2004/38/EC in order to incorporate, in particular, the recent rulings of the CJEU (Cases C-456-12 and 457-12); recommends the use of the Transposition Implementation Plans (TIPS) for the purposes of ensuring complete and proper application; urges the Member States to respect Directive 2004/38/EC, as well as the existing case-law of the CJEU on the free movement of persons, as a failure to comply is a direct violation of a fundamental right of citizens of the Union;

24. Recognises the work done by the Committee on Petitions’ Working Group on Child Welfare Issues, and takes note of its final report and recommendations adopted on 3 May 2017; firmly believes that the Commission, the Council and the Member States should give a consistent and effective follow-up to the recommendations of the Working Group’s final report; calls on the EU institutions and the Member States to comply with European legislation and to effectively promote and improve cross-border cooperation on family matters, by providing training for judges and professionals, information on legal aid and bilingual lawyers;

25. Reiterates its opinion that a too narrow and incoherent interpretation of Article 51 of the Charter of Fundamental Rights alienates citizens from the EU; asks the Commission to come forward with measures that will ensure a coherent and extensive application of the scope of Article 51;

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26. Encourages the Commission to urge the Member States to find solutions against the loss of voting rights and the disenfranchisement of EU citizens who freely move and reside within the European Union as well as the disenfranchisement of long-term residents; expresses disappointment that the draft Withdrawal Agreement between the European Union and the United Kingdom makes no reference to citizens’ political rights;

27. Emphasises that the European Citizens’ Initiative should be both transparent and effective in order to serve as an important instrument for active citizenship and public participation; regrets that this has not been the case in the past and that no tangible legislative outcome of previously successful initiatives has taken place; notes the Commission’s proposal for the revision of Regulation (EU) No 211/2011 on the European citizens’ initiative (1), published on 13 September 2017; highlights the most recent successful citizens’ initiative submitted, entitled ‘Ban glyphosate and protect people and the environment from toxic pesticides’; points to the public hearing on this initiative in Parliament on 20 November 2017; expects a consequent reaction by the Commission in regard to its content; confirms the commitment of the Committee on Petitions to being proactively involved in organising public hearings for successful initiatives; undertakes to give priority, at institutional level, to the effectiveness of this participative process and to ensuring due legislative follow-up;

28. Stresses that, in connection with the public hearing on the European Citizens’ Initiative entitled ‘Ban glyphosate and protect people and the environment from toxic pesticides’ and in considering petitions on the same subject, it has emerged that EU authorisation procedures for substances such as glyphosate, genetically modified organisms and pesticides are compromised by a lack of independence, insufficient transparency and inaccuracies regarding the compilation and evaluation of scientific evidence;

29. Notes the large number of petitions on animal welfare; draws attention to the study ‘Animal Welfare in the European Union’ and its presentation at the committee meeting of 23 March 2017, followed by a discussion of a number of petitions on the matter; considers it vital to launch a new EU strategy to bridge all the existing gaps, harmonise legislation and ensure full and effective protection of animal welfare, including animal transport, through a clear and comprehensive legislative framework that fully meets the requirements of Article 13 of the TFEU;

30. Stresses the important role of the SOLVIT network, which provides a means for citizens and enterprises to address concerns about possible breaches of EU law by public authorities in other Member States; calls on the Commission, and on the Member States, to promote SOLVIT in order to make it more helpful and visible to citizens; welcomes, in this regard, the Action Plan to reinforce the SOLVIT network published by the Commission in May 2017; calls on the Commission to report back to the European Parliament on the results of this Action Plan;

31. Underlines the importance of further developing the Petitions portal and the need to make it a two-way communication gateway and an easily accessible interactive tool, providing citizens of all EU Member States with access to all basic information regarding petitions and their treatment, opening up channels of communication and creating thematic communities for exchanges of documentation and best practice; stresses the need to further minimise the administrative burden in how petitions are processed; stresses that the portal also serves the function of a public register of petitions; reiterates that the technical capacity of the Portal must be enhanced to achieve a smooth petition process; stresses the need to improve communication with petitioners by sending them notifications on the progress of their petition in their own language; considers that supporters who have endorsed or expressed an interest in a petition are entitled to receive the same feedback and information as the petitioner, particularly when it comes to debates in Parliament or replies by the Commission; reiterates the importance of stepping up efforts to ensure that petitioners are present when their petitions are debated in committee;

32. Calls for a more focused and active press and communication service and a more active social media presence, making the work of the committee more responsive to public concerns;

33. Instructs its President to forward this resolution and the report of the Committee on Petitions to the Council, the Commission, the European Ombudsman, the governments and parliaments of the Member States, and to their committees on petitions, national ombudsmen or similar competent bodies.
III

(Preparatory acts)

EUROPEAN PARLIAMENT

Asylum, Migration and Integration Fund: Re-commitment of remaining amounts


(Ordinary legislative procedure: first reading)

(2020/C 388/20)

The European Parliament,

— having regard to the Commission proposal to Parliament and the Council (COM(2018)0719),

— having regard to Article 294(2) and Articles 78(2) and 79(2) and (4) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0448/2018),

— having regard to Article 294(3) of the Treaty on the Functioning of the European Union,

— having regard to the provisional agreement approved by the committee responsible under Rule 69f(4) of its Rules of Procedure and the undertaking given by the Council representative by letter of 30 November 2018 to approve Parliament’s position, in accordance with Article 294(4) of the Treaty on the Functioning of the European Union,

— having regard to Rule 59 of its Rules of Procedure,

— having regard to the report of the Committee on Civil Liberties, Justice and Home Affairs (A8-0370/2018),

A. Whereas for reasons of urgency it is justified to proceed to the vote before the expiry of the deadline of eight weeks laid down in Article 6 of Protocol No 2 on the application of the principles of subsidiarity and proportionality;

1. Adopts its position at first reading hereinafter set out (1);

2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;

3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

(1) This position replaces the amendments adopted on 29 November 2018 (Texts adopted P8_TA(2018)0468).

(As an agreement was reached between Parliament and Council, Parliament’s position corresponds to the final legislative act, Regulation (EU) 2018/2000.)
Establishing a Programme for the Environment and Climate Action (LIFE) ***I


(Ordinary legislative procedure: first reading)

(2020/C 388/21)

Amendment 1

Proposal for a regulation

Recital 2

Text proposed by the Commission

(2) The Programme for the Environment and Climate Action (LIFE), established by Regulation (EU) No 1293/2013 of the European Parliament and of the Council (1) for the period 2014 to 2020 is the latest in a series of Union programmes over 25 years which support the implementation of environmental and climate legislation and policy priorities. It was positively assessed in a recent mid-term evaluation (2) as being on track to be effective, efficient and relevant. The 2014-2020 LIFE Programme should therefore be continued with certain modifications identified in the mid-term evaluation and subsequent assessments. Accordingly, a Programme for the Environment and Climate Action (LIFE) (the ‘Programme’) should be established for the period starting 2021.

Amendment

(2) The Programme for the Environment and Climate Action (LIFE), established by Regulation (EU) No 1293/2013 of the European Parliament and of the Council (1) for the period 2014 to 2020 is the latest in a series of Union programmes over 25 years which support the implementation of environmental and climate legislation and policy priorities. It was positively assessed in a recent mid-term evaluation (2) as being already highly cost-effective and on track to be effective in general terms, efficient and relevant. The 2014-2020 LIFE Programme should therefore be continued with certain modifications identified in the mid-term evaluation and subsequent assessments. Accordingly, a Programme for the Environment and Climate Action (LIFE) (the ‘Programme’) should be established for the period starting 2021.


(1) The matter was referred back for interinstitutional negotiations to the committee responsible, pursuant to Rule 59(4), fourth subparagraph (A8-0397/2018).
(3) Pursuing the achievement of the Union’s objectives and targets set by environmental, climate and related clean energy legislation, policy, plans and international commitments, the Programme should contribute to the shift towards a clean, circular, energy-efficient, low-carbon and climate-resilient economy, to the protection and improvement of the quality of the environment and to halting and reversing biodiversity loss, either through direct interventions or by supporting the integration of those objectives in other policies.

The just transition should be achieved in consultation and dialogue with social partners and the regions and communities affected. These should also be included to the extent possible in the development and implementation of projects.

(4) The Union is committed to developing a comprehensive response to the sustainable development goals of the United Nations 2030 Agenda for the Sustainable Development, which highlight the intrinsic connection between the management of natural resources to ensure their long-term availability, ecosystem services, their link to human health and sustainable and socially inclusive economic growth. In this spirit, the Programme should make a material contribution to both economic development and social cohesion.
Amendment 4
Proposal for a regulation
Recital 4 a (new)

Text proposed by the Commission

(4a) With a view to promoting sustainable development, environmental and climate protection requirements should be integrated into the definition and implementation of all Union policies and activities. Synergies and complementarity with other Union funding programmes should, therefore, be promoted, including by facilitating the funding of activities that complement strategic integrated projects and strategic nature projects and support the uptake and replication of solutions developed under the Programme. Coordination is required to prevent double funding. The Commission and Member States should take steps to prevent administrative overlap and burden on project beneficiaries, arising from reporting obligations from different financial instruments.
The Programme should contribute to sustainable development and to the achievement of the objectives and targets of the Union environment, climate and relevant clean energy legislation, strategies, plans and international commitments, in particular the United Nations 2030 Agenda for the Sustainable Development (8), the Convention on Biological Diversity (9) and the Paris Agreement adopted under the United Nations Framework Convention on Climate Change (10) (Paris Agreement on Climate Change).

For achieving the overarching objectives, the implementation of the Circular economy package (11), the 2030 Climate and Energy Policy Framework (12), (13), (14), Union nature legislation (15), as well as of related policies (16), (17), (18), (19), (20), is of particular importance.


The implementation (20b) of the general action programmes on environment and climate policy adopted in accordance with Article 192(3) TFEU, such as the 7th Environment Action Programme (20c), is of particular importance, as is the implementation (20b) of the general action programmes on environment and climate policy adopted in accordance with Article 192(3) TFEU, such as the 7th Environment Action Programme (20c).
Amendment 7
Proposal for a regulation
Recital 6 a (new)

Text proposed by the Commission

(6a) The Union attaches great importance to the long-term sustainability of the results of LIFE projects, and to the capacity to secure and maintain those results after project implementation, inter alia by project continuation, replication and/or transfer. This implies having special requirements for the applicants as well as the need for Union-level guarantees to ensure that other Union funded projects do not undermine the results of any implemented LIFE projects.

Amendment 8
Proposal for a regulation
Recital 7

Text proposed by the Commission

(7) Complying with the Union’s commitments under the Paris Agreement on Climate Change requires the transformation of the Union into an energy efficient, low carbon and climate resilient society. This in turn requires actions, with a special focus on sectors that contribute most to the current levels of CO2 output and pollution, contributing to the implementation of the 2030 energy and climate policy framework and the Member States’ Integrated National Energy and Climate Plans and preparations for the Union’s mid-century and long-term climate and energy strategy. The Programme should also include measures contributing to the implementation of the Union’s climate adaptation policy to decrease vulnerability to the adverse effects of climate change.

Amendment

(7) Complying with the Union’s commitments under the Paris Agreement on Climate Change requires the transformation of the Union into a sustainable, circular, renewable, energy efficient, net zero-emission and climate resilient society. This in turn requires actions, with a special focus on sectors that contribute most to the current levels of greenhouse gas output and pollution, contributing to the implementation of the 2030 energy and climate policy framework and the Member States’ Integrated National Energy and Climate Plans and to the implementation of the Union’s mid-century and long-term climate and energy strategy, in line with the decarbonisation objective of the Paris Agreement. The Programme should also include measures contributing to the implementation of the Union’s climate adaptation policy to decrease vulnerability to the adverse effects of climate change.
The transition to clean energy is an essential contribution to the mitigation of climate change with co-benefits for the environment. Actions for capacity building supporting the clean energy transition, funded until 2020 under Horizon 2020, should be integrated in the Programme since their objective is not to fund excellence and generate innovation, but to facilitate the uptake of already available technology that will contribute to climate mitigation. The inclusion of these capacity building activities into the Programme offers potential for synergies between the sub-programmes and increases the overall coherence of Union funding. Therefore, data should be collected and disseminated on the uptake of existing research and innovation solutions in the LIFE projects, including from the Horizon Europe programme and its predecessors.

The impact assessments of the Clean Energy legislation estimate that the delivery of the Union’s 2030 energy targets will require additional investments of EUR 177 billion annually in the period 2021-2030. The biggest gaps relate to the investments in buildings decarbonisation (energy efficiency and small-scale renewable energy sources), where capital needs to be channelled towards projects of highly distributed nature. One of the objectives of the Clean Energy Transition sub-programme is to build capacity for projects development and aggregation, thereby also helping to absorb funds from the European Structural and Investment Funds and catalyse investments in clean energy also using the financial instruments provided under InvestEU.
Amendment 11
Proposal for a regulation
Recital 9 a (new)

Text proposed by the Commission

(9a) The LIFE programme is the only programme dedicated specifically to environment and climate action, and therefore plays a crucial role in supporting the implementation of Union legislation in those areas.

Amendment 12
Proposal for a regulation
Recital 11

Text proposed by the Commission

(11) An action that has received a contribution from the Programme can also receive a contribution from any other Union programme, provided that the contributions do not cover the same costs. Actions that receive cumulative funding from different Union programmes shall be audited only once, covering all involved programmes and their respective applicable rules.

Amendment

(11) An action that has received a contribution from the Programme can also receive a contribution from any other Union programme, provided that the contributions do not cover the same costs. Actions that receive cumulative funding from different Union programmes should be audited only once, covering all involved programmes and their respective applicable rules.
Amendment 13
Proposal for a regulation
Recital 12

The Union’s most recent Environmental Implementation Review package (21) indicates that significant progress is required to accelerate implementation of the Union environment acquis and enhance the integration of environmental and climate objectives into other policies. The Programme should therefore act as a catalyst to achieve the required progress through developing, testing and replicating new approaches; supporting policy development, monitoring and review; enhancing stakeholder involvement; mobilising investments across Union investment programmes or other financial sources and supporting actions to overcome the various obstacles to the effective implementation of key plans required by environment legislation.

Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — The EU Environmental Implementation Review: Common challenges and how to combine efforts to deliver better results (COM(2017)0063).
(13) Halting and reversing biodiversity loss, including in marine ecosystems, requires support for the development, implementation, enforcement and assessment of relevant Union legislation and policy, including the EU Biodiversity Strategy to 2020 (22), Council Directive 92/43/EEC (23) and Directive 2009/147/EC of the European Parliament and of the Council (24) and Regulation (EU) 1143/2014 of the European Parliament and of the Council (25), in particular by developing the knowledge base for policy development and implementation and by developing, testing, demonstrating and applying best practices and solutions on small scale or tailored to specific local, regional or national contexts, including integrated approaches for the implementation of the prioritised action frameworks prepared on the basis of Directive 92/43/EEC. The Union should track its biodiversity-related expenditure to fulfil its reporting obligations under the Convention on Biological Diversity. Requirements for tracking in other relevant Union legislation should also be met.

(22) COM(2011)0244.
Amendment 15
Proposal for a regulation
Recital 14

Text proposed by the Commission

(14) Recent evaluations and assessments, including the mid-term review of the EU Biodiversity Strategy to 2020 and the Fitness Check of Nature legislation, indicate that one of the main underlying causes for insufficient implementation of Union nature legislation and of the biodiversity strategy is the lack of adequate financing. The main Union funding instruments, including the [European Regional Development Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund], can make a significant contribution towards meeting those needs. The Programme can further improve the efficiency of such mainstreaming through strategic nature projects dedicated to catalysing the implementation of Union nature and biodiversity legislation and policy, including the actions set out in the Priority Action Frameworks developed in accordance with Directive 92/43/EEC. The strategic nature projects should support programmes of actions in Member States for the mainstreaming of relevant nature and biodiversity objectives into other policies and financing programmes, thus ensuring that appropriate funds are mobilised for implementing these policies. Member States could decide within their Strategic Plan for the Common Agricultural Policy to use a certain share of the European Agricultural Fund for Rural Development allocation to leverage support for actions that complement the Strategic Nature Projects as defined under this Regulation.

Amendment

(14) Recent evaluations and assessments, including the mid-term review of the EU Biodiversity Strategy to 2020 and the Fitness Check of Nature legislation, indicate that one of the main underlying causes for insufficient implementation of Union nature legislation and of the biodiversity strategy is the lack of adequate financing. The main Union funding instruments, including the [European Regional Development Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund], can make a significant contribution towards meeting those needs, with the precondition that the funding has to be complementary. The Programme can further improve the efficiency of such mainstreaming through strategic nature projects dedicated to catalysing the implementation of Union nature and biodiversity legislation and policy, including the actions set out in the Priority Action Frameworks developed in accordance with Directive 92/43/EEC. The strategic nature projects should support programmes of actions to assist in the mainstreaming of relevant nature and biodiversity objectives into other policies and financing programmes, thus ensuring that appropriate funds are mobilised for implementing these policies. Member States could decide within their Strategic Plan for the Common Agricultural Policy to use a certain share of the European Agricultural Fund for Rural Development allocation to leverage support for actions that complement the Strategic Nature Projects as defined under this Regulation.
Amendment 16
Proposal for a regulation
Recital 15

Text proposed by the Commission

(15) The voluntary scheme for Biodiversity and Ecosystem Services in Territories of European Overseas (BEST) promotes the conservation of biodiversity, including marine biodiversity, and sustainable use of ecosystem services, including ecosystem-based approaches to climate change adaptation and mitigation, in the Union’s Outermost Regions and Overseas Countries and Territories. BEST has helped to raise awareness for the ecological importance of the Outermost Regions and Overseas Countries and Territories for conserving global biodiversity. In their Ministerial Declarations in 2017 and 2018, Overseas Countries and Territories have expressed their appreciation for this small grant scheme for biodiversity. It is appropriate to allow the Programme to continue financing small grants for biodiversity in both the Outermost Regions and the Overseas Countries and Territories.

Amendment

(15) The voluntary scheme for Biodiversity and Ecosystem Services in Territories of European Overseas (BEST) promotes the conservation of biodiversity, including marine biodiversity, and sustainable use of ecosystem services, including ecosystem-based approaches to climate change adaptation and mitigation, in the Union’s Outermost Regions and Overseas Countries and Territories. Through the BEST preparatory action adopted in 2011 and the subsequent BEST 2.0 Programme and BEST RUP project, BEST has helped to raise awareness for the ecological importance of the Outermost Regions and Overseas Countries and Territories and their key role in conserving global biodiversity. The Commission estimates that the need for financial support for projects on the ground in those territories is EUR 8 million per year. In their Ministerial Declarations in 2017 and 2018, Overseas Countries and Territories have expressed their appreciation for this small grant scheme for biodiversity. It is therefore appropriate for the Programme to continue to finance small grants for biodiversity, including capacity building and the capitalisation of actions funded, in both the Outermost Regions and the Overseas Countries and Territories.
Amendment 17
Proposal for a regulation

Recital 16

(16) Promoting the circular economy requires a mentality shift in the way of designing, producing, consuming and disposing of materials and products, including plastics. The Programme should contribute to the transition to a circular economy model through financial support targeting a variety of actors (businesses, public authorities and consumers), in particular by applying, developing, and replicating best technology, practices and solutions tailored to specific local, regional or national contexts, including through integrated approaches for the implementation of waste management and prevention plans. Through supporting the implementation of the plastics strategy, action can be taken to address the problem of marine litter in particular.

Amendment 18
Proposal for a regulation

Recital 16 a (new)

(16a) A high level of environmental protection is of fundamental importance for the health and well-being of Union citizens. The Programme should support the Union’s objective to produce and use chemicals in ways that lead to the minimisation of significant adverse effects on human health and the environment, and to develop a Union strategy for a non-toxic environment. The Programme should also support activities to facilitate the implementation of Directive 2002/49/EC of the Parliament and of the Council (1a) in order to achieve noise levels that do not give rise to significant negative impacts on and risks to human health.

Amendment 19
Proposal for a regulation
Recital 17

Text proposed by the Commission

(17) The Union’s long-term objective for air policy is to achieve levels of air quality that do not cause significant negative impacts on and risks to human health. Public awareness about air pollution is high and citizens expect authorities to act. Directive (EU) 2016/2284 of the European Parliament and of the Council (26) stresses the role Union funding can play in achieving clean air objectives. Therefore, the Programme should support projects, including strategic integrated projects, which have the potential to leverage public and private funds, to be showcases of good practice and catalysts for the implementation of air quality plans and legislation at local, regional, multi-regional, national and trans-national level.

Amendment

(17) The Union’s long-term objective for air policy is to achieve levels of air quality that do not cause significant negative impacts on and risks to human health and the environment, while reinforcing the synergies between air quality improvements and greenhouse gas emission reduction. Public awareness about air pollution is high and citizens expect authorities to act, in particular in areas where the population and ecosystems are exposed to high levels of air pollutants. Directive (EU) 2016/2284 of the European Parliament and of the Council (26) stresses the role Union funding can play in achieving clean air objectives. Therefore, the Programme should support projects, including strategic integrated projects, which have the potential to leverage public and private funds, to be showcases of good practice and catalysts for the implementation of air quality plans and legislation at local, regional, multi-regional, national and trans-national level.

Amendment 20
Proposal for a regulation
Recital 19

Text proposed by the Commission

(19) The protection and restoration of the marine environment is one of the overall aims of the Union’s environment policy. The Programme should support the following: the management, conservation, restoration and monitoring of biodiversity and marine ecosystems in particular in Natura 2000 marine sites and the protection of species in accordance with the prioritised action frameworks developed pursuant to Directive 92/43/EEC; the achievement of Good Environmental Status in line with the Directive 2008/56/EC of the European Parliament and of the Council (28); the promotion of clean and healthy seas; the implementation of the European strategy for plastic in a circular economy, to address the problem of lost fishing gear and marine litter in particular; and the promotion of the Union’s involvement in international ocean governance which is essential for achieving the goals of the United Nations 2030 Agenda for Sustainable Development and to guarantee healthy oceans for future generations. The Programme’s strategic integrated projects and strategic nature projects should include relevant actions aiming at the protection of the marine environment.

Amendment

(19) The protection and restoration of the aquatic environment is one of the overall aims of the Union’s environment policy. The Programme should support the following: the management, conservation, restoration and monitoring of biodiversity and aquatic ecosystems in particular in Natura 2000 marine sites and the protection of species in accordance with the prioritised action frameworks developed pursuant to Directive 92/43/EEC; the achievement of Good Environmental Status in line with the Directive 2008/56/EC of the European Parliament and of the Council (28); the promotion of clean and healthy seas; the implementation of the European strategy for plastic in a circular economy, to address the problem of lost fishing gear and marine litter in particular; and the promotion of the Union’s involvement in international ocean governance which is essential for achieving the goals of the United Nations 2030 Agenda for Sustainable Development and to guarantee healthy oceans for future generations. The Programme’s strategic integrated projects and strategic nature projects should include relevant actions aiming at the protection of the aquatic environment.

Amendment 21
Proposal for a regulation
Recital 19 a (new)

Text proposed by the Commission

(19a) The current conservation status of Natura 2000 areas on agricultural land is very poor, which indicates that such areas are still in need of protection. Current CAP payments for Natura 2000 areas are the most effective means of preserving biodiversity in agricultural land (\(^{(1a)}\)). However, such payments are insufficient and they do not represent a high value for natural capital. To incentivise environmental protection of such areas, CAP payments for Natura 2000 areas should therefore be increased.


Amendment 22
Proposal for a regulation
Recital 20

Text proposed by the Commission

(20) The improvement of governance on environmental, climate change and related clean energy transition matters requires involvement of civil society by raising public awareness, consumer engagement, and broadening of stakeholder involvement, including non-governmental organisations, in consultation on and implementation of related policies.

Amendment

(20) The improvement of governance on environmental, climate change and related clean energy transition matters requires involvement of civil society by raising public awareness, including through a communication strategy that takes into account new media and social networks, consumer engagement, and broadening of multi-level public and stakeholder involvement, including non-governmental organisations, in consultation on and implementation of related policies. It is, therefore, appropriate that the Programme support a broad range of NGOs as well as networks of non-profit-making entities that pursue an aim which is of general Union interest, and that are primarily active in the field of environment or climate action, by awarding, in a competitive and transparent manner, operating grants, in order to help such NGOs, networks and entities to make effective contributions to Union policy, and to build up and strengthen their capacity to become more efficient partners.
Amendment 23
Proposal for a regulation
Recital 21

Text proposed by the Commission

(21) Whilst improving governance at all levels should be a cross-cutting objective for all sub-programmes of the Programme, the Programme should support the development and implementation of the horizontal legislation on the environmental governance, including the legislation implementing the United Nations Economic Commission for Europe (UNECE) Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters (\(^{29}\)).

Amendment

(21) Whilst improving governance at all levels should be a cross-cutting objective for all sub-programmes of the Programme, the Programme should support the development, implementation and enforcement of, and effective compliance with, the environment and climate acquis, in particular the horizontal legislation on the environmental governance, including the legislation implementing the United Nations Economic Commission for Europe (UNECE) Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters (\(^{29}\)) (\(^{29a}\)), and the Aarhus Convention Compliance Committee.

\(^{29}\) OJ L 124, 17.5.2005, p. 4.


Amendment 24
Proposal for a regulation
Recital 22

Text proposed by the Commission

(22) The Programme should prepare and support market players for the shift towards a clean, circular, energy-efficient, low-carbon and climate-resilient economy by testing new business opportunities, upgrading professional skills, facilitating consumers’ access to sustainable products and services, engaging and empowering influencers and testing novel methods to adapt the existing processes and business landscape. To support a broader market uptake of sustainable solutions, general public acceptance and consumer engagement should be promoted.

Amendment

(22) The Programme should prepare and support market players for the shift towards a clean, circular, energy-efficient, net-zero emission and climate-resilient economy by testing new business opportunities, upgrading professional skills, facilitating consumers’ access to sustainable products and services, engaging and empowering influencers and testing novel methods to adapt the existing processes and business landscape. To support a broader market uptake of sustainable solutions, general public acceptance and consumer engagement should be promoted.
Amendment 25
Proposal for a regulation
Recital 22 a (new)

Text proposed by the Commission

Amendment

(22a) The Programme is designed to support the demonstration of techniques, approaches and best practice that can be replicated and upscaled. Innovative solutions would contribute to the improvement of environmental performance and sustainability, in particular for the development of sustainable farming practices in the areas active in the fields of climate, water, soil, biodiversity and waste. Synergies with other programmes and policies, such as the European Innovation Partnership for Agricultural Productivity and Sustainability and the EU Eco-Management and Audit Scheme, should be emphasised in this regard.

Amendment 26
Proposal for a regulation
Recital 23

Text proposed by the Commission

Amendment

(23) At Union level, large investments in environmental and climate actions are primarily funded by major Union funding programmes (mainstreaming). In the context of their catalytic role, strategic integrated projects and strategic nature projects to be developed under the Programme should leverage financing opportunities under those funding programmes and other sources of funding such as national funds, and create synergies.

(23) At Union level, large investments in environmental and climate actions are primarily funded by major Union funding programmes. It is therefore imperative to step up the mainstreaming efforts, to ensure sustainability, biodiversity and climate proofing of other Union funding programmes and the integration of sustainability safeguards in all Union instruments. The Commission should have the power to adopt a common methodology and take effective measures to ensure that LIFE projects are not negatively affected by other Union programmes and policies. In the context of their catalytic role, strategic integrated projects and strategic nature projects to be developed under the Programme should leverage financing opportunities under those funding programmes and other sources of funding such as national funds, and create synergies.
Amendment 27
Proposal for a regulation
Recital 23 a (new)

Text proposed by the Commission

(23a) The success of strategic nature projects and strategic integrated projects depends on close cooperation between national, regional and local authorities and the non-state actors affected by the Programme’s objectives. The principles of transparency and disclosure regarding decisions concerning the development, implementation, assessment and monitoring of projects should, therefore, be applied, in particular in the case of mainstreaming or when multiple funding sources are involved.

Amendment 28
Proposal for a regulation
Recital 24

Text proposed by the Commission

(24) Reflecting the importance of tackling climate change in line with the Union’s commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Programme will contribute to mainstream climate actions and to the achievement of an overall target of 25% of the EU budget expenditures supporting climate objectives. Actions under this Programme are expected to contribute 61% of the overall financial envelope of the Programme to climate objectives. Relevant actions will be identified during the Programme’s preparation and implementation, and reassessed in the context of the relevant evaluations and review processes.

Amendment

(24) Reflecting the importance of tackling climate change in a coordinated and ambitious manner, in line with the Union’s commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Programme will contribute to mainstream climate actions and to the achievement of an overall target of at least 25% of the EU budget expenditures supporting climate objectives over the MFF 2021-2027 period, and an annual target of 30% as soon as possible and at the latest by 2027. Actions under this Programme are expected to contribute [61%] of the overall financial envelope of the Programme to climate objectives. Relevant actions will be identified during the Programme’s preparation and implementation, and reassessed in the context of the relevant evaluations and review processes.
Amendment 29
Proposal for a regulation
Recital 25

Text proposed by the Commission

(25) In the implementation of the Programme due consideration should be given to the strategy for outermost regions in view of Article 349 TFEU and the specific needs and vulnerabilities of these regions. Union policies other than environmental, climate and relevant clean energy transition policies should also be taken into account.

Amendment

(25) In the implementation of the Programme due consideration should be given to the strategy for outermost regions in view of Article 349 TFEU and the specific needs and vulnerabilities of these regions. Union and Member State funding should be appropriately strengthened in that regard. Union policies other than environmental, climate and relevant clean energy transition policies should also be taken into account.

Amendment 30
Proposal for a regulation
Recital 26

Text proposed by the Commission

(26) In support of the implementation of the Programme, the Commission should collaborate with the Programme’s national contact points, organise seminars and workshops, publish lists of projects funded under the Programme or undertake other activities to disseminate project results and to facilitate exchanges of experience, knowledge and best practices and the replication of project results across the Union. Such activities should in particular target Member States with a low uptake of funds and should facilitate the communication and cooperation between project beneficiaries, applicants or stakeholders of completed and ongoing projects in the same field.

Amendment

(26) In support of the implementation of the Programme, the Commission should collaborate with the Programme’s national regional and local contact points, including in the set-up of an advisory network at local level to facilitate the development of projects with high added-value and policy impact and to ensure the provision of information on complementary financing, transferability of projects as well as long-term sustainability, organise seminars and workshops, publish lists of projects funded under the Programme or undertake other activities, such as media campaigns, in order to better disseminate project results and to facilitate exchanges of experience, knowledge and best practices and the replication of project results across the Union, thus promoting cooperation and communication. Such activities should in particular target Member States with a low uptake of funds and should facilitate the communication and cooperation between project beneficiaries, applicants or stakeholders of completed and ongoing projects in the same field. It is essential that such communication and cooperation also involve regional and local authorities and stakeholders.
Amendment 31
Proposal for a regulation
Recital 28 a (new)

Text proposed by the Commission

Amendment

(28a) The minimum and maximum co-financing rates should be set at levels such as are necessary to maintain the effective level of support provided by the Programme, while taking into account the necessary flexibility and adaptability that is needed to respond to the existing range of actions and entities.

Amendment 32
Proposal for a regulation
Recital 31

Text proposed by the Commission

Amendment

(31) The types of financing and the methods of implementation should be chosen on the basis of their ability to achieve the specific objectives of the actions and to deliver results, taking into account, in particular, the costs of controls, the administrative burden, and the expected risk of non-compliance. As regards grants, this should include consideration of the use of lump sums, flat rates and scales of unit costs.

(31) The Commission should ensure that implementation is easy to understand, and should promote genuine simplification for project developers.
Amendment 33
Proposal for a regulation
Recital 36 a (new)

Text proposed by the Commission

Amendment
(36a) In order to ensure that support from and implementation of the Programme is consistent with the policies and priorities of the Union and complementary to other financial instruments of the Union, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in order to supplement this Regulation by adopting multiannual work programmes. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States’ experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

Amendment 34
Proposal for a regulation
Recital 38

Text proposed by the Commission

Amendment
(38) Since the objectives of this Regulation, namely contributing to sustainable development and to the achievement of the objectives and targets of the Union environment, climate and relevant clean energy legislation, strategies, plans or international commitments cannot be sufficiently achieved by the Member States but can rather, by reason of scale and effects of this Regulation, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives.

(38) Since the objectives of this Regulation, namely contributing to a high level of environmental protection and ambitious climate action with good governance and a multi-stakeholder approach and to the achievement of the objectives and targets of the Union environment, biodiversity, climate, circular economy and relevant renewable energy and energy efficiency legislation, strategies, plans or international commitments, cannot be sufficiently achieved by the Member States but can rather, by reason of scale and effects of this Regulation, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives.
Amendment 35
Proposal for a regulation
Article 1 — paragraph 1

Text proposed by the Commission
This Regulation establishes the Programme for the Environment and Climate Action (LIFE) (the ‘Programme’).

Amendment
This Regulation establishes a Programme for the Environment and Climate Action (LIFE) (the ‘Programme’), covering the period from 1 January 2021 to 31 December 2027.

Amendment 36
Proposal for a regulation
Article 1 — paragraph 2

Text proposed by the Commission
It lays down the objectives of the Programme, the budget for the period 2021-2027, the forms of Union funding and the rules for providing such funding.

Amendment
It lays down the objectives of the Programme, the budget for that period, the forms of Union funding and the rules for providing such funding.

Amendment 37
Proposal for a regulation
Article 2 — paragraph 1 — point 1

Text proposed by the Commission
(1) ‘strategic nature projects’ means projects that support the achievement of Union nature and biodiversity objectives by implementing coherent programmes of action in the Member States to mainstream these objectives and priorities into other policies and financing instruments, including through coordinated implementation of the priority action frameworks established pursuant to Directive 92/43/EEC;

Amendment
(1) ‘strategic nature projects’ means projects that support the achievement of Union nature and biodiversity objectives, by implementing coherent programmes of action, in particular by mainstreaming these objectives and priorities into other policies and financing instruments, including through coordinated implementation of the priority action frameworks established pursuant to Directive 92/43/EEC;
Amendment 103
Proposal for a regulation
Article 3 — paragraph 1

1. The general objective of the Programme is to contribute to the shift towards a clean, circular, energy-efficient, low-carbon and climate-resilient economy, including through the transition to clean energy, to the protection and improvement of the quality of the environment and to halting and reversing biodiversity loss, thereby contributing to sustainable development.

Amendment

1. The general objective of the Programme is to contribute within the framework of just transition to the shift towards a clean, circular, energy-efficient, net-zero emission and climate-resilient economy, to protect and improve the quality of the environment and to halt and reverse biodiversity loss and the degradation of ecosystems, thereby contributing to sustainable development.

Amendment 39
Proposal for a regulation
Article 3 — paragraph 2 — point a

(a) to develop, demonstrate and promote innovative techniques and approaches for reaching the objectives of the Union legislation and policy on environment and climate action, including the transition to clean energy, and to contribute to the application of best practice in relation to nature and biodiversity;

Amendment

(a) to develop, demonstrate and promote innovative techniques and approaches for reaching the objectives of the Union legislation and policy on environment and climate action, including the transition to clean, renewable energy and increased energy efficiency, and to contribute to the knowledge base, effective management and application of best practice, in relation to nature and biodiversity, including through the support of the Natura 2000 network;

Amendment 40
Proposal for a regulation
Article 3 — paragraph 2 — point b

(b) to support the development, implementation, monitoring and enforcement of the relevant Union legislation and policy, including by improving governance through enhancing capacities of public and private actors and the involvement of civil society;

Amendment

(b) to support the development, implementation, monitoring, effective compliance and enforcement of the relevant Union legislation and policy, in particular by supporting the implementation of General Union Environment Action Programmes that have been adopted pursuant to Article 192(3) TFEU and by improving environmental and climate governance at all levels, including by enhancing capacities of public and private actors and the involvement of civil society;
Amendment 41
Proposal for a regulation
Article 5 — paragraph 1

Text proposed by the Commission

1. The financial envelope for the implementation of the Programme for the period 2021-2027 shall be EUR 5 450 000 000 in current prices.

Amendment

1. The financial envelope for the implementation of the Programme for the period 2021-2027 shall be EUR 6 442 000 000 in 2018 prices (EUR 7 272 000 000 in current prices).

Amendment 42
Proposal for a regulation
Article 5 — paragraph 2

Text proposed by the Commission

2. The indicative distribution of the amount referred to in paragraph 1 shall be:

(a) EUR 3 500 000 000 for the field Environment, of which

(1) EUR 2 150 000 000 for the sub-programme Nature and Biodiversity and

(2) EUR 1 350 000 000 for the sub-programme Circular Economy and Quality of Life;

(b) EUR 1 950 000 000 for the field Climate Action, of which

(1) EUR 950 000 000 for the sub-programme Climate Change Mitigation and Adaptation and

(2) EUR 1 000 000 000 for the sub-programme Clean Energy Transition.

Amendment

2. The indicative distribution of the amount referred to in paragraph 1 shall be:

(a) EUR 4 715 000 000 in 2018 prices (EUR 5 322 000 000 in current prices, which constitutes 73,2 % of the total financial envelope of the Programme) for the field Environment, of which

(1) EUR 2 829 000 000 in 2018 prices (EUR 3 261 420 000 in current prices which constitutes 44,9 % of the total financial envelope of the Programme) for the sub-programme Nature and Biodiversity and

(2) EUR 1 886 000 000 in 2018 prices (EUR 2 060 580 000 in current prices which constitutes 28,3 % of the total financial envelope of the Programme) for the sub-programme Circular Economy and Quality of Life;

(b) EUR 1 950 000 000 for the field Climate Action, of which

(1) EUR 950 000 000 for the sub-programme Climate Change Mitigation and Adaptation and

(2) EUR 1 000 000 000 for the sub-programme Clean Energy Transition.

Amendment 43
Proposal for a regulation
Article 6 — paragraph 1 — introductory part

Text proposed by the Commission

1. The Programme shall be open to the following third countries:

Amendment

1. Subject to fully complying with all its rules and regulations, the Programme shall be open to the following third countries:
Amendment 44  
Proposal for a regulation  
Article 6a (new)

Text proposed by the Commission

Amendment

Article 6a

International cooperation

In the course of implementing the Programme, cooperation with relevant international organisations, and with their institutions and bodies, shall be possible where needed for the purpose of achieving the general objectives set out in Article 3.

Amendment 45  
Proposal for a regulation  
Article 7

Text proposed by the Commission

The Programme shall be implemented in a way which ensures its consistency with the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development, and the European Maritime and Fisheries Fund, Horizon Europe, the Connecting Europe Facility and InvestEU, in order to create synergies, particularly as regards strategic nature projects and strategic integrated projects, and to support the uptake and replication of solutions developed under the Programme.

The Commission shall ensure the consistent implementation of the Programme and the Commission and the Member States shall ensure coherence and coordination with the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development, the European Maritime and Fisheries Fund, Horizon Europe, the Connecting Europe Facility, the Emissions Trading System Innovation Fund and InvestEU, in order to create synergies, particularly as regards strategic nature projects and strategic integrated projects, and to support the uptake and replication of solutions developed under the Programme. The Commission and Member States shall ensure complementarity at all levels. The Commission shall identify specific actions and shall mobilise relevant finance under other Union programmes, and facilitate the coordinated and coherent implementation of the complementary actions financed from other sources.

Amendment 104  
Proposal for a regulation  
Article 8 — paragraph 1a (new)

Text proposed by the Commission

Amendment

1a. The Programme shall be implemented within the framework of just transition, whereby the communities and territories affected are included in the development and implementation of projects, in particular through consultations and dialogue.
Amendment 46
Proposal for a regulation
Article 10 — paragraph 3

Text proposed by the Commission

3. Projects under the sub-programme Nature and Biodiversity concerning the management, restoration and monitoring of Natura 2000 sites in accordance with Directives 92/43/EEC and 2009/147/EC shall be supported in accordance with prioritised action frameworks established pursuant to Directive 92/43/EEC.

Amendment

3. Projects under the sub-programme Nature and Biodiversity concerning the management, restoration and monitoring of Natura 2000 sites in accordance with Directives 92/43/EEC and 2009/147/EC shall take account of priorities set out in national and regional plans, strategies and policies, inter alia in prioritised action frameworks established pursuant to Directive 92/43/EEC.

Amendment 47
Proposal for a regulation
Article 10 — paragraph 4

Text proposed by the Commission

4. Grants may finance activities outside the Union, provided that the project pursues Union environmental and climate objectives and the activities outside the Union are necessary to ensure the effectiveness of interventions carried out in Member State territories.

Amendment

4. Grants may finance activities outside a Member State or an overseas country or territory linked to it, provided that the project pursues Union environmental and climate objectives and the activities outside the Union are necessary to ensure the effectiveness of interventions carried out in Member State territories or an overseas country or territory, or to support international agreements to which the Union is party.

Amendment 48
Proposal for a regulation
Article 11 — paragraph 2 — point a — point 3

Text proposed by the Commission

(3) other third countries listed in the work programme under the conditions specified in paragraphs 4 to 6:

Amendment

(3) other third countries listed in the multiannual work programmes, under the conditions specified in paragraphs 4 to 6:
Amendment 49
Proposal for a regulation

Article 11 — paragraph 6a (new)

Text proposed by the Commission

Amendment

6a. In order to ensure effective use of the Programme’s funds and efficient participation by the legal entities referred to in paragraph 4, the Commission is empowered to adopt delegated acts in accordance with Article 21 to supplement this Article by laying down the extent to which participation by those legal entities in the environmental and climate policy conducted by the Union is sufficient for them to be considered eligible for the Programme.

Amendment 50
Proposal for a regulation

Article 12 a (new)

Text proposed by the Commission

Amendment

Article 12a

Project submission and selection procedures

1. The Programme shall introduce the following procedures for the submission and selection of projects:

   (a) a simplified two-stage approach based on the submission and evaluation of a summary, followed by a full proposal for those candidates whose proposals have been pre-selected;

   (b) a standard one-stage approach based solely on the submission and evaluation of a full proposal. If the standard approach is chosen in preference to the simplified approach, reasons shall be given for that choice in the work programme, in view of the organisational and operational constraints linked to each sub-programme and, if applicable, to each call for proposals.

2. For the purposes of paragraph 1, a ‘summary’ means a note of no more than 10 pages including a description of the project’s content, the potential partner(s), constraints that are likely to arise and the emergency plan to address them, as well as the strategy selected to ensure the sustainability of the project’s results after it has ended, administrative forms relating to the beneficiaries participating in the project and a detailed project budget.
Amendment 51
Proposal for a regulation
Article 13

Award criteria shall be set out in the calls for proposals taking into account the following:

(a) projects financed by the Programme shall **avoid undermining** environmental, climate or relevant clean energy objectives of the Programme and, **where** possible, shall promote the use of green public procurement:

(b) projects that provide co-benefits and promote synergies between the sub-programmes referred to in Article 4 shall be given priority;

(c) projects with the highest potential of being replicated and taken-up by the public or private sector or of mobilising the largest investments or financial resources (catalytic potential) shall **be given priority**;

(d) the replicability of standard action project results shall be ensured;

(e) projects that build on or upscale the results of other projects funded by the Programme, its predecessor programmes or with other Union funds shall benefit from a bonus in their evaluation;

(f) where appropriate, special regard shall be given to projects in geographical areas with specific needs or vulnerabilities, such as areas with specific environmental challenges or natural constraints, trans-border areas or outermost regions.

Award criteria shall be **defined** in the **multiannual work programmes, as set out in Article 17, and in** the calls for proposals taking into account the following:

(a) projects financed by the Programme shall **not undermine** environmental, climate or relevant clean energy objectives of the Programme and, **whenever** possible, shall promote the use of green public procurement;

(aa) projects shall ensure a cost-effective approach and be **technically and financially coherent**;

(ab) projects with the highest potential contribution for the achievement of the objectives set out in Article 3 shall be given priority;

(b) projects that provide co-benefits and promote synergies between the sub-programmes referred to in Article 4 shall be given priority;

(c) projects with the highest potential of being replicated and taken-up by the public or private sector or of mobilising the largest investments or financial resources (catalytic potential) shall **benefit from a bonus in their evaluation**;

(d) the replicability of standard action project results shall be ensured;

(e) projects that build on or upscale the results of other projects funded by the Programme, its predecessor programmes or with other Union funds shall benefit from a bonus in their evaluation;

(f) where appropriate, special regard shall be given to the **biogeographic balance of projects and** projects in geographical areas with specific needs or vulnerabilities, such as areas with specific environmental challenges or natural constraints, trans-border areas, **areas of high natural value** or outermost regions.
Amendment 52
Proposal for a regulation
Article 15 — paragraph 1

Text proposed by the Commission

1. An action that has received a contribution from another Union programme may also receive a contribution under the Programme, provided that the contributions do not cover the same costs. The rules of each contributing Union programme shall apply to its respective contribution to the action. The cumulative funding shall not exceed the total eligible costs of the action and the support from the different Union programmes may be calculated on a pro-rata basis in accordance with the documents setting out the conditions for support.

Amendment

1. An action that has received a contribution from another Union programme may also receive a contribution under the Programme, provided that the contributions do not cover the same costs. In order to be eligible for contributions under the Programme, actions that have been financed by other Union programmes shall have avoided undermining the environmental or climate objectives set out in Article 3. The rules of each contributing Union programme shall apply to its respective contribution to the action. The cumulative funding shall not exceed the total eligible costs of the action and the support from the different Union programmes may be calculated on a pro-rata basis in accordance with the documents setting out the conditions for support.

Amendment 53
Proposal for a regulation
Article 15 — paragraph 2

Text proposed by the Commission

2. Actions awarded a Seal of Excellence certification, or which comply with the following cumulative, comparative conditions:

(a) they have been assessed in a call for proposals under the Programme;

(b) they comply with the minimum quality requirements of that call for proposals;

(c) they may not be financed under that call for proposals due to budgetary constraints.

Amendment

2. Actions awarded a Seal of Excellence certification, or which comply with the following cumulative, comparative conditions:

(a) they have been assessed in a call for proposals under the Programme;

(b) they comply with the minimum quality requirements of that call for proposals;

(c) they may not be financed under that call for proposals due to budgetary constraints.

may receive support from the European Regional Development Fund, the Cohesion Fund, the European Social Fund+ or the European Agricultural Fund for Rural Development, in accordance with paragraph 5 of Article [67] of Regulation (EU) XX [Common Provisions Regulation] and Article [8] or Regulation (EU) XX [Financing, management and monitoring of the Common Agricultural Policy], provided that such actions are consistent with the objectives of the programme concerned. The rules of the Fund providing support shall apply.

may receive support from the European Regional Development Fund, the Cohesion Fund, the European Social Fund+ or the European Agricultural Fund for Rural Development, in accordance with paragraph 5 of Article [67] of Regulation (EU) XX [Common Provisions Regulation] and Article [8] or Regulation (EU) XX [Financing, management and monitoring of the Common Agricultural Policy], provided that such actions are consistent with the objectives and eligibility criteria of the programme concerned. The rules of the Fund providing support shall apply.
Amendment 54
Proposal for a regulation
Article 16 — paragraph 1

Text proposed by the Commission

Blending operations under this Programme shall be implemented in accordance with the [InvestEU Regulation] and Title X of the Financial Regulation.

Amendment

Blending operations under this Programme shall be implemented in accordance with the [InvestEU Regulation] and Title X of the Financial Regulation, with due regard to sustainability and transparency requirements.

Amendment 55
Proposal for a regulation
Article 17 — title

Text proposed by the Commission

Work programme

Amendment

Multiannual work programme

Amendment 56
Proposal for a regulation
Article 17 — paragraph 1

Text proposed by the Commission

1. The Programme shall be implemented by at least two multiannual work programmes referred to in Article 110 of the Financial Regulation. Work programmes shall set out, where applicable, the overall amount reserved for blending operations.

Amendment

1. The Programme shall be implemented by at least two multiannual work programmes referred to in Article 110 of the Financial Regulation. The Commission is empowered to adopt delegated acts in accordance with Article 21 in order to supplement this Regulation by adopting those multiannual work programmes.

Amendment 57
Proposal for a regulation
Article 17 — paragraph 1 a (new)

Text proposed by the Commission

1a. The Commission shall ensure that the co-legislators and relevant stakeholders, including civil society organisations, are adequately consulted when the multiannual work programmes are developed.
Amendment 58
Proposal for a regulation
Article 17 — paragraph 2 — point a (new)

Text proposed by the Commission

(aa) the minimum and the maximum levels for co-financing rates, differentiated amongst the sub-programmes set out in Article 4 and eligible actions set out in Article 10, for which the total maximum co-financing rates in the first multiannual work programme for the actions referred to in points (a), (b) and (d) of Article 10(2) shall be up to [60%] of eligible costs and [75%] in the case of projects, funded under the sub-programme Nature and Biodiversity, that concern priority habitats or species for the implementation of Directive 92/43/EEC or the species of birds considered as a priority for funding by the Committee for Adaptation to Technical and Scientific Progress, set up pursuant to Article 16 of Directive 2009/147/EC, when necessary to achieve the conservation objective;

Amendment 59
Proposal for a regulation
Article 17 — paragraph 2 — point a b (new)

Text proposed by the Commission

(ab) the maximum overall amount reserved for blending operations;

Amendment 60
Proposal for a regulation
Article 17 — paragraph 2 — point d a (new)

Text proposed by the Commission

(da) indicative timetables for the calls for proposals for the period covered by the multiannual work programme;

Amendment 61
Proposal for a regulation
Article 17 — paragraph 2 — point d b (new)

Text proposed by the Commission

(db) the technical methodology for the project submission and selection procedure and selection and award criteria, set out in Article 13, for grants.
Amendment 62
Proposal for a regulation
Article 17 — paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The duration of the first multiannual work programme shall be four years and the duration of the second multiannual work programme shall be three years.

Amendment 63
Proposal for a regulation
Article 17 — paragraph 2 b (new)

Text proposed by the Commission

Amendment

2b. The Commission shall ensure that unused funds in a given call for proposals are reallocated between the different types of actions referred to in Article 10(2).

Amendment 64
Proposal for a regulation
Article 17 — paragraph 2 c (new)

Text proposed by the Commission

Amendment

2c. The Commission shall ensure stakeholder consultation in the development of the multiannual work programmes.

Amendment 65
Proposal for a regulation
Article 19 — paragraph 1

Text proposed by the Commission

Amendment

1. Evaluations shall be carried out in a timely manner to feed into the decision-making process with due regard to coherence, synergies, Union added value and long-term sustainability, using priorities of the relevant Environment Action Programme.
### Amendment 66

**Proposal for a regulation**

**Article 19 — paragraph 2**

<table>
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<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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<tr>
<td>2. The interim evaluation of the Programme shall be performed once there is sufficient information available about the implementation of the Programme, but no later than four years after the start of the Programme implementation.</td>
<td>2. The mid-term evaluation of the Programme shall be performed once there is sufficient information available about the implementation of the Programme, but no later than three years after the start of the Programme implementation. <strong>Making use of the output and result indicators as set in accordance with Annex II.</strong> The evaluation shall, if necessary, be accompanied by a proposal for an amendment of this Regulation.</td>
</tr>
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</table>

The evaluation shall cover at least the following:

- **(a) qualitative and quantitative aspects of the implementation of the Programme;**
- **(b) efficiency of the use of resources;**
- **(c) the degree to which the objectives of all the measures have been achieved, specifying where possible, results and impacts;**
- **(d) the actual or expected success of projects in leveraging other Union funds, taking into account, in particular, the benefits of increased coherence with other Union financial instruments;**
- **(e) the extent to which synergies between the objectives have been reached and its complementarity with other relevant Union programmes;**
- **(f) the Union added value and long-term impact of the Programme, with a view to taking a decision on the renewal, modification or suspension of the measures;**
- **(g) the extent to which stakeholders have been involved;**
- **(h) a quantitative and qualitative analysis of the contribution of the Programme to the conservation status of habitats and species listed under Directives 92/43/EEC and 2009/147/EC.**
Amendment 67
Proposal for a regulation
Article 19 — paragraph 3

Text proposed by the Commission

3. At the end of the implementation of the Programme, but no later than four years after the end of the period specified in the second paragraph of Article 1, a final evaluation of the Programme shall be carried out by the Commission.

Amendment

3. At the end of the implementation of the Programme, but no later than four years after the end of the period specified in the second paragraph of Article 1, a final evaluation of the Programme shall be carried out by the Commission and be complemented by an external and independent ex-post evaluation report covering the implementation and results of the Programme.

Amendment 68
Proposal for a regulation
Article 19 — paragraph 4

Text proposed by the Commission

4. The Commission shall communicate the conclusions of the evaluations accompanied by its observations, to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

Amendment

4. The Commission shall submit the conclusions of the evaluations accompanied by its observations, to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions and the Commission shall make the results of the evaluations publicly available.

Amendment 69
Proposal for a regulation
Article 20 — paragraph 1

Text proposed by the Commission

1. The recipients of Union funding shall acknowledge the origin and ensure the visibility of the Union funding (in particular when promoting the projects and their results), by providing coherent, effective and proportionate targeted information to multiple audiences, including the media and the public. For that purpose, the recipients shall use the Programme logo, as depicted in Annex IIa, for all communication activities and that logo shall appear on notice boards visible to the public at strategic places. All durable goods acquired in the framework of the Programme shall bear the Programme logo except in cases specified by the Commission.

Amendment

1. The recipients of Union funding shall acknowledge the origin and ensure the visibility of the Union funding (in particular when promoting the projects and their results), by providing coherent, effective and proportionate targeted information to multiple audiences, including the media and the public.
Amendment 70
Proposal for a regulation
Article 23 — paragraph 4

Text proposed by the Commission

4. Reflows from financial instruments established under Regulation (EU) No 1293/2013 may be invested in the financial instruments established under [InvestEU Fund].

Amendment

4. Reflows from financial instruments established under Regulation (EU) No 1293/2013 shall be reallocated between the actions under this Programme.

Amendment 71
Proposal for a regulation
Annex II — point 2 — point 2.1 — indent 3 a (new)

Text proposed by the Commission

— Chemicals

Amendment

— Noise

Amendment 72
Proposal for a regulation
Annex II — point 2 — point 2.1 — indent 5 a (new)

Text proposed by the Commission

— Resource use and efficiency

Amendment

2.2a. Public Awareness
Amendment 75
Proposal for a regulation
Annex II a (new)

Text proposed by the Commission

Amendment

ANNEX IIa

Programme logo
Protection of workers from the risks related to exposure to carcinogens or mutagens at work


(Ordinary legislative procedure: first reading)

(2020/C 388/22)

The European Parliament,
— having regard to the Commission proposal to Parliament and the Council (COM(2017)0011),
— having regard to Article 294(2) and Article 153(2) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0010/2017),
— having regard to the opinion of the Committee on Legal Affairs on the proposed legal basis,
— having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
— having regard to the opinion of the European Economic and Social Committee of 31 May 2017 (1),
— after consulting the Committee of the Regions,
— having regard to the provisional agreement approved by the committee responsible under Rule 69f(4) of its Rules of Procedure and the undertaking given by the Council representative by letter of 24 October 2018 to approve Parliament’s position, in accordance with Article 294(4) of the Treaty on the Functioning of the European Union,
— having regard to Rule 59 and 39 of its Rules of Procedure,
— having regard to the report of the Committee on Employment and Social Affairs (A8-0142/2018),
1. Adopts its position at first reading hereinafter set out;
2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.


(As an agreement was reached between Parliament and Council, Parliament’s position corresponds to the final legislative act, Directive (EU) 2019/130.)

Transparency and sustainability of the EU risk assessment in the food chain


(Ordinary legislative procedure: first reading)

(2020/C 388/23)

Citation 1

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 43, 114, and 168(4)(b) thereof,

Draft legislative resolution

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 43, 114, 168(4)(b) and 192(1) thereof,

Amendment

Amendment 2

Proposal for a regulation

Recital 2 a (new)

Text proposed by the Commission

(2a) Risk management, assessment and communication activities should be based on a thorough application of, inter alia, the precautionary principle.

Amendment

(1) The matter was referred back for interinstitutional negotiations to the committee responsible, pursuant to Rule 59(4), fourth subparagraph (A8-0417/2018).
Amendment 3
Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) It is therefore necessary to ensure a comprehensive and continuous risk communication process throughout risk analysis, involving Union and national risk assessors and risk managers. That process should be combined with an open dialogue between all interested parties to ensure the coherence and consistency within the risk analysis process.

Amendment

(4) It is therefore necessary to ensure a transparent, independent, continuous and inclusive risk communication process throughout risk analysis, involving Union and national risk assessors and risk managers. That process should regain citizens’ trust that the whole process is underpinned by the objective of this Regulation, which is to ensure high level of human life and health and the protection of consumers’ interests. That process should also be capable of contributing to a participatory and open dialogue between all interested parties, particularly the public, to ensure prevalence of public interest only, accuracy, comprehensiveness, transparency, consistency, and accountability within the risk analysis process.

Amendment 4
Proposal for a regulation

Recital 4 a (new)

Text proposed by the Commission

(4a) On signing trade agreements, the Union needs to ensure that the food legislation of third-country partners is at least as protective of food safety as Union law, so as to guarantee consumer safety and prevent unfair competition with European products.

Amendment

(4a) On signing trade agreements, the Union needs to ensure that the food legislation of third-country partners is at least as protective of food safety as Union law, so as to guarantee consumer safety and prevent unfair competition with European products.

Amendment 5
Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) Particular emphasis should be placed on explaining in a coherent, appropriate and timely manner not only risk assessment findings themselves but also how these are utilized to help inform risk management decisions along with other legitimate factors, where relevant.

Amendment

(5) Particular emphasis should be placed on explaining in an accurate, clear, objective and timely manner not only risk assessment findings themselves but also how these are utilized to help inform risk management decisions along with other legitimate factors, where relevant.
Amendment 7
Proposal for a regulation
Recital 6

(6) To this effect, it is necessary to establish general objectives and principles of risk communication, taking into account the respective roles of risk assessors and managers.

Amendment

(6) To this effect, it is necessary to establish general objectives and principles of risk communication. In this connection, the respective roles of risk assessors and managers should be taken into account, while guaranteeing their independence.

Amendment 8
Proposal for a regulation
Recital 8

(8) The general plan should identify the key factors to be taken into account when risk communications' activities are considered, such as the different levels of risk, the nature of the risk and its potential public health impact, who and what are directly or indirectly affected by the risk, the levels of risk exposure, the ability to control risk and other factors that influence risk perception including the level of urgency as well as the applicable legislative framework and relevant market context. The general plan should also identify the tools and channels to be used and should establish appropriate mechanisms to ensure coherent risk communication.

Amendment

(8) The general plan should lay down the practical arrangements for making available to the public the necessary information to achieve a high level of transparency in the risk management process. It should identify the key factors to be taken into account when risk communications' activities are considered, such as the different levels of risk, the nature of the risk and its potential impact on public health, animal health and the environment, who and what are directly or indirectly affected by the risk, the levels of risk exposure, the ability to minimise or control risk and other factors that influence risk perception including the level of urgency as well as the applicable legislative framework and relevant market context. The general plan should also identify the tools and channels to be used and should establish appropriate mechanisms to ensure coherent risk communication.
Amendment 9
Proposal for a regulation
Recital 9

Text proposed by the Commission

(9) Transparency of the risk assessment process *contributes* to the Authority acquiring greater legitimacy in the eyes of the consumers and general public in pursuing its mission, increases their confidence in its work and ensures that the Authority is more accountable to the Union citizens in a democratic system. It is therefore essential to *maintain* the confidence of the general public and other interested parties in the risk analysis process underpinning Union food law and in particular in the risk assessment, including the organisation and independence of the Authority and transparency.

Amendment

(9) *Improving* transparency of the risk assessment process *would contribute* to the Authority acquiring greater legitimacy in the eyes of the consumers and general public in pursuing its mission, increase their confidence in its work and ensure that the Authority is more accountable to the Union citizens in a democratic system. It is therefore essential to *rebuild* the confidence of the general public and other interested parties in the risk analysis process underpinning Union food law and in particular in the risk assessment, including the organisation, *functioning* and independence of the Authority and transparency.

Amendment 10
Proposal for a regulation
Recital 10

Text proposed by the Commission

(10) *It is appropriate to align the composition of the Management Board of the Authority to the Common Approach on decentralised agencies, in accordance with the Joint Statement of the European Parliament, the Council of the European Union and the European Commission on decentralised agencies of 2012* (22).

Amendment

*deleted*


Amendment 11
Proposal for a regulation
Recital 11

Text proposed by the Commission

(11) Experience shows that the role of the Management Board of the Authority is focussed on administrative and financial aspects and does not impact on the independence of the scientific work performed by the Authority. It is thus appropriate to include representatives of all Member States in the Management Board of the Authority, while providing that those representatives should have experience in particular on risk assessment.

Amendment

(11) Experience shows that the role of the Management Board of the Authority is focussed on administrative and financial aspects and does not impact on the independence of the scientific work performed by the Authority. It is thus appropriate to include representatives of all Member States, the Commission, the European Parliament, as well as civil society and industry associations in the Management Board of the Authority, while providing that those representatives should have experience in particular on risk assessment *and that any conflict of interest is avoided.*
Amendment 12
Proposal for a regulation
Recital 12

Text proposed by the Commission

(12) The Management Board should be selected in such a way as to secure the highest standards of competence and a broad range of relevant experience available amongst the representatives of the Member States, the European Parliament and the Commission.

Amendment

(12) The Management Board should be selected in such a way as to secure the highest standards of competence and commitment to the protection of health and the environment and a broad range of relevant experience available amongst the representatives of the Member States, the European Parliament and the Commission.

Amendment 13
Proposal for a regulation
Recital 13

Text proposed by the Commission

(13) The Fitness Check of the General Food Law identified certain shortcomings in the long-term capability of the Authority to maintain its high-level expertise. In particular, there has been a decrease in the number of candidates applying to be members of the Scientific Panels. The system has thus to be strengthened and Member States should take a more active role to ensure that a sufficient pool of experts is available to meet the needs of the Union risk assessment system in terms of high level of scientific expertise, independence and multidisciplinary expertise.

Amendment

(13) The Fitness Check of the General Food Law identified certain shortcomings in the long-term capacity of the Authority to maintain its high-level expertise through expert personnel. Moreover, there has been a decrease in the number of candidates applying to be members of the Scientific Panels, and the reason for this decline should be examined. Six Member States provide two thirds of the experts on the scientific panels. As the United Kingdom currently provides approximately 20 % of the national experts, the problem will be further exacerbated with the withdrawal of the United Kingdom from the Union. In order to tackle this phenomenon more effectively, the system has thus to be strengthened and promoted, must encourage candidates to apply and Member States should support the dissemination of the Authority’s calls for expressions of interest for membership of the Scientific Panels and Scientific Committee, to ensure that a sufficient pool of independent experts is available, by undertaking support actions and using incentives and rewards to increase the level of participation and the degree of interest in seeking to engage in it.
Amendment 14
Proposal for a regulation
Recital 14

(14) To preserve the independence of the risk assessment from risk management and from other interests at Union level, it is appropriate that the nomination of the members of the Scientific Panels by the Member States, their selection by the Executive Director of the Authority and their appointment by the Management Board of the Authority are based on strict criteria ensuring the excellence and independence of the experts while ensuring the required multidisciplinary expertise for each Panel. It is also essential to this end that the Executive Director whose function is to defend EFSA’s interests and in particular the independence of its expertise has a role in the selection and appointment of those scientific experts. Further measures should also be put in place to ensure that scientific experts have the means to act independently.

Amendment 15
Proposal for a regulation
Recital 15

(15) It is essential to ensure the efficient operation of the Authority and to improve the sustainability of its expertise. It is therefore necessary to strengthen the support provided by the Authority and the Member States to the work of the Authority’s Scientific Panels. In particular, the Authority should organise the preparatory work supporting the Panels’ tasks, including by requesting the Authority’s staff or national scientific organisations networking with the Authority to draft preparatory scientific opinions to be peer-reviewed and adopted by the Panels.

(15) It is essential to ensure the efficient operation of the Authority and to improve the sustainability of its expertise. It is therefore necessary to strengthen the support provided by the Authority and the Member States to the work of the Authority’s Scientific Panels. In particular, the Authority should organise the preparatory work supporting the Panels’ tasks, including by requesting the Authority’s staff or national scientific organisations networking with the Authority to draft preparatory scientific opinions to be peer-reviewed and adopted by the Panels. This should be without prejudice to the independence of the Authority’s scientific assessments.
Amendment 16
Proposal for a regulation
Recital 16

Text proposed by the Commission

(16) Authorisations procedures are based on the principle that it is for the applicant to prove that the subject matter of an authorisation procedure complies with Union safety requirements given the scientific knowledge in its possession. This principle is based on the premise that public health is better protected when the burden of proof is on the applicant since it has to prove that a particular subject matter is safe prior to its placing on the market, instead of the public authorities having to prove that a subject matter is unsafe in order to be able to ban it from the market. Moreover, public money should not be used to commission costly studies that will in the end help the industry to place a product on the market. According to this principle and in accordance with applicable regulatory requirements, in support of applications for an authorisation under Union sectoral food law applicants are required to submit relevant studies, including tests, to demonstrate the safety and in some cases the efficacy of a subject matter.

Amendment

(16) Authorisations procedures are based on the principle that it is for the applicant to prove that the subject matter of an authorisation procedure complies with Union safety requirements given the scientific knowledge in its possession. This principle is based on the premise that public health and the environment are better protected when the burden of proof is on the applicant since it has to prove that a particular subject matter is safe prior to its placing on the market, instead of the public authorities having to prove that a subject matter unsafe in order to be able to ban it from the market. Moreover, public money should not be used to commission costly studies that will in the end help the industry to place a product on the market. According to this principle and in accordance with applicable regulatory requirements, in support of applications for an authorisation under Union sectoral food law applicants are required to submit relevant studies, including tests, to demonstrate the safety and in some cases the efficacy of a subject matter.

Amendment 17
Proposal for a regulation
Recital 16 a (new)

Text proposed by the Commission

(16a) A comparison of Union agencies shows that the Authority needs up to 55 months for an authorisation procedure or five times longer than the European Medicines Agency (EMA). This discourages firms from investing in innovative products and reduces Union’s competitiveness in the long run. In addition, long authorisation procedures weaken confidence in the Authority. It is therefore urgently advisable to ensure the efficiency of the risk assessment by means of better human and financial resources.
### Amendment 18
Proposal for a regulation
Recital 17

<table>
<thead>
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<th>Text proposed by the Commission</th>
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<tr>
<td>(17) Provisions exist on the content of applications for authorisations. It is essential that the application for authorisation submitted to the Authority for its risk assessment meets the applicable specifications to ensure the best quality scientific assessment by the Authority. Applicants and in particular small- and medium-sized enterprises do not always have a clear understanding of these specifications. It should be thus appropriate that the Authority provides advice to a potential applicant, upon request, on the applicable rules and the required content of an application for authorisation, before an application is formally submitted, while not entering into the design of the studies to be submitted that remain the applicant’s responsibility. To ensure the transparency of this process, the advice of the Authority should be made public.</td>
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<td>(17) Provisions exist on the content of applications for authorisations. It is essential that the application for authorisation submitted to the Authority for its risk assessment meets the applicable specifications to ensure the best quality scientific assessment by the Authority. Applicants and in particular small- and medium-sized enterprises do not always have a clear understanding of these specifications. It should be thus appropriate that the Authority provides advice to a potential applicant, upon request, on the applicable rules and the required content of an application for authorisation, before an application is formally submitted. By … [36 months after the entry into force of this amending Regulation], the Commission should evaluate the impact of the general advice provided on the functioning of the Authority. In particular, the Commission should evaluate its impact on the allocation of the Authority’s resources and on its independence.</td>
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### Amendment 19
Proposal for a regulation
Recital 18

<table>
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<th>Text proposed by the Commission</th>
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<tr>
<td>(18) The Authority should have knowledge of the subject matter of all studies performed by an applicant with a view to a future application for an authorisation under Union food law. To this end, it is necessary and appropriate that business operators commissioning the studies and laboratories carrying them out notify those studies to the Authority when commissioned. Information about the notified studies should be made public only once a corresponding application for authorisation has been made public in accordance with the applicable rules on transparency.</td>
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<tr>
<td>(18) The Authority should have knowledge of the subject matter of all studies performed by an applicant with a view to a future application for an authorisation or renewal under Union food law. To this end, it is necessary and appropriate that business operators commissioning the studies and laboratories carrying them out notify those studies to the Authority when commissioned in the Union or beyond. Information about the notified studies should be made public only once a corresponding application for authorisation or renewal has been made public in accordance with the applicable rules on transparency.</td>
</tr>
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</table>
There are certain public concerns about the Authority’s assessment in the area of authorisation being primarily based on industry studies. The Authority already makes searches in scientific literature to be able to consider other data and studies existing on the subject matter submitted to its assessment. In order to provide an additional level of guarantee ensuring that the Authority can have access to all relevant scientific data and studies available on a subject matter of an authorisation procedure, it is appropriate to provide for a consultation of third parties in order to identify whether other relevant scientific data or studies are available. To increase the effectiveness of the consultation, the consultation should take place when the studies submitted by industry included in an application for authorisation are made public, under the transparency rules of this Regulation.

Studies, including tests, submitted by business operators in support of applications for authorisations under Union sectoral food law usually comply with internationally recognised principles, which provide a uniform basis for their quality in particular in terms of reproducibility of results. However, issues of compliance with the applicable standards may arise in some cases and this is why national systems are in place to verify such compliance. It is appropriate to provide an additional level of guarantees to reassure the general public on the quality of studies and to lay down an enhanced auditing system whereby Member State controls on the implementation of those principles by the laboratories carrying out such studies and tests would be verified by the Commission.
Amendment 22
Proposal for a regulation
Recital 21 a (new)

*(Text proposed by the Commission)*

(21a) Sufficient flexibility ought to be built into the process so that new insights into serious health adverse effects can be promptly taken into consideration, even when they are not specifically covered by regulatory data requirements.

Amendment 23
Proposal for a regulation
Recital 22

*(Text proposed by the Commission)*

(22) Food safety is a sensitive matter of prime interest for all Union citizens. While maintaining the principle that the burden is on the industry to prove compliance with Union requirements, it is important to establish an additional verification tool to address specific cases of high societal importance where there is a controversy on safety issues, namely the commissioning of additional studies with the objective of verifying evidence used in the context of risk assessment. Considering that it would be financed by the Union budget and that the use of this exceptional verification tool should remain proportionate, the Commission should be responsible for triggering the commissioning of such verification studies. Account should be taken of the fact that in some specific cases the studies commissioned may need to have a wider scope than the evidence at stake (for example new scientific developments becoming available).

*(Amendment)*

(22) Food safety is a sensitive matter of prime interest for all Union citizens. While maintaining the principle that the burden is on the industry to prove compliance with Union requirements, it is important to establish an additional verification tool to address specific cases of high societal importance where there is a controversy on safety issues, namely the commissioning of additional studies with the objective of verifying evidence used in the context of risk assessment. Considering that it would be financed by the Union budget and that the use of this exceptional verification tool should remain proportionate, the Commission should, in case of divergent scientific findings, be responsible for triggering the commissioning of such verification studies. Account should be taken of the fact that in some specific cases the studies commissioned may need to have a wider scope than the evidence at stake in the risk assessment process (for example new scientific developments becoming available).
Amendment 24
Proposal for a regulation
Recital 23 a (new)

Text proposed by the Commission

(23a) The Aarhus Convention establishes a number of rights of the public with regard to the environment. The Aarhus Convention provides for the right of everyone to receive environmental information that is held by public authorities, the right to participate in environmental decision-making, and the right to review procedures to challenge public decisions that have been made without respecting the two aforementioned rights or environmental law in general.

Amendment

(23a) The Aarhus Convention establishes a number of rights of the public with regard to the environment. The Aarhus Convention provides for the right of everyone to receive environmental information that is held by public authorities, the right to participate in environmental decision-making, and the right to review procedures to challenge public decisions that have been made without respecting the two aforementioned rights or environmental law in general.

Amendment 25
Proposal for a regulation
Recital 24

Text proposed by the Commission

(24) As a Party to the Aarhus Convention, the Union has recognised that, in the field of the environment, improved access to information and public participation in decision-making enhance the quality and the implementation of decisions, contribute to public awareness of environmental issues, give the public the opportunity to express its concerns and enable public authorities to take due account of such concerns. The European Citizens' Initiative 'Ban glyphosate and protect people and the environment from toxic pesticides' further confirmed concerns regarding transparency with respect to studies commissioned by the industry and submitted in authorisation application (23).

Communication from the Commission on the ECI 'Ban glyphosate and protect people and the environment from toxic pesticides', C(2017)8414.

(23) Communication from the Commission on the ECI 'Ban glyphosate and protect people and the environment from toxic pesticides', C(2017)8414.
Amendment 26
Proposal for a regulation
Recital 25 a (new)

Text proposed by the Commission

(25a) Using the Board of Appeal of the European Chemicals Agency as its model, as set out in Articles 89 to 93 of Regulation (EC) No 1907/2006 of the European Parliament and of the Council (**), an EFSA Board of Appeal should be established by means of delegated acts.


Amendment 27
Proposal for a regulation
Recital 27

Text proposed by the Commission

(27) To determine what level of disclosure strikes the appropriate balance, the relevant rights of the public to transparency in the risk assessment process, should be weighted up against the rights of commercial applicants, taking into account the objectives of Regulation (EC) No 178/2002.

Amendment

(27) To determine what level of proactive disclosure strikes the appropriate balance, the need to ensure transparency in the risk assessment process, should be weighted up against the rights of commercial applicants, taking into account the objectives of Regulation (EC) No 178/2002, of a high level of protection of human life and health, the protection of consumers’ interests, as well as the protection of animal health and welfare, plant health and the environment.
Amendment 28
Proposal for a regulation
Recital 27 a (new)

Text proposed by the Commission

Amendment

(27a) The provisions on active dissemination laid down in this Regulation are not meant to limit, in any manner, the scope of the rights provided for by Regulations (EC) No 1049/2001 and (EC) No 1367/2006.

Amendment 29
Proposal for a regulation
Recital 30

Text proposed by the Commission

(30) It is also necessary to set out specific requirements with respect to the protection of personal data for the purposes of the transparency of the risk assessment process taking into account Regulation (EC) No 45/2001 of the European Parliament and of the Council (24) and Regulation (EU) 2016/679 of the European Parliament and of the Council (25). Accordingly, no personal data should be made publicly available under this Regulation, unless it is necessary and proportionate for the purposes of ensuring the transparency, independence and the reliability of the risk assessment process, while preventing conflicts of interests.


Amendment 30
Proposal for a regulation
Recital 31

(31) For the purposes of increased transparency and in order to ensure that requests for scientific outputs received by the Authority are processed in an effective manner, standard data formats and software packages should be developed. In order to ensure uniform conditions for the implementation of Regulation (EC) No 178/2002 with regard to the adoption of standard data formats and software packages, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council (36).


Amendment 31
Proposal for a regulation
Recital 33

(33) Furthermore, in order to assess the effectiveness and efficiency of the different provisions applying to the Authority, it is also appropriate to provide for a Commission evaluation of the Authority, in accordance with the Common Approach on Decentralised Agencies. The evaluation should, in particular, review the procedures for selecting the members of Scientific Committee and Panels, for their degree of transparency, cost-effectiveness, and suitability to ensure independence and competence, and to prevent conflicts of interests.

(33) Furthermore, in order to assess the effectiveness and efficiency of the different provisions applying to the Authority, it is also appropriate to conduct an independent evaluation of the Authority. The evaluation should, in particular, review the procedures for selecting the members of Scientific Committee and Panels, for their degree of transparency, cost-effectiveness, and suitability to ensure independence and competence, and to prevent conflicts of interests.
Amendment 32
Proposal for a regulation
Recital 33 a (new)

Text proposed by the Commission

(33a) The Seventh European Environment Action Programme has prioritised the development and realisation of pathways to address the combined effects of chemicals on human health and the environment. Assessment of ‘cocktail effects’ requires a cross-sectoral approach, closer cooperation between monitoring agencies at European level and the formulation of suitable procedures.

Amendment 33
Proposal for a regulation
Recital 35

Text proposed by the Commission

(35) For the purposes of ensuring transparency of the risk assessment process, it is also necessary to extend the scope of Regulation (EC) No 178/2002, currently limited to food law, to also cover applications for authorisations in the context of Regulation (EC) No 1831/2003 as regards feed additives, Regulation (EC) No 1935/2004 as regards food contact materials and Regulation (EC) No 1107/2009 as regards plant protection products.

Amendment

(35) For the purposes of ensuring the transparency and independence of the risk assessment process, it is also necessary to extend the scope of Regulation (EC) No 178/2002, currently limited to food law, to also cover applications for authorisations in the context of Regulation (EC) No 1831/2003 as regards feed additives, Regulation (EC) No 1935/2004 as regards food contact materials and Regulation (EC) No 1107/2009 as regards plant protection products.
Amendment 34
Proposal for a regulation
Recital 36

(36) To ensure that sectoral specificities with respect to confidential information are taken into account, it is necessary to weigh up the relevant rights of the public to transparency in the risk assessment process, including those flowing from the Aarhus Convention (1), against the rights of commercial applicants, taking into account the specific objectives of sectoral Union legislation as well as experienced gained. Accordingly, it is necessary to amend Directive 2001/18/EC, Regulation (EC) No 1829/2003, Regulation (EC) No 1831/2003, Regulation (EC) No 1935/2004 and Regulation (EC) No 1107/2009 to provide for additional confidential items to those set out in Regulation (EC) No 178/2002.


Amendment 35
Proposal for a regulation
Recital 36 a (new)

(36a) The Fitness Check of the General Food Law also highlighted a lack of transparency of the risk management process. There is a need to better inform the public on the risk management options under consideration, the level of protection to consumer and animal health and the environment that each of these options would achieve, as well as on the factors, other than the results of the risk assessment, which are taken into account by the risk managers, and how they are weighed up against each other in the decision-making process.
Amendment 36
Proposal for a regulation
Recital 37

(37) In order to **further strengthen the link between** risk assessors and risk managers at Union and national levels as well as **the coherence and consistency of risk communication**, the power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission to adopt a general plan on risk communication on matters covering the agri-food chain. It is of particular importance that the Commission carries out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States’ experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

(37a) **Provisions regarding what information should be made public should be without prejudice to Regulation (EC) No 1049/2001, as well as national or Union law regarding public access to official documents.**
Amendment 38
Proposal for a regulation
Recital 38

Text proposed by the Commission

(38) In order to enable the Authority and the business operators to adapt to the new requirements while ensuring that the Authority continues its smooth operation, it is necessary to provide for transitional measures for the application of this Regulation.

Amendment

(38) In order to enable the Authority, Member States, the Commission and the business operators to adapt to the new requirements while ensuring that the Authority continues its smooth operation, it is necessary to provide for transitional measures for the application of this Regulation.

Amendment 39
Proposal for a regulation
Recital 39 a (new)

Text proposed by the Commission

(39a) Since the amendments contained in this proposal serve to transfer far-reaching competencies for risk assessment and confidentiality checks to the Authority, a significant increase in the budget for the Authority pursuant to Annex 3 of the Commission’s proposal is necessary. The financing proposal is compatible with the current multiannual financial framework but may entail the use of special instruments as defined in Council Regulation (EU, Euratom) No 1311/2013. Should discussions between the European Parliament and the Member States on the Union budget not leave sufficient room for the necessary budgetary resources, then the Commission would have to propose an alternative financing proposal under a delegated act.

Amendment

(40a) Recent food safety incidents have demonstrated the need to establish appropriate measures in emergency situations ensuring that all foods, whatever their type and origin, and all feed should be subject to common measures in the event of a serious risk to human health, animal health or the environment. This comprehensive approach to emergency food safety measures should enable effective action to be taken, avoiding artificial disparities in the treatment of any serious risk to food or feed through a harmonised joint food alerts management procedure.
Amendment 41
Proposal for a regulation
Article 1 — paragraph — point - 1 (new)
Regulation (EC) No 178/2002
Article 6 — paragraph 2

Present text

2. Risk assessment shall be based on the available scientific evidence and undertaken in an independent, objective and transparent manner.

Amendment

(-1) In Article 6, paragraph 2 is replaced as follows:

‘2. “Risk assessment shall be based on all available scientific evidence and undertaken in an independent, objective and transparent manner.”’

(This amendment applies throughout the text. Adopting it will necessitate corresponding changes throughout.)

Amendment 42
Proposal for a regulation
Article 1 — paragraph 1 — point - 1 a (new)
Regulation (EC) No 178/2002
Article 7 — paragraph 1

Present text

1. In specific circumstances where, following an assessment of available information, the possibility of harmful effects on health is identified but scientific uncertainty persists, provisional risk management measures necessary to ensure the high level of health protection chosen in the Community may be adopted, pending further scientific information for a more comprehensive risk assessment.

Amendment

(-1a) In Article 7, paragraph 1 is replaced as follows:

‘1. In specific circumstances where, following an assessment of available information, the possibility of harmful effects on health is identified but scientific uncertainty persists, risk management measures necessary to ensure the high level of health protection chosen in the Community shall be adopted, pending further scientific information for a more comprehensive risk assessment.’

Amendment 43
Proposal for a regulation
Article 1 — paragraph 1 — point 1
Regulation (EC) No 178/2002
Article 8a

Text proposed by the Commission

Objectives of risk communication

Risk communication shall pursue the following objectives, while taking into account the respective roles of risk assessors and risk managers:

Amendment

Article 8a

Objectives of risk communication

Risk communication shall pursue the following objectives, while taking into account the respective roles of risk assessors and risk managers:
Text proposed by the Commission

(a) **promote** awareness and understanding of the specific issues under consideration during the entire risk analysis process;

(b) **promote** consistency and transparency in formulating risk management recommendations;

(c) **provide** a sound basis for understanding risk management decisions;

(d) **foster** public understanding of the risk analysis process so as to enhance confidence in its outcome;

(e) **promote appropriate** involvement of all interested parties; and,

(f) **ensure appropriate** exchange of information with interested parties in relation to risks associated with the agri-food chain.

Amendment

(a) **promoting** awareness and understanding of the specific issues under consideration during the entire risk analysis **and management** process;

(b) **promoting** consistency, transparency **and clarity** in formulating risk management options, recommendations **and decisions**;

(c) **providing** a sound **scientific** basis for understanding risk management decisions, **including information on**:

(i) how the risk management option chosen reflects the degree of uncertainty of the risk assessment, and the level of consumer and animal health and environmental protection it would achieve;

(ii) as referred to in Article 6(3), the factors, other than the results of the risk assessment, which were considered by the risk managers, and how these factors were weighed up against each other;

(d) **fostering** public understanding of the risk analysis process so as to enhance confidence in its outcome, **including the provision of clear and consistent information regarding the respective tasks, powers and responsibilities of risk assessors and risk managers**;

(e) **promoting the balanced** involvement of all interested parties, **including economic operators of the food chain, consumers and other civil society organisations**;

(f) **ensuring a transparent and equitable** exchange of information with the **interested parties referred to in point (e)** in relation to risks associated with the agri-food chain;

(fa) informing consumers about risk prevention strategies; and

(fb) combating the dissemination of false information and the sources thereof.

Amendment 44

Proposal for a regulation

Article 1 — paragraph 1 — point 1

Regulation (EC) No 178/2002

Article 8b

Text proposed by the Commission

General principles of risk communication

Taking into account the respective roles of risk assessors and risk managers, risk communication shall:

Amendment

General principles of risk communication

Taking into account the respective roles of risk assessors and risk managers, risk communication shall:
(a) ensure that accurate, *appropriate* and timely information is interactively exchanged, based on the principles of transparency, openness, and responsiveness;

(b) provide transparent information at each stage of the risk analysis process from the framing of requests for scientific advice to the provision of risk assessment and the adoption of risk management decisions;

(c) *take into account* risk perceptions;

(d) facilitate understanding and dialogue amongst all interested parties; and,

(e) be accessible, including to those not directly involved in the process, while taking into account confidentiality and protection of personal data.

Amendment

Proposal for a regulation

Article 1 — paragraph 1 — point 1

Regulation (EC) No 178/2002

Text proposed by the Commission

General plan for risk communication

Amendment

General plan for risk communication

1. The Commission, in close cooperation with the Authority, the Member States and following appropriate public consultations, shall be empowered to adopt delegated acts in accordance with Article 57a establishing a general plan for risk communication on matters relating to the agri-food chain, taking into account the relevant objectives and general principles set out in Articles 8a and 8b.

2. The general plan for risk communication shall promote an integrated risk communication framework to be followed both by the risk assessors and the risk managers in a coherent and systematic manner both at Union and national level. It shall:
(a) identify the key factors that need to be taken into account when considering the type and level of risk communications’ activities needed;

(b) identify the appropriate main tools and channels to be used for risk communication purposes, taking into account the needs of relevant target audience groups; and,

(c) establish appropriate mechanisms in order to strengthen coherence of risk communication amongst risk assessors and risk managers and ensure an open dialogue amongst all interested parties.

3. The Commission shall adopt the general plan for risk communication within [two years from the date of application of this Regulation] and shall keep it updated, taking into account technical and scientific progress and experience gained.

Amendment

(a) identify the key factors that need to be taken into account when considering the type and level of risk communications’ activities needed;

(b) identify the appropriate main tools and channels to be used for risk communication purposes, taking into account the need to ensure the balanced involvement of all interested parties, including economic operators of the food chain, and consumer and other civil society organisations;

(c) establish appropriate mechanisms in order to strengthen coherence of risk communication amongst risk assessors and risk managers, including by systematically acknowledging and explaining divergences in scientific assessment or in the perception of the acceptable level of risk;

(ca) lay down the practical arrangements and a timeline for making the information referred to in Article 55a(1) available to the public.

3. The Commission shall adopt the general plan for risk communication within [two years from the date of application of this Regulation] and shall keep it updated, taking into account technical and scientific progress and experience gained.

Amendment 46

Proposal for a regulation

Article 1 — paragraph 1 — point 1

Regulation (EC) No 178/2002

Article 8d (new)

Text proposed by the Commission

Article 8d

Transparency of risk communication

1. The Commission, the Authority and the Member States shall carry out their tasks as regards risk communication in relation to food law with a high level of transparency.

2. The Commission may issue appropriate guidelines.
Amendment 47
Proposal for a regulation
Article 1 — paragraph 1 — point 1 a (new)
Regulation (EC) No 178/2002

<table>
<thead>
<tr>
<th>Present text</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 9</td>
<td>(1a) Article 9 is replaced by the following:</td>
</tr>
</tbody>
</table>

Public consultation

There shall be open and transparent public consultation, directly or through representative bodies, during the preparation, evaluation and revision of food law, except where the urgency of the matter does not allow it.

Amendment 48
Proposal for a regulation
Article 1 — paragraph 1 — point 1 b (new)
Regulation (EC) No 178/2002

<table>
<thead>
<tr>
<th>Present text</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 10</td>
<td>(1b) Article 10 is replaced by the following:</td>
</tr>
</tbody>
</table>

Public information

1. Without prejudice to the applicable provisions of Community and national law on access to documents, where there are reasonable grounds to suspect that a food or feed may present a risk for human or animal health, then, depending on the nature, seriousness and extent of that risk, public authorities shall take appropriate steps to inform the general public of the nature of the risk to health, identifying to the fullest extent possible the food or feed, or type of food or feed, the risk that it may present, and the measures which are taken or about to be taken to prevent, reduce or eliminate that risk.

2. For the purpose of ensuring the uniform implementation of paragraph 1, the Commission shall adopt implementing acts on the modalities of its application by … [12 months after the entry into force of this amending Regulation].
Amendment 49
Proposal for a regulation
Article 1 — paragraph 1 — point 1 c (new)
Regulation (EC) No 178/2002
Article 22 — paragraph 7

Present text

It shall act in close cooperation with the competent bodies in the Member States carrying out similar tasks to these of the Authority.

Amendment

(1c) In Article 22(7), the second subparagraph is replaced by the following:

‘It shall act in cooperation with the other European Union evaluation agencies.’

Amendment 50
Proposal for a regulation
Article 1 — paragraph 1 — point 1 d (new)
Regulation (EC) No 178/2002
Article 23 — paragraph 1 — point b

Present text

(b) to promote and coordinate the development of uniform risk assessment methodologies in the fields falling within its mission;

Amendment

(1d) In the first paragraph of Article 23, point (b) is replaced by the following:

‘(b) to promote and coordinate in a cross-cutting approach the development of uniform methods for risk assessment in the areas within its mission, in particular taking into account the “cocktail effects” of chemical substances which may have an impact on human health and the environment;’

Amendment 51
Proposal for a regulation
Article 1 — paragraph 1 — point 2 — point b
Regulation (EC) No 178/2002
Article 25 — paragraph 1a

Text proposed by the Commission

1a. In addition to members and alternate members referred to in paragraph 1, the Management Board shall include:

(a) two members and the alternate members appointed by the Commission and representing the Commission, with the right to vote.

(b) one member appointed by the European Parliament, with the right to vote.

Amendment

1a. In addition to members and alternate members referred to in paragraph 1, the Management Board shall include:

(a) two members and the alternate members appointed by the Commission and representing the Commission, with the right to vote.

(b) two representatives appointed by the European Parliament, with the right to vote.
Amendment 52
Proposal for a regulation
Article 1 — paragraph 1 — point 2 — point c
Regulation (EC) No 178/2002
Article 25 — paragraph 2

2. The term of office of members and alternate members shall be four years. However, the term of office of the members referred to in paragraph 1a (a) and (b) shall not be limited in duration. The term of office of the members referred to in paragraph 1a(c) may be renewable only once.

Amendment 159
Proposal for a regulation
Article 1 — paragraph 1 — point 3 — point -a (new)
Regulation (EC) No 178/2002
Article 28— paragraph 4 — subparagraph 1 — introductory part

— a) In Article 28(4), the introductory part is replaced by the following:

‘4. The Scientific Panels shall be composed of independent scientists who are actively conducting research, and publishing their research findings in peer-reviewed scientific journals.’
5. The members of the Scientific Committee who are not members of Scientific Panels and the additional members referred to in paragraph 5b shall be appointed by the Management Board, acting upon a proposal from the Executive Director, for a five year term of office, which may be renewable, following publication in the Official Journal of the European Union, in relevant leading scientific publications and on the Authority’s website of a call for expressions of interest.”.

5a. The members of the Scientific Panels shall be appointed by the Management Board for a renewable five year term of office in accordance with the following procedure:

(a) The Executive Director, after consulting the Management Board, shall send to the Member States the request for the specific multidisciplinary expertise needed in each Scientific Panel and shall indicate the number of experts to be nominated by the Member States. The Executive Director shall notify the Member States of the Authority’s independence policy and implementing rules applicable to Scientific Panels’ members. Member States shall launch a call for interest as a basis for their nominations. The Executive Director shall inform the Management Board of the requests sent to the Member States.

(b) Member States shall nominate experts with a view to collectively reach the number indicated by the Executive Director. Each Member State shall nominate at least 12 scientific experts. Member States may nominate nationals of other Member States.

(c) On the basis of the nominations made by Member States, the Executive Director shall draw for each Scientific Panel a list of experts larger than the number of members to be appointed. The Executive Director may not draw up such a list where he/she can justify that the nominations received do not allow him, given the criteria for selection set up in point d) of this paragraph, to draw up a larger list. The Executive Director shall submit the list to the Management Board for appointment.

(a) The Executive Director, after consulting the Management Board, shall publish a call for expression of interest in the Official Journal of the European Union, in relevant leading scientific publications and on the Authority’s website, and shall inform the Member States. The call shall lay down the specific multidisciplinary expertise needed in each Scientific Panel and shall indicate the number of experts required.

(b) Member States shall ensure the broad dissemination of the call for expression of interest across the scientific community. They may also nominate experts for the fields indicated, provided that such nominations are made on the basis of a national call for expression of interest.

(c) On the basis of the applications and nominations received and in accordance with the Authority’s independence policy and implementing rules applicable to Scientific Panels’ members, the Executive Director shall draw for each Scientific Panel a list of experts larger than the number of members to be appointed. The Executive Director may not draw up such a list where he or she can justify that the applications and nominations received do not allow him or her, given the criteria for selection set up in point (d) of this paragraph, to draw up a larger list. The Executive Director shall submit the list to the Management Board for appointment.
(d) The nominations by the Member States, the selection by the Executive Director and the appointments by the Management Board shall be made on the basis of the following criteria:

(i) A high level of scientific expertise;

(ii) Independence and absence of conflict of interests in accordance with Article 37(2) and the Authority’s independence policy and implementing rules on the independence of the Scientific Panels’ members;

(iii) Meeting the needs for the specific multi-disciplinary expertise of the Panel to which they will be appointed and the applicable language regime.

(e) The Management Board shall ensure that the broadest possible geographical distribution is achieved in the final appointments.

5b. When the Authority identifies that specific expertise is missing in a Panel or several Panels, the Executive Director shall propose additional members of the Panel(s) for appointment to the Management Board in accordance with the procedure laid down in paragraph 5.

5c. The Management Board shall adopt, on the basis of a proposal of the Executive Director, rules on the detailed organisation and timing of the procedures set up in paragraphs 5a and 5b of the present Article.

5d. The Member States shall put in place measures ensuring that the members of the Scientific Panels act independently and remain free from conflict of interests as provided for in Article 37(2) and the Authority’s internal measures. Member States shall ensure that the members of the Scientific Panels do not receive any instruction at any national level and that their independent scientific contribution to the risk assessment system at Union level is recognised as a priority task for the protection of the safety of the food chain.

5e. Member States shall ensure that the public bodies employing those scientific experts and those having responsibility for the setting of priorities of the scientific bodies employing those experts implement the measures provided for in paragraph 5d.

5d. As appropriate, Member States shall ensure that the public bodies employing those scientific experts and those having responsibility for the setting of priorities of the scientific bodies employing those experts implement the measures which are necessary to ensure that the conditions referred to in paragraph 5e are met.
5f. The Authority shall support the tasks of the Panels by organising their work, in particular the preparatory work to be undertaken by the Authority’s staff or by designated national scientific organisations referred to in the Article 36 including by organising the possibility for preparing scientific opinions to be peer-reviewed by the Panels before they adopt them.

5g. Each Panel shall include a maximum of 21 members.

5fa. The Authority shall offer members of Panels comprehensive training on the risk assessment process.

Amendment 54
Proposal for a regulation
Article 1 — paragraph 1 — point 3 — point c
Regulation (EC) No 178/2002
Article 28 — paragraph 9 — point b

Text proposed by the Commission
The number of members in each Scientific Panel within the maximum provided for in paragraph 5g.

Amendment
(b) The number of members in each Scientific Panel within the maximum provided for in paragraph 5f.

Amendment 55
Proposal for a regulation
Article 1 — paragraph 1 — point 3 — point c a (new)
Regulation (EC) No 178/2002
Article 28 — paragraph 9 — point g a (new)

Text proposed by the Commission

Amendment
(ca) In Article 28(9), the following point is added:

‘(ga) the possibility for applicants to address, in a maximum period of six months unless otherwise agreed with the Authority, and previous to the publication of the draft opinion of the Authority, critical areas of concern by new data.’
Amendment 56
Proposal for a regulation
Article 1 — paragraph 1 — point 3a (new)
Regulation (EC) No 178/2002
Article 29 — paragraph 6

Text proposed by the Commission

(3a) The following sentence is added at the end of Article 29 (6):

‘They shall not allow a priori exclusion of certain scientific evidences, especially when these have been published after a peer-review process.’

Amendment 57
Proposal for a regulation
Article 1 — paragraph 1 — point 4
Regulation (EC) No 178/2002
Article 32a

Text proposed by the Commission

At the request of a potential applicant for a food law authorisation, the staff of the Authority shall advise on the relevant provisions and the required content of the application for authorisation. The advice provided by the staff of the Authority shall be without prejudice and non-committal as to the subsequent assessment of applications for authorisation by the Scientific Panels.

Amendment

The Authority shall publish a guidance document that includes a list of questions and answers regarding the administrative and scientific requirements of an application for authorisation. At the request of a potential applicant for a food law authorisation, the Authority shall also offer consultation sessions to explain what information is required and how the various tests and studies necessary to prove the quality, safety and efficacy of the planned product are to be carried out. The advice provided by the Authority shall be without prejudice and non-committal as to the subsequent assessment of applications for authorisation by the Scientific Panels. The staff of the Authority providing the advice shall not be involved in any preparatory scientific work that is directly or indirectly relevant to the application that is the subject of the advice.

Within … [36 months after the entry into force of the amending Regulation], the Commission shall assess the impact of this Article on the functioning of the Authority. Particular attention shall be paid to the additional workload and mobilisation of staff, and whether it has led to any shift in the allocation of the Authority’s resources, at the expense of activities of public interest.
Amendment 58
Proposal for a regulation
Article 1 — paragraph 1 — point 4
Regulation (EC) No 178/2002
Article 32b — paragraph 1

Text proposed by the Commission

1. A Union register of studies commissioned by business operators to obtain an authorisation under Union food law is hereby established. Business operators shall notify, without delay, to the Authority the subject matter of any study commissioned to support a future application for an authorisation under Union food law. The register shall be managed by the Authority.

Amendment

1. A Union register of studies commissioned by business operators seeking to obtain an authorisation or renewal under Union food law is hereby established. Business operators shall notify, without delay, to the Authority the subject matter of any study commissioned in the Union and beyond to support a future application for an authorisation or renewal under Union food law. The register shall be managed by the Authority.

Amendment 59
Proposal for a regulation
Article 1 — paragraph 1 — point 4
Regulation (EC) No 178/2002
Article 32b — paragraph 1 a (new)

Text proposed by the Commission


Amendment

2. The notification obligation under paragraph 1 also applies to Union laboratories carrying out those studies.

Amendment 60
Proposal for a regulation
Article 1 — paragraph 1 — point 4
Regulation (EC) No 178/2002
Article 32b — paragraph 2

Text proposed by the Commission

2. The notification obligation under paragraph 1 also applies to any institution carrying out the studies, including laboratories, institutes or universities.
### Amendment 61
**Proposal for a regulation**

**Article 1 — paragraph 1 — point 4**

Regulation (EC) No 178/2002

Article 32b — paragraph 2 a (new)

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2a. Data from a test commissioned but not registered shall not be used in a risk assessment.</td>
<td></td>
</tr>
</tbody>
</table>

### Amendment 62
**Proposal for a regulation**

**Article 1 — paragraph 1 — point 4**

Regulation (EC) No 178/2002

Article 32b — paragraph 2 b (new)

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2b. The subject matter shall not be authorised unless all data from all registered studies are submitted.</td>
<td></td>
</tr>
</tbody>
</table>

### Amendment 63
**Proposal for a regulation**

**Article 1 — paragraph 1 — point 4**

Regulation (EC) No 178/2002

Article 32b — paragraph 3 a (new)

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>3a. Where the Authority requests and receives additional data by an applicant, this data is, marked as such, also added to the Union register and made available to the public.</td>
<td></td>
</tr>
</tbody>
</table>
Amendment 64
Proposal for a regulation
Article 1 — paragraph 1 — point 4
Regulation (EC) No 178/2002
Article 32b — paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. The Commission shall adopt delegated acts in accordance with Article 57a supplementing this Regulation by establishing penalties for breaches of the notification obligation.

Amendment 65
Proposal for a regulation
Article 1 — paragraph 1 — point 4
Regulation (EC) No 178/2002
Article 32b — paragraph 4 b (new)

Text proposed by the Commission

Amendment

4b. This Article shall not be applicable to studies commissioned before … [the date of entry into force of this amending Regulation].

Amendment 66
Proposal for a regulation
Article 1 — paragraph 1 — point 4
Regulation (EC) No 178/2002
Article 32c — paragraph 1

Text proposed by the Commission

1. Where Union food law provides that an authorisation may be renewed, the potential applicant for the renewal shall notify the Authority of the studies it intends to perform for that purpose. Following this notification, the Authority shall launch a consultation of stakeholders and the public on the intended studies for renewal and shall provide advice on the content of the intended renewal application taking into account the received comments. The advice provided by the Authority shall be without prejudice and non-committal as to the subsequent assessment of the applications for renewal of authorisation by the Scientific Panels.

Amendment

1. Where Union food law provides that an authorisation may be renewed, the potential applicant for the renewal shall notify the Authority of the studies it intends to perform for that purpose. Following this notification, the Authority shall launch a consultation of stakeholders and the public on the intended studies for renewal and shall provide advice on the content of the intended renewal application taking into account the received comments which are relevant for the risk assessment of the intended renewal. The advice provided by the Authority shall be without prejudice and non-committal as to the subsequent assessment of the applications for renewal of authorisation by the Scientific Panels.
Amendment 67
Proposal for a regulation
Article 1 — paragraph 1 — point 4
Regulation (EC) No 178/2002
Article 32c — paragraph 2

Text proposed by the Commission

2. The Authority shall consult stakeholders and the public regarding the studies supporting applications for authorisation once they are made public by the Authority in accordance with Article 38 and Articles 39 to 39f in order to identify whether other relevant scientific data or studies are available on the subject matter concerned by the application for authorisation. This provision does not apply to the submission of any supplementary information by the applicants during the risk assessment process.

Amendment

2. The Authority shall, within two months, consult stakeholders and the public regarding the studies supporting applications for authorisation once they are made public by the Authority in accordance with Article 38 and Articles 39 to 39f in order to identify whether other relevant scientific data or studies that are based on independent peer-reviewed literature or have been carried out in accordance with international guidelines and Good Laboratory Practices (GLP) are available on the subject matter concerned by the application for authorisation, and are without prejudice to the Authority's own obligations under Article 33. This provision does not apply to the submission of any supplementary information by the applicants during the risk assessment process.

Amendment 68
Proposal for a regulation
Article 1 — paragraph 1 — point 4
Regulation (EC) No 178/2002
Article 32d

Text proposed by the Commission

The Commission experts shall perform controls, including audits, to obtain assurance that testing facilities comply with relevant standards for carrying out tests and studies submitted to the Authority as part of an application for an authorisation under Union food law. These controls shall be organised in cooperation with the competent authorities of the Member States.

Amendment

The Commission’s Directorate for Health and Food Audits and Analysis experts shall perform controls, including audits, to obtain assurance that testing facilities in the Union and in third countries comply with relevant standards for carrying out tests and studies submitted to the Authority as part of an application for an authorisation under Union food law. These controls shall be organised in cooperation with the competent authorities of the Member States or of the third countries concerned.
Without prejudice to the obligation of applicants for authorisations under food law to demonstrate the safety of a subject matter submitted to a system of authorisation, the Commission, in exceptional circumstances, may request the Authority to commission scientific studies with the objective of verifying evidence used in its risk assessment process. The studies commissioned may have a wider scope than the evidence subject to verification.

Amendment 70
Proposal for a regulation
Article 1 — paragraph 1 — point 4
Regulation (EC) No 178/2002
Article 32e — paragraph 1 a (new)

Any studies commissioned shall take into account Directive 2010/63/EU.

Amendment 71
Proposal for a regulation
Article 1 — paragraph 1 — point 4 a (new)
Regulation (EC) No 178/2002
Article 33 — paragraph 1 — point d a (new)

(4a) In Article 33(1), the following point is added: ‘(da) combinatorial and accumulated effects.’
Amendment 72
Proposal for a regulation
Article 1 — paragraph 1 — point 5 — point a
Regulation (EC) No 178/2002
Article 38 — paragraph 1 — introductory part

Text proposed by the Commission
1. The Authority shall carry out its activities with a high level of transparency. It shall in particular make public without delay:

Amendment
1. The Authority shall carry out its activities with a high level of transparency in line with Regulation (EC) No 1367/2006 and without prejudice to Regulation (EC) No 1049/2001. It shall in particular make public without delay:

Amendment 73
Proposal for a regulation
Article 1 — paragraph 1 — point 5 — point a
Regulation (EC) No 178/2002
Article 38 — paragraph 1 — point a

Text proposed by the Commission
(a) agendas and minutes of the Scientific Committee and the Scientific Panels and their Working Groups;

Amendment
(a) agendas, participants lists, and minutes of the Management Board, the Advisory Committee, the Scientific Committee and the Scientific Panels and their Working Groups;

Amendment 74
Proposal for a regulation
Article 1 — paragraph 1 — point 5 — point a
Regulation (EC) No 178/2002
Article 38 — paragraph 1 — point c

Text proposed by the Commission
(c) scientific data, studies and other information supporting applications for authorisation under Union food law, including supplementary information supplied by applicants, as well as other scientific data and information supporting requests from the European Parliament, the Commission and the Member States for a scientific output, including a scientific opinion, taking into account protection of confidential information and protection of personal data in accordance with Articles 39 to 39f.

Amendment
(c) scientific data, studies and other information supporting applications for authorisation under Union food law, including supplementary information supplied by applicants, as well as other scientific data and information supporting requests from the European Parliament, the Commission and the Member States for a scientific output, including a scientific opinion, taking into account the overriding public interest in disclosure and the protection of confidential information and protection of personal data in accordance with Articles 39 to 39f.
Amendment 75
Proposal for a regulation
Article 1 — paragraph 1 — point 5 — point a
Regulation (EC) No 178/2002
Article 38 — paragraph 1 — point d

Text proposed by the Commission
(d) the information on which its scientific outputs, including scientific opinions are based, taking into account protection of confidential data and protection of personal data in accordance with Articles 39 to 39f;

Amendment
(d) the information on which its scientific outputs, including scientific opinions are based, taking into account the **overriding public interest in disclosure and the** protection of confidential data and protection of personal data in accordance with Articles 39 to 39f;

Amendment 76
Proposal for a regulation
Article 1 — paragraph 1 — point 5 — point a
Regulation (EC) No 178/2002
Article 38 — paragraph 1 — point h a (new)

Text proposed by the Commission

Amendment
(ha) information on the name of the applicant and the title of the application;

Amendment 77
Proposal for a regulation
Article 1 — paragraph 1 — point 5 — point a
Regulation (EC) No 178/2002
Article 38 — paragraph 1 — point i

Text proposed by the Commission
(i) advice provided by the Authority to potential applicants at pre-submission phase pursuant to Article 32a and 32c.

Amendment
(i) the **general** advice provided by the Authority to potential applicants at pre-submission phase pursuant to Articles 32a and 32c.
Amendment 78
Proposal for a regulation

Article 1 — paragraph 1 — point 5 — point a
Regulation (EC) No 178/2002

Article 38 — paragraph 1 — subparagraph 2

Text proposed by the Commission

Those items referred to in the first subparagraph shall be made public on a dedicated section of the Authority's website. That section shall be publicly available and easily accessible. The relevant items shall be available to download, print and search through in an electronic format.

Amendment

Those items referred to in the first subparagraph shall be made public on a dedicated section of the Authority's website. That section shall be publicly available and easily accessible subject to clear undertakings recorded electronically by those accessing it and subject to measures and penalties which are effective, proportionate and dissuasive against any commercial use. The relevant items shall be available to download, print with a watermark for traceability and search through in an electronic format, which is machine-readable. Those measures shall focus on the commercial use of documents and their submission. Such measures shall be designed to protect effectively against commercial use of items referred to in the first subparagraph both within the Union and in third countries.

Amendment 79
Proposal for a regulation

Article 1 — paragraph 1 — point 5 — point b
Regulation (EC) No 178/2002

Article 38 — paragraph 1a — subparagraph 1 — introductory part

Text proposed by the Commission

1a. The disclosure of the information mentioned in paragraph (1)(c) to the public shall be without prejudice:

Amendment

1a. The disclosure of the information mentioned in points (c), (d) and (i) of paragraph 1 to the public shall be without prejudice:

Amendment 80
Proposal for a regulation

Article 1 — paragraph 1 — point 5 — point b
Regulation (EC) No 178/2002

Article 38 — paragraph 1a — subparagraph 1 — point a

Text proposed by the Commission

(a) to any intellectual property right which may exist over documents or their content; and,

Amendment

deleted
Amendment 163
Proposal for a regulation
Article 1 — paragraph 1 — point 5 — point b
Regulation (EC) No 178/2002
Article 38 — paragraph 1a — subparagraph 2

Text proposed by the Commission

The disclosure to the public of the information mentioned in paragraph (1)(c) shall not be considered as an explicit or implicit permission or license for the relevant data and information and their content to be used, reproduced, or otherwise exploited and its use by third parties shall not engage the responsibility of the European Union.

Amendment

The disclosure to the public of the information mentioned in paragraph (1)(c) shall not be considered as an explicit or implicit permission or license for the relevant data and information and their content to be commercially used, reproduced, or otherwise exploited for commercial purposes. For the avoidance of doubt, the information published may be used for the purpose of public and academic scrutiny of the results, including a better understanding of the potential adverse effects on health and the environment, and its use by third parties shall not engage the responsibility of the Union.

Amendment 82
Proposal for a regulation
Article 1 — paragraph 1 — point 5 — point c a (new)
Regulation (EC) No 178/2002
Article 38 — paragraph 3 a (new)

Text proposed by the Commission

(a) the following paragraph is added:


Amendment

1. By way of derogation from Article 38, the Authority shall not make public information for which confidential treatment has been requested under the conditions laid down in this Article.

Amendment 83
Proposal for a regulation
Article 1 — paragraph 1 — point 6
Regulation (EC) No 178/2002
Article 39 — paragraph 1

Text proposed by the Commission

1. By way of derogation from Article 38 and without prejudice to Regulation (EC) No 1049/2001 and Directive 2003/4/EC and the general principle that the interests of public health always prevail over private interests, the Authority shall not make public information for which confidential treatment has been requested and granted in fulfilment of the conditions laid down in this Article.
Amendment 84
Proposal for a regulation
Article 1 — paragraph 1 — point 6
Regulation (EC) No 178/2002
Article 39 — paragraph 2 — point 1

Text proposed by the Commission
(1) the method and other technical and industrial specifications relating to that method, used to manufacture or produce the subject matter of the request for a scientific output, including a scientific opinion;

Amendment
(1) the method and other technical and industrial specifications relating to that method, used to manufacture or produce the subject matter of the request for a scientific output, including a scientific opinion, except when relevant to understanding the potential effects on health and the environment, and provided that the applicant demonstrates with verifiable justification that such method does not entail information about emissions in the environment and about impacts on health and environment;

Amendment 85
Proposal for a regulation
Article 1 — paragraph 1 — point 6
Regulation (EC) No 178/2002
Article 39 — paragraph 2 — point 3

Text proposed by the Commission
(3) commercial information revealing sourcing, market shares or business strategy of the applicant; and

Amendment
(3) commercial information revealing sourcing, innovative ideas for the product/substance, market shares or business strategy of the applicant;

(This amendment applies throughout the text. Adopting it will necessitate corresponding changes throughout.)

Amendment 86
Proposal for a regulation
Article 1 — paragraph 1 — point 6
Regulation (EC) No 178/2002
Article 39 — paragraph 2 — point 4

Text proposed by the Commission
(4) quantitative composition of the subject matter of the request for a scientific output, including a scientific opinion.

Amendment
(4) quantitative composition of the subject matter of the request for a scientific output, including a scientific opinion, except when relevant to understanding the potential effects on health and the environment.
Amendment 87
Proposal for a regulation
Article 1 — paragraph 1 — point 6
Regulation (EC) No 178/2002
Article 39 — paragraph 4 — point a

Text proposed by the Commission
(a) Where urgent action is essential to protect public health, animal health or the environment, such as in emergency situations, the Authority may disclose the information referred to paragraphs 2 and 3; and,

Amendment
(a) Where urgent action is essential to protect public health, animal health or the environment, such as in emergency situations, the Authority may disclose the information referred to paragraphs 2 and 3; or,

Amendment 88
Proposal for a regulation
Article 1 — paragraph 1 — point 6
Regulation (EC) No 178/2002
Article 39 — paragraph 4 — point b

Text proposed by the Commission
(b) Information which forms part of conclusions of scientific outputs, including scientific opinions, delivered by the Authority and which relate to foreseeable health effects.

Amendment
(b) Information which forms part of conclusions of scientific outputs, including scientific opinions, delivered by the Authority and which relate to foreseeable effects on public health, animal health and the environment.

Amendment 89
Proposal for a regulation
Article 1 — paragraph 1 — point 6
Regulation (EC) No 178/2002
Article 39 — paragraph 4 — point b a (new)

Text proposed by the Commission
(ba) Where an overriding public interest in disclosure exists.
**Amendment 90**

Proposal for a regulation

Article 1 — paragraph 1 — point 6

Regulation (EC) No 178/2002

Article 39 — paragraph 4 — point bb (new)

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(bb) any information for which there is an overriding public interest in disclosure under Article 4(2) of Regulation (EC) No 1049/2001 and Article 6 of Regulation (EC) No 1367/2006, in particular where the information relates to emissions into the environment.</td>
<td></td>
</tr>
</tbody>
</table>

**Amendment 91**

Proposal for a regulation

Article 1 — paragraph 1 — point 6

Regulation (EC) No 178/2002

Article 39 — paragraph 4a (new)

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
</table>

**Amendment 92**

Proposal for a regulation

Article 1 — paragraph 1 — point 7

Regulation (EC) No 178/2002

Article 39a — paragraph 2

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Where an applicant submits a request for confidentiality, it shall provide a non-confidential version and a confidential version of the information submitted in accordance with standard data formats, where they exist, pursuant to Article 39f. The non-confidential version shall be without the information the applicant deems confidential in accordance with paragraphs 2 and 3 of Article 39. The confidential version shall contain all information submitted, including information the applicant deems confidential. Information requested to be treated as confidential in the confidential version shall be clearly marked. The applicant shall clearly indicate the grounds on the basis of which confidentiality is requested for the different pieces of information.</td>
<td></td>
</tr>
</tbody>
</table>

2. Where an applicant submits a request for confidentiality, it shall provide a non-confidential version and a confidential version of the information submitted in accordance with standard data formats, where they exist, pursuant to Article 39f. The non-confidential version shall edit, with black bars, the information, for which confidential treatment has been requested by the applicant in accordance with paragraphs 2 and 3 of Article 39. The confidential version shall contain all information submitted, including information the applicant considers as confidential. Information requested to be treated as confidential in the confidential version shall be clearly marked. The applicant shall clearly indicate verifiable justifications and evidence on the basis of which confidentiality is requested for the different pieces of information.
### Amendment 167

Proposal for a regulation

**Article 1 — paragraph 1 — point 7**

Regulation (EC) No 178/2002

Article 39b — paragraph 1 — subparagraph 1 — point a

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) make public, without delay, the non-confidential version, as submitted by the applicant;</td>
<td>(a) make public, without delay, the non-confidential version of the application, as submitted by the applicant, <em>once that application has been considered admissible.</em></td>
</tr>
</tbody>
</table>

### Amendment 93

Proposal for a regulation

**Article 1 — paragraph 1 — point 7**

Regulation (EC) No 178/2002

Article 39b — paragraph 1 — subparagraph 1 — point c

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(c) inform the applicant in writing of its intention to disclose information and the reasons for it, before the Authority formally takes a decision on the confidentiality request. If the applicant <em>disagrees with</em> the assessment of the Authority it may state its views or withdraw its application within two weeks from the date on which it was notified of the Authority’s position.</td>
<td>(c) inform the applicant in writing of its intention to disclose information and the reasons for it, before the Authority formally takes a decision on the confidentiality request. If the applicant <em>objects to</em> the assessment of the Authority it may (1) state its views, (2) withdraw its application, or (3) request a review to the Authority’s Board of Appeal within four weeks from the date on which it was notified of the Authority’s position. The applicant may provide written notice to the Authority that it wishes to request a re-examination of the opinion to the Authority’s Board of Appeal. In that case, the applicant shall forward to the Authority the detailed grounds for the request within 60 days after receipt of the opinion. Within 60 days after receipt of the grounds for the request, the Authority’s Board of Appeal shall re-examine its opinion;</td>
</tr>
</tbody>
</table>
Amendment 94
Proposal for a regulation
Article 1 — paragraph 1 — point 7
Regulation (EC) No 178/2002

Article 39b — paragraph 1 — subparagraph 1 — point d

Text proposed by the Commission
(d) adopt a reasoned decision on the confidentiality request taking into account the observations of the applicant within **ten** weeks from the date of receipt of the confidentiality request with respect to applications for authorisation and without undue delay in the case of supplementary data and information and notify the applicant and inform the Commission and the Member States, **as appropriate**, of its decision; and,

Amendment
(d) adopt a reasoned decision on the confidentiality request taking into account the observations of the applicant within **eight** weeks from the date of receipt of the confidentiality request with respect to applications for authorisation and without undue delay in the case of supplementary data and information and notify the applicant and inform the Commission and the Member States, **in every case**, of its decision; and,

Amendment 140
Proposal for a regulation
Article 1 — paragraph 1 — point 7
Regulation (EC) No 178/2002

Article 39b — paragraph 1 — subparagraph 1 — point e

Text proposed by the Commission
(e) **make public any additional** data and information **for which** the confidentiality request **has not been accepted as justified not earlier than two weeks after the notification of its decision to** the applicant **has taken place, pursuant to point (d).**

Amendment
(e) **publish non-confidential** data and information **relating to the application only once a final decision has been taken in respect of the confidentiality request pursuant to this Article and the Authority has published its draft scientific opinion in line with Article 38. Where an applicant withdraws the application pursuant to Article 39(c) because the applicant deems the publication of the information planned by the Authority to be too comprehensive, the Authority, the Commission and the Member States shall refrain from publishing any information on the application for authorisation.**
Amendment 96
Proposal for a regulation

Article 1 — paragraph 1 — point 7

Regulation (EC) No 178/2002

Article 39b — paragraph 1 — subparagraph 2

Text proposed by the Commission

Decisions taken by the Authority pursuant to this Article may be subject to an action before the Court of Justice of the European Union, under the conditions laid down in Articles 263 and 278 of the Treaty respectively.

Amendment

Decisions taken by the Authority pursuant to this Article may be subject to an action before the Authority's Board of Appeal, which shall be established by the Commission by means of delegated acts. Those delegated acts shall be adopted in accordance with Article 57a of this Regulation. A submission of an appeal pursuant to this paragraph shall have suspensive effect. The applicant may provide written notice to the Authority that he or she wishes to request a re-examination of the opinion to the Authority's Board of Appeal. In that case the applicant shall forward to the Authority the detailed grounds for the request within 60 days after receipt of the opinion. Within 60 days after receipt of the grounds for the request, the Authority's Board of Appeal shall re-examine its opinion. In case of a contesting decision taken by the Authority's Board of appeal, a case may be brought before the Court of Justice of the European Union under the conditions laid down in Article 263 of the Treaty.

Amendment 97
Proposal for a regulation

Article 1 — paragraph 1 — point 7

Regulation (EC) No 178/2002

Article 39d — paragraph 2

Text proposed by the Commission

2. The Commission and the Member States shall take the necessary measures so that information received by them under Union food law for which confidential treatment has been requested is not made public until a decision on the confidentiality request has been taken by the Authority and has become definitive. The Commission and the Member States shall also take the necessary measures so that information for which confidential treatment has been accepted by the Authority is not made public.

Amendment

2. The Commission and the Member States shall take the necessary measures so that information received by them under Union food law for which confidential treatment has been requested is not made public until a decision on the confidentiality request has been taken by the Authority and has become definitive, except for when access to information is requested in accordance with Directive 2003/4/EC or national law on access to documents. The Commission and the Member States shall also take the necessary measures so that information for which confidential treatment has been accepted by the Authority is not made public, except for when access to information is requested in accordance with Directive 2003/4/EC or national law on access to documents.
Amendment 98
Proposal for a regulation
Article 1 — paragraph 1 — point 7
Regulation (EC) No 178/2002
Article 39d — paragraph 3

Text proposed by the Commission
3. If an applicant in the context of an authorisation procedure withdraws or has withdrawn an application, the Authority, the Commission and the Member States shall respect the confidentiality of commercial and industrial information as accepted by the Authority in accordance with Articles 39 to 39f. The application shall be considered withdrawn as of the moment the written request is received by the competent body that had received the original application. Where the withdrawal of the application takes place before the Authority has decided on the relevant confidentiality request, the Authority, the Commission and the Member States shall not publish the information for which confidentiality has been requested.

Amendment
3. If an applicant in the context of an authorisation procedure withdraws or has withdrawn an application, the Authority, the Commission and the Member States shall respect the confidentiality of commercial and industrial information as accepted by the Authority in accordance with Articles 39 to 39f. The application shall be considered withdrawn as of the moment the written request is received by the competent body that had received the original application. The Authority shall not publish any information, confidential or non-confidential, should an applicant decide to withdraw its application.

Amendment 99
Proposal for a regulation
Article 1 — paragraph 1 — point 7
Regulation (EC) No 178/2002
Article 39e — paragraph 1 — point c

Text proposed by the Commission
(c) the names of all participants in meetings of the Scientific Committee and the Scientific Panels and their Working Groups.

Amendment
(c) the names of all participants and observers in meetings of the Scientific Committee and the Scientific Panels, their Working Groups and any other ad hoc Group meeting on the subject.
Amendment 101
Proposal for a regulation
Article 1 — paragraph 1 — point 7
Regulation (EC) No 178/2002
Article 39f — paragraph 1

Text proposed by the Commission

1. For the purposes of Article 38(1)(c) and in order to ensure the efficient processing of requests to the Authority for a scientific output, standard data formats and software packages shall be adopted to allow documents to be submitted, searched, copied and printed, while ensuring compliance with regulatory requirements set out in Union food law. These draft standard data formats and software packages shall not be based on proprietary standards and shall ensure interoperability with existing data submission approaches to the extent possible.

Amendment

1. For the purposes of Article 38(1)(c) and in order to ensure the efficient processing of requests to the Authority for a scientific output, standard data formats and software packages shall be adopted to allow documents to be submitted, searched, copied and printed, while ensuring compliance with regulatory requirements set out in Union food law and feasibility for small and medium-sized enterprises. These draft standard data formats and software packages shall not be based on proprietary standards and shall ensure interoperability with existing data submission approaches to the extent possible.

Amendment 102
Proposal for a regulation
Article 1 — paragraph 1 — point 7
Regulation (EC) No 178/2002
Article 39f — paragraph 2 a (new)

Text proposed by the Commission

2a. The standard data formats and software packages shall only apply to data generated after adoption of the implementing acts in accordance with point (b) of paragraph 2.

Amendment

Amendment 103
Proposal for a regulation
Article 1 — paragraph 1 — point 7
Regulation (EC) No 178/2002
Article 39 g — paragraph 1

Text proposed by the Commission

The information systems operated by the Authority to store its data, including confidential and personal data shall be designed to a high level of security appropriate to the security risks at stake, taking into account Articles 39 to 39f of this Regulation. Access shall be based on a system requiring two factor authentication or providing an equivalent level of security. The system shall ensure that any access to it is fully auditable.

Amendment

The information systems operated by the Authority to store its data, including confidential and personal data shall be designed in a way that guarantees that the highest standards of security appropriate to the security risks at stake will be attained, taking into account Articles 39 to 39f of this Regulation. Access shall be based at the minimum on a system requiring two factor authentication or providing an equivalent level of security. The system shall ensure that any access to it is fully auditable.
Amendment 104
Proposal for a regulation
Article 1 — paragraph 1 — point 9
Regulation (EC) No 178/2002
Article 41 — paragraph 1

Text proposed by the Commission
Where environmental information is concerned, Articles 6 and Article 7 of Regulation (EC) No 1367/2006 of the European Parliament and of the Council (39) shall also apply.


Amendment
The Authority shall ensure wide access to the documents held by it. Where environmental information is concerned, Regulation (EC) No 1367/2006 of the European Parliament and of the Council (39) shall also apply. Articles 38 to 39 of this Regulation shall apply without prejudice to the application of Regulations (EC) No 1049/2001 and (EC) No 1367/2006.


Amendment 106
Proposal for a regulation
Article 1 — paragraph 1 — point 9 b (new)
Regulation (EC) No 178/2002
Article 51 — paragraph 1 a (new)

Text proposed by the Commission

(9b) In Article 51, the following paragraph is inserted:

‘1a. The Commission shall adopt a delegated act in accordance with Article 57a to develop a harmonised food alert network management system between the Commission and the Member States.’

Amendment

Amendment 107
Proposal for a regulation
Article 1 — paragraph 1 — point 10
Regulation (EC) No 178/2002
Article 57a — paragraph 2

Text proposed by the Commission

2. The powers to adopt delegated acts referred to in Article 8 (c) shall be conferred upon the Commission for an indeterminate period of time from [date of entry into force of this Regulation].

Amendment

2. The powers to adopt delegated acts referred to in Article 8 (c), 32b(4a), subparagraph 2 of Article 39b(1) and Article 51 (1a) shall be conferred upon the Commission for a period of five years from [date of entry into force of this Regulation].
Amendment 108
Proposal for a regulation
Article 1 — paragraph 1 — point 11
Regulation (EC) No 178/2002
Article 61

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 61</td>
<td>Article 61</td>
</tr>
<tr>
<td>Review clause</td>
<td>Review clause</td>
</tr>
</tbody>
</table>

1. The Commission shall ensure the regular review of the application of this Regulation.

2. Not later than five years after the date referred to in Article [entry into force of the Regulation amending the GFL], and every five years thereafter, the Commission shall **assess the Authority’s** performance in relation to its objectives, **mandate**, tasks, procedures and **location**, **in accordance with Commission guidelines**. The evaluation shall address the possible need to modify the mandate of the Authority, **and** the financial implications of any such modification.

3. Where the Commission considers that the continuation of the Authority is no longer justified with regard to its assigned objectives, mandate and tasks, it may propose that the relevant provisions of this Regulation be amended accordingly or repealed.

4. The Commission **shall report to** the European Parliament, **the Council** and the Management Board **on the evaluation findings**. The findings of the evaluation shall be made public.

2a. The Management Board shall examine the conclusions of the evaluation and issue recommendations to the Commission, which may concern changes in the Authority.

4. The evaluations and recommendations referred to in paragraphs 2 and 2a shall be forwarded to the Commission, **the Council**, the European Parliament and the Management Board. The findings of the evaluation **and the recommendations** shall be made public.
### Amendment 109

**Proposal for a regulation**

**Article 2 — paragraph 1 — point 2 a (new)**

Directives 2001/18/EC

Article 24 — paragraph 2 a (new)

*Text proposed by the Commission*

<table>
<thead>
<tr>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(2a) In Article 24, the following paragraph is added:</td>
</tr>
<tr>
<td>'2a. The obligation to proactively disseminate the information set out in paragraph 1 of this Article, in line with Article 25 of this Directive, and in line with Articles 38 and 39 of Regulation (EC) No 178/2002, is without prejudice to the right of any natural or legal person to access documents upon request as set out in Regulations (EC) No 1049/2001 and (EC) No 1367/2006.'</td>
</tr>
</tbody>
</table>

### Amendment 110

**Proposal for a regulation**

**Article 3 — paragraph 1 — point 9**

Regulations (EC) No 1829/2003

Article 29 — paragraph 1

*Text proposed by the Commission*

<table>
<thead>
<tr>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The Authority shall make public the application for authorisation, relevant supporting information and any supplementary information supplied by the applicant, as well as its scientific opinions and opinions from the competent authorities referred to in Article 4 of Directive 2001/18/EC, in accordance with Article 38, Articles 39 to 39f and Article 40 of Regulation (EC) No 178/2002 and taking into account Article 30 of this Regulation.</td>
</tr>
</tbody>
</table>

### Amendment 111

**Proposal for a regulation**

**Article 3 — paragraph 1 — point 9**

Regulations (EC) No 1829/2003

Article 29 — paragraph 1 a (new)

*Text proposed by the Commission*

<table>
<thead>
<tr>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a. The obligation to proactively disseminate the information set out in paragraph 1 of this Article, in line with Article 30 of this Regulation, and in line with Articles 38 and 39 of Regulation (EC) No 178/2002, is without prejudice to the right of any natural or legal person to access documents upon request as set out in Regulations (EC) No 1049/2001 and (EC) No 1367/2006.</td>
</tr>
</tbody>
</table>
Amendment 112
Proposal for a regulation
Article 4 — paragraph 1 — point 1 a (new)
Regulation (EC) No 1831/2003
Article 17 — paragraph 2 a (new)

Text proposed by the Commission

(1a) In Article 17, the following paragraph is added:

‘2a. The obligation to proactively disseminate information set out in this Article and in line with Articles 38 and 39 of Regulation (EC) No 178/2002, is without prejudice to the right of any natural or legal person to access documents upon request as set out in Regulations (EC) No 1049/2001 and (EC) No 1367/2006.’

Amendment 113
Proposal for a regulation
Article 4 — paragraph 1 — point 2
Regulation (EC) No 1831/2003
Article 18 — paragraph 3

Text proposed by the Commission

3. In addition to Article 39(2) of Regulation (EC) No 178/2002 and pursuant to Article 39(3) of that Regulation, the Authority may also accept to provide confidential treatment to the following information, the disclosure of which may be deemed, upon verifiable justification, to significantly harm the interests concerned:

(a) the study plan for studies demonstrating the efficacy of a feed additive in terms of the aims of its intended use as defined in Article 6(1) and Annex I to this Regulation; and,

(b) specifications of the impurities of the active substance and the relevant methods of analysis developed internally by the applicant, except for impurities that may have adverse effects on animal health, human health, or the environment.

Amendment

deleted
Amendment 114
Proposal for a regulation
Article 4 — paragraph 1 — point 2
Regulation (EC) No 1831/2003
Article 18 — paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. The Authority shall apply the principles of Regulation (EC) No 1049/2001 when handling applications for access to documents held by the Authority.

Amendment 115
Proposal for a regulation
Article 4 — paragraph 1 — point 2
Regulation (EC) No 1831/2003
Article 18 — paragraph 3 b (new)

Text proposed by the Commission

Amendment

3b. The Member States, the Commission and the Authority shall keep confidential all the information identified as confidential under paragraph 2 of this Article except where it is appropriate for such information to be made public in order to protect human health, animal health or the environment. Member States shall handle applications for access to documents received under this Regulation in accordance with Article 5 of Regulation (EC) No 1049/2001.

Amendment 116
Proposal for a regulation
Article 5 — paragraph 1 — point 2
Regulation (EC) No 2065/2003
Article 14 — paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The obligation to proactively disseminate information set out in paragraph 1 of this Article, in line with Articles 38 and 39 of Regulation (EC) No 178/2002, is without prejudice to the right of any natural or legal person to access documents upon request as set out in Regulations (EC) No 1049/2001 and (EC) No 1367/2006.
Amendment 117
Proposal for a regulation
Article 6 — paragraph 1 — point 2 a (new)
Article 19 — paragraph 2 a (new)

Text proposed by the Commission

Amendment

(2a) In Article 19, the following paragraph is added:

‘2a. The obligation to proactively disseminate information set out in paragraph 1 of this Article, including Article 20 of this Regulation, and Articles 38 and 39 of Regulation (EC) No 178/2002, is without prejudice to the right of any natural or legal person to access document upon request as set by Regulations (EC) No 1049/2001 and (EC) No 1367/2006.’

Amendment 119
Proposal for a regulation
Article 6 — paragraph 1 — point 3
Article 20 — paragraph 2 — point b

Text proposed by the Commission

Amendment

(b) the trademark under which the substance, shall be marketed as well as the tradename of the preparations, material or articles in which it shall be used, where applicable; and,

deleted

Amendments 120 and 121
Proposal for a regulation
Article 7 — paragraph 1 — point 2
Regulation (EC) No 1331/2008
Article 11 — paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The obligation to proactively disseminate information set out in paragraph 1 of this Article, in line with Article 12 of this Regulation and Articles 38 and 39 of Regulation (EC) No 178/2002, is without prejudice to the right of any natural or legal person to access documents upon request as set out in Regulations (EC) No 1049/2001 and (EC) No 1367/2006.
**Amendment 122**
Proposal for a regulation

Article 7 — paragraph 1 — point 3  
Regulation (EC) No 1331/2008  
Article 12 — paragraph 3 a (new)

---

**Text proposed by the Commission**

3a. The provisions on active dissemination laid down in Articles 11 and 12 of this Regulation, and Articles 38 and 39 of Regulation (EC) No 178/2002, are without prejudice to the right of access to documents upon request set in Regulation (EC) No 1049/2001.

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**Amendment 170**
Proposal for a regulation

Article 8 — paragraph 1 — point 4  
Regulation (EC) No 1107/2009  
Article 16

---

**Text proposed by the Commission**

The Authority shall assess, without delay, any request for confidentiality and make available to the public the information provided by the applicant under Article 15 as well as any other supplementary information submitted by the applicant, except for information in respect of which confidential treatment has been requested and accepted by the Authority pursuant to Article 38, Articles 39 to 39f and Article 40 of Regulation (EC) No 178/2002, which shall apply mutatis mutandis and pursuant to Article 63 of this Regulation.

---

**Amendment**

The Authority shall assess, without delay, any request for confidentiality and make available to the public the information provided by the applicant under Article 15 as well as any other supplementary information submitted by the applicant, except for information in respect of which confidential treatment has been requested and accepted by the Authority pursuant to Article 38, Articles 39 to 39f and Article 40 of Regulation (EC) No 178/2002, which shall apply mutatis mutandis and pursuant to Article 63 of this Regulation, unless there is an overriding public interest in its disclosure.

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**Amendment 123**
Proposal for a regulation

Article 8 — paragraph 1 — point 4 a (new)  
Regulation (EC) No 1107/2009  
Article 23 — paragraph 1 — last sentence

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**Present text**

For the purpose of this Regulation, an active substance which fulfils the criteria of a “foodstuff” as defined in Article 2 of Regulation (EC) No 178/2002 shall be considered as a basic substance.

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**Amendment**

(4a) In Article 23(1), the last sentence is replaced by the following:

‘For the purpose of this Regulation, an active substance which fulfils the criteria of a “foodstuff” as defined in Article 2 of Regulation (EC) No 178/2002 shall be considered as an approved basic substance.’
Amendment 124
Proposal for a regulation
Article 8 — paragraph 1 — point 5
Regulation (EC) No 1107/2009
Article 63 — paragraph 1

Text proposed by the Commission

1. In accordance with the conditions and the procedures laid down in Article 39 of Regulation (EC) No 178/2002 and this article, the applicant may request certain information submitted under this Regulation to be kept confidential, accompanied by verifiable justification.

Amendment

1. In accordance with the conditions and the procedures laid down in Article 39 of Regulation (EC) No 178/2002 and this Article, except for information that is considered toxicologically, ecotoxicologically or environmentally relevant, the applicant may request certain information submitted under this Regulation to be kept confidential, accompanied by adequate and verifiable justification. The justification shall include verifiable evidence to show that the disclosure of the information might undermine his commercial interests, or the protection of privacy and the integrity of the individual.

Amendment 126
Proposal for a regulation
Article 8 — paragraph 1 — point 5 a (new)
Regulation (EC) No 1107/2009
Article 63 — paragraph 3

Present text


Amendment

Amendment 127
Proposal for a regulation
Article 9 — paragraph 1 — point 1 — point a
Regulation (EC) No 2015/2283
Article 10 — paragraph 1

Text proposed by the Commission

1. The procedure for authorising the placing on the market within the Union of a novel food and updating of the Union list provided for in Article 9 of this Regulation shall start either on the Commission’s initiative or following an application to the Commission by an applicant, in accordance with standard data formats, where they exist pursuant to Article 39f of Regulation (EC) No 178/2002. The Commission shall make the application available to the Member States without delay.

Amendment

1. The procedure for authorising the placing on the market within the Union of a novel food and updating of the Union list provided for in Article 9 of this Regulation shall start either on the Commission’s initiative or following an application to the Commission by an applicant, in accordance with standard data formats, where they exist pursuant to Article 39f of Regulation (EC) No 178/2002. The Commission shall make the application available to the Member States and the summary of the application publicly available without delay.

Amendment 128
Proposal for a regulation
Article 9 — paragraph 1 — point 4
Regulation (EC) No 2015/2283
Article 23 — paragraph 4 a (new)

Text proposed by the Commission

4a. The provisions on active dissemination laid down in Article 23 of this Regulation, and Articles 38 and 39 of Regulation (EC) No 178/2002, are without prejudice to the right of access to documents upon request set in Regulation (EC) No 1049/2001.

Amendment

4a. The provisions on active dissemination laid down in Article 23 of this Regulation, and Articles 38 and 39 of Regulation (EC) No 178/2002, are without prejudice to the right of access to documents upon request set in Regulation (EC) No 1049/2001.

Amendment 129
Proposal for a regulation
Article 9 — paragraph 1 — point 4
Regulation (EC) No 2015/2283
Article 23 — paragraph 4 b (new)

Text proposed by the Commission

4b. The Commission may, by means of implementing acts, adopt detailed rules on the implementation of paragraphs 1 to 4 of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 30(3).

Amendment

4b. The Commission may, by means of implementing acts, adopt detailed rules on the implementation of paragraphs 1 to 4 of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 30(3).
Amendment 130
Proposal for a regulation
Article 9 — paragraph 1 — point 4 a (new)
Regulation (EU) No 2015/2283
Article 25 — paragraph 1 a (new)

Text proposed by the Commission

Amendment

(4a) In Article 25, the following paragraph is added:

‘1a. The obligation to proactively disseminate the information set out in this Regulation, in line with Articles 38 and 39 of Regulation (EC) No 178/2002, is without prejudice to the right of any natural or legal person to access documents upon request as set out in Regulations (EC) No 1049/2001 and (EC) No 1367/2006.’

Amendment 131
Proposal for a regulation
Article 9 a (new)

Text proposed by the Commission

Amendment

Article 9a

Transparency of risk management

1. The Commission and the Member States shall carry out their risk management activities in the context of the legislative acts referred to in Articles 1 to 9 with a high level of transparency. They shall in particular make public without undue delay:

(a) at an early stage of the risk management process, any envisaged the draft risk management measures;


**
Text proposed by the Commission

Amendment

(c) the agendas and the detailed minutes of meetings of the Member States working groups in which the risk management measures are discussed.


(a) the reasons for and objectives of the measure;

(b) the justification of the measure taking into consideration both need and proportionality;

(c) the impact of the measure on public and animal health, the environment, on the society and on food manufacturers as indicated by the impact assessment; and

(d) the results of any public consultation, including pursuant to Article 9 of [the GFL Regulation].

European Centre for the Development of Vocational Training (Cedefop) ***I


(Ordinary legislative procedure: first reading)

(2020/C 388/24)

The European Parliament,

— having regard to the Commission proposal to Parliament and the Council (COM(2016)0532),
— having regard to Article 294(2) and to Article 166(4), Article 165(4) and Article 149 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0343/2016),
— having regard to the opinion of the Committee on Legal Affairs on the proposed legal basis,
— having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
— having regard to the opinion of the European Economic and Social Committee of 30 March 2017 (1),
— after consulting the Committee of the Regions,
— having regard to the provisional agreement approved by the committee responsible under Rule 69f(4) of its Rules of Procedure and the undertaking given by the Council representative by letter of 9 November 2018 to approve Parliament’s position, in accordance with Article 294(4) of the Treaty on the Functioning of the European Union,
— having regard to Rules 59 and 39 of its Rules of Procedure,
— having regard to the report of the Committee on Employment and Social Affairs and the opinion of the Committee on Budgets (A8-0273/2017),

1. Adopts its position at first reading hereinafter set out;

2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;

3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

P8_TC1-COD(2016)0257


(As an agreement was reached between Parliament and Council, Parliament’s position corresponds to the final legislative act, Regulation (EU) 2019/128.)


(Ordinary legislative procedure: first reading)

(2020/C 388/25)

The European Parliament,
— having regard to the Commission proposal to Parliament and the Council (COM(2016)0528),
— having regard to Article 294(2) and Article 153(2)(a) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0344/2016),
— having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
— having regard to the opinion of the European Economic and Social Committee of 30 March 2017 (1),
— after consulting the Committee of the Regions,
— having regard to the provisional agreement approved by the committee responsible under Rule 69f(4) of its Rules of Procedure and the undertaking given by the Council representative by letter of 9 November 2018 to approve Parliament’s position, in accordance with Article 294(4) of the Treaty on the Functioning of the European Union,
— having regard to Rule 59 of its Rules of Procedure,
— having regard to the report of the Committee on Employment and Social Affairs and the opinion of the Committee on Budgets (A8-0274/2017),
1. Adopts its position at first reading hereinafter set out;
2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.


(As an agreement was reached between Parliament and Council, Parliament’s position corresponds to the final legislative act, Regulation (EU) 2019/126.)

The European Parliament,

— having regard to the Commission proposal to Parliament and the Council (COM(2016)0531),
— having regard to Article 294(2) and point (a) of Article 153(2) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0342/2016),
— having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
— having regard to the opinion of the European Economic and Social Committee of 30 March 2017 (1),
— after consulting the Committee of the Regions,
— having regard to the provisional agreement approved by the committee responsible under Rule 69f(4) of its Rules of Procedure and the undertaking given by the Council representative by letter of 9 November 2018 to approve Parliament’s position, in accordance with Article 294(4) of the Treaty on the Functioning of the European Union,
— having regard to Rule 59 of its Rules of Procedure,
— having regard to the report of the Committee on Employment and Social Affairs and the opinion of the Committee on Budgets (A8-0275/2017),

1. Adopts its position at first reading hereinafter set out;
2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

P8_TC1-COD(2016)0256


(As an agreement was reached between Parliament and Council, Parliament’s position corresponds to the final legislative act, Regulation (EU) 2019/127.)

P8_TA(2018)0493

Complementing EU type-approval legislation with regard to the withdrawal of the United Kingdom from the Union


(Ordinary legislative procedure: first reading)

(2020/C 388/27)

The European Parliament,
— having regard to the Commission proposal to Parliament and the Council (COM(2018)0397),
— having regard to Article 294(2) and Article 114 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0250/2018),
— having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
— having regard to the opinion of the European Economic and Social Committee of 19 September 2018 (1),
— having regard to the provisional agreement approved by the committee responsible under Rule 69f(4) of its Rules of Procedure and the undertaking given by the Council representative by letter of 28 November 2018 to approve Parliament’s position, in accordance with Article 294(4) of the Treaty on the Functioning of the European Union,
— having regard to Rule 59 of its Rules of Procedure,
— having regard to the report of the Committee on the Internal Market and Consumer Protection and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0359/2018),
1. Adopts its position at first reading hereinafter set out;
2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

P8_TC1-COD(2018)0220

Position of the European Parliament adopted at first reading on 11 December 2018 with a view to the adoption of Regulation (EU) 2019/… of the European Parliament and of the Council complementing Union type-approval legislation with regard to the withdrawal of the United Kingdom from the Union

(As an agreement was reached between Parliament and Council, Parliament’s position corresponds to the final legislative act, Regulation (EU) 2019/26.)


(Ordinary legislative procedure: first reading)

(2020/C 388/28)

Amendment 1
Proposal for a regulation
Recital 1

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) The European Union's common short-stay visa policy has been an integral part to the establishment of an area without internal borders. Visa policy should remain an essential tool for facilitating tourism and business, while helping counter security risks and the risk of irregular migration to the Union.</td>
<td>(1) The European Union's common short-stay visa policy has been an integral part to the establishment of an area without internal borders. A visa policy which respects human rights and fundamental freedoms should facilitate travel by third-country nationals to the EU while guaranteeing free movement of persons and maintaining the security of people within EU territory. The common visa policy should be consistent with other Union policies, including those on freedom of movement, residence and mobility.</td>
</tr>
</tbody>
</table>

Amendment 3
Proposal for a regulation
Recital 2a (new)

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(2a) When applying this Regulation, Member States should respect their respective obligations under international law, in particular the United Nations Convention relating to the Status of Refugees, the European Convention for the Protection of Human Rights and Fundamental Freedoms, the International Covenant on Civil and Political Rights, the United Nations Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, the United Nations Convention on the Rights of the Child and other relevant international instruments.</td>
<td>(2a) When applying this Regulation, Member States should respect their respective obligations under international law, in particular the United Nations Convention relating to the Status of Refugees, the European Convention for the Protection of Human Rights and Fundamental Freedoms, the International Covenant on Civil and Political Rights, the United Nations Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, the United Nations Convention on the Rights of the Child and other relevant international instruments.</td>
</tr>
</tbody>
</table>

(*) The matter was referred back for interinstitutional negotiations to the committee responsible, pursuant to Rule 59(4), fourth subparagraph (A8-0434/2018).
Amendment 4
Proposal for a regulation
Recital 4

Text proposed by the Commission

(4) The visa application procedure should be as easy as possible for applicants. It should be clear which Member State is competent for examining an application for a visa in particular where the intended visit covers several Member States. Where possible, Member States should allow for application forms to be completed and submitted electronically. Deadlines should be established for the various steps of the procedure in particular to allow travellers to plan ahead and avoid peak seasons in consulates.

Amendment

(4) The visa application procedure should be as easy and at reasonable costs as possible for applicants. It should be clear which Member State is competent for examining an application for a visa in particular where the intended visit covers several Member States. Member States should allow for application forms to be completed and submitted electronically. Deadlines should be established for the various steps of the procedure in particular to allow travellers to plan a reasonable time in advance and avoid peak seasons in consulates. As part of the further development of the acquis towards a truly common visa policy, procedures and conditions for issuing visas should be further harmonised and their uniform application be reinforced.

Amendment 6
Proposal for a regulation
Recital 4 a (new)

Text proposed by the Commission

(4a) Visa applications and decisions on applications are examined and taken by consulates. Member States should ensure that they are present or represented by another Member State in third countries whose nationals are subject to the visa requirement and ensure that consulates have sufficient knowledge of the local situation to ensure the integrity of the visa application procedure.
Amendment 7
Proposal for a regulation
Recital 5

Text proposed by the Commission

(5) Member States should not be obliged to maintain the possibility of direct access for the lodging of applications at the consulate in places where an external service provider has been mandated to collect visa applications on its behalf, without prejudice to the obligations imposed on Member States by Directive 2004/38/EC (18), in particular its Article 5(2).


Amendment 8
Proposal for a regulation
Recital 5 a (new)

Text proposed by the Commission

(5a) Applicants should not be required to present travel medical insurance when lodging an application for a short-stay visa. It is a disproportionate burden for visa applicants and there is no evidence that holders of short-stay visas present a bigger risk in terms of public medical expenditure in Member States than visa-exempted third country nationals.

Amendment

deleted
Amendment 9  
Proposal for a regulation  
Recital 6

Text proposed by the Commission  
(6) The visa fee should ensure that sufficient financial resources are available to cover the expenses of visa processing, including appropriate structures and sufficient staff to ensure the quality and integrity of the examination of visa applications. The amount of the visa fee should be revised on a two-yearly basis on the basis of objective criteria.

Amendment  
(6) The visa fee should ensure that sufficient financial resources are available to cover the expenses of visa processing, including appropriate structures and sufficient staff to ensure the quality, speed and integrity of the examination of visa applications. The amount of the visa fee should be revised every two years on the basis of objective assessment criteria.

Amendment 10  
Proposal for a regulation  
Recital 6 a (new)

Text proposed by the Commission  
(6a) The arrangements for the reception of applicants should duly respect human dignity and fundamental rights, as referred to in the Charter of Fundamental Rights of the European Union and the Convention for the Protection of Human Rights and Fundamental Freedoms. Visa applications should be processed on a non-discriminatory basis and in a professional manner which respects applicants.
Amendment 11  
Proposal for a regulation

Recital 7

Text proposed by the Commission

(7) To ensure that nationals of third countries subject to the visa requirement can lodge their visa application in their place of residence even if no Member State is present for the purpose of collecting applications, external service providers should be enabled to provide the necessary service for a fee exceeding the general maximum level.

Amendment

(7) To ensure that nationals of third countries subject to the visa requirement can lodge their visa application as close as possible to their place of residence, external service providers should be enabled to collect applications for a fee exceeding the general maximum level.

Amendment 12  
Proposal for a regulation

Recital 8

Text proposed by the Commission

(8) Representation arrangements should be streamlined and obstacles to the conclusion of such arrangements among Member States should be avoided. The representing Member State should be responsible for the entire processing of visa applications without the involvement of the represented Member State.

Amendment

(8) Representation arrangements should be streamlined and eased and obstacles to the conclusion of such arrangements among Member States should be avoided. The representing Member State should be responsible for the entire processing of visa applications without the involvement of the represented Member State.

Amendment 14  
Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) In case of lack of cooperation of certain third countries to readmit their nationals apprehended in an irregular situation and failure of those third countries to cooperate effectively in the return process, a restrictive and temporary application of certain provisions of Regulation (EC) No 810/2009 should on the basis of a transparent mechanism based on objective criteria, be applied to enhance a given third country's cooperation on readmission of irregular migrants.

Amendment

(11) In case of satisfactory cooperation or a lack of cooperation by certain third countries to readmit their nationals apprehended in an irregular situation and either satisfactory willingness or failure of those third countries to cooperate effectively in the return process, a restrictive and temporary application of certain provisions of Regulation (EC) No 810/2009 should on the basis of a transparent mechanism based on objective criteria, be applied to enhance a given third country's cooperation on readmission of irregular migrants, or to encourage its continuation.
Amendment 15
Proposal for a regulation
Recital 12

Text proposed by the Commission

(12) Applicants who have been refused a visa should have the right to appeal which should, at a certain stage of the proceedings, guarantee an effective judicial appeal. More detailed information on the refusal grounds and procedures for appeal of negative decisions should be provided in the notification of the refusal.

Amendment

(12) Applicants who have been refused a visa should have the right to appeal which should guarantee an effective and prompt judicial appeal. Detailed information on the refusal grounds and procedures for appeal of negative decisions should be provided in the notification of the refusal.

Amendment 17
Proposal for a regulation
Recital 13a (new)

Text proposed by the Commission

(13a) This Regulation respects fundamental rights and observes the rights and principles recognised in particular by international treaties and the Charter of Fundamental Rights of the European Union. In particular, it seeks to ensure full respect for the right to protection of personal data as set out in Article 16 TFEU, the right to private and family life as set out in Article 7, the right to asylum as set out in Article 18 and the rights of the child as set out in Article 24 of that Charter, and protection of vulnerable publics.

Amendment

Amendment 18
Proposal for a regulation
Recital 16

Text proposed by the Commission

(16) Flexible rules should be established to allow Member States to optimise the sharing of resources and to increase consular coverage. Cooperation among Member States (Schengen Visa Centres) could take any form suited to local circumstances in order to increase geographical consular coverage, reduce Member States’ costs, increase the visibility of the Union and improve the service offered to visa applicants.

Amendment

(16) Flexible rules should be established to allow Member States to optimise the sharing of resources and to increase consular coverage. Cooperation among Member States (Schengen Visa Centres) could take any form suited to local circumstances in order to increase geographical consular coverage, reduce Member States’ costs, increase the visibility of the Union and improve the service offered to visa applicants. The common visa policy should contribute to generating growth and be coherent with other Union policies, such as those concerning external relations, trade, education, culture and tourism.
Amendment 19
Proposal for a regulation
Recital 17

Text proposed by the Commission

(17) Electronic visa application systems developed by Member States help to facilitate application procedures for applicants and consulates. A common solution allowing full digitisation should be developed, making full use of the recent legal and technological developments.

Amendment

(17) Electronic visa application systems developed by Member States are essential in order to facilitate application procedures for applicants and consulates. A common solution ensuring full digitisation should be developed by 2025 in the form of an online platform and an EU E-visa, thereby making full use of the recent legal and technological developments, to allow visa application online to accommodate the needs of applicants and attract more visitors to the Schengen area. The electronic visa application system should be fully accessible for the people with disabilities. Straightforward and streamlined procedural guarantees should be strengthened and uniformly applied.

Amendment 20
Proposal for a regulation
Recital 17 a (new)

Text proposed by the Commission


Amendment

(27a) The necessary measures shall be taken to implement this Regulation. The power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission for the purposes of making technical amendments to the Annexes to this Regulation.
 Amendment 22
Proposal for a regulation
Recital 27b (new)

Text proposed by the Commission

Amendment

(27b) Appropriate measures should be adopted for the monitoring and evaluation of this Regulation in relation to harmonisation of the processing of visa applications. Monitoring and evaluation should also seek to monitor full respect for fundamental rights by Member States when processing applications, as well as the application of the principle of non-discrimination and the protection of personal data.

Amendment 23
Proposal for a regulation
Article 1 — paragraph 1 — point 1

Text proposed by the Commission

Amendment

1. This Regulation establishes the conditions and procedures for issuing visas for intended stays on the territory of the Member States not exceeding 90 days in any 180-days period, and intended stays by Sport and Culture Professionals for up to one year without staying more than 90 days in any 180-day period in any single Member State.

Amendment 24
Proposal for a regulation
Article 1 — paragraph 1 — point 1 a (new)

Text proposed by the Commission

Amendment

(1a) In Article 1, the following paragraph is added:

‘3a. When applying this Regulation, Member States shall act in full compliance with relevant Union law, including the Charter of Fundamental Rights of the European Union (“the Charter”), relevant international law, including the United Nations Convention Relating to the Status of Refugees (“the Geneva Convention”), obligations related to access to international protection, in particular the principle of non-refoulement, and fundamental rights. In accordance with the general principles of Union law, decisions under this Regulation shall be taken on an individual basis.’;
Amendment 25
Proposal for a regulation
Article 1 — paragraph 1 — point 1 b (new)
Regulation (EC) No 810/2009
Article 1 — paragraph 3 b (new)

Text proposed by the Commission
Amendment
(1b) In Article 1, the following paragraph is added:
(3b) The European Commission shall present an
electronic visa application, E-visa, by 2025.

Amendment 26
Proposal for a regulation
Article 1 — paragraph 1 — point 2 — point d
Regulation (EC) No 810/2009
Article 2 — point 12 a (new)

Text proposed by the Commission
Amendment
12a. Sport and Culture Professionals: Third-country nationals
who are not citizens of the Union within the meaning of
Article 20(1) of the Treaty, and belong to the following
categories: performing artists and their support staff,
elite sports persons and their support staff and, where
applicable, family members of those categories, who have
been able to demonstrate clearly the administrative and
logistical obstacles to organising a tour or a competition
in several Member States in the Schengen area lasting
more than three months.

Amendment 27
Proposal for a regulation
Article 1 — paragraph 1 — point 3 — point a (new)
Regulation (EC) No 810/2009
Article 3 — paragraph 5

Text proposed by the Commission
Amendment
(3) in Article 3(5) points (b) and (c) are replaced by the
following:
‘(b) third-country nationals holding a valid residence permit issued by a Member State which does not take part in the adoption of this Regulation or by a Member State which does not yet apply the provisions of the Schengen acquis in full, or third-country nationals holding one of the valid residence permits listed in Annex V issued by Andorra, Canada, Japan, San Marino or the United States of America guaranteeing the holder’s unconditional readmission, or holding a residence permit for the Caribbean parts of the Kingdom of the Netherlands (Aruba, Curaçao, Sint Maarten, Bonaire, Sint Eustatius and Saba);

(c) third-country nationals holding a valid visa for a Member State which does not take part in the adoption of this Regulation, or for a Member State which does not yet apply the provisions of the Schengen acquis in full, or for a country party to the Agreement on the European Economic Area, or for Canada, Japan or the United States of America, or holders of a valid visa for the Caribbean parts of the Kingdom of the Netherlands (Aruba, Curaçao, Sint Maarten, Bonaire, Sint Eustatius and Saba), when travelling to the issuing country or to any other third country, or when, having used the visa, returning from the issuing country’;

Amendment 28
Proposal for a regulation
Article 1 — paragraph 1 — point 5
Regulation (EC) No 810/2009
Article 5 — paragraph 1 b

(b) if the visit includes more than one destination, or if several separate visits are to be carried out within a period of two months, the Member State whose territory constitutes the main destination of the visit(s) in terms of the length of stay, counted in days; or;

(b) if the visit includes more than one destination, or if several separate visits are to be carried out within a period of two months, the Member State where the host organisation or undertaking is located, if applicable, or the Member State whose territory constitutes the main destination of the visit(s) in terms of the length of stay, counted in days or, if the main destination cannot be ascertained, the Member States through whose external border the applicant intends to enter the territory of the Member States;
Amendment 29
Proposal for a regulation
Article 1 — paragraph 1 — point 5 a (new)
Regulation (EC) No 810/2009
Article 5 — paragraph 2 a (new)

Text proposed by the Commission

(5a) In Article 5, the following paragraph is inserted:

‘2a. If the Member State that is competent in accordance with points (a) or (b) of paragraph 1, is neither present nor represented in the third country where the applicant lodges the application in accordance with Article 10, the applicant shall be entitled to lodge the application:

(a) at the consulate of one of the Member States of destination of the intended visit,
(b) at the consulate of the Member State of first entry, if point (a) is not applicable,
(c) in all other cases at the consulates of any of the Member States that are present in the country where the applicant lodges the application.

If the consulate of the Member State that is competent in accordance with paragraph 1 or the consulate of the Member State referred to in the first subparagraph of this paragraph are located at a distance of more than 500 km from the applicant’s place of residence, or if a return journey by public transport from the applicant’s place of residence would require an overnight stay, and if the consulate of another Member State is located closer to the applicant’s place of residence, the applicant shall be entitled to lodge the application at the consulate of the latter Member State.’;

Amendment 30
Proposal for a regulation
Article 1 — paragraph 1 — point 5 b (new)
Regulation (EC) No 810/2009
Article 5 — paragraph 2 b (new)

Text proposed by the Commission

(5b) In Article 5, the following paragraph is inserted:

‘2b. If the Member State that is competent in accordance with paragraphs 1 or 2 has, in accordance with Article 8, established a representation arrangement with another Member State for the purpose of considering applications and issuing visas on its behalf, the applicant shall submit his or her application to the consulate of the representing Member State.’;
Amendment 31
Proposal for a regulation

Article 1 — paragraph 1 — point 6 — point a (new)

Regulation (EC) No 810/2009
Article 8 — paragraph 1

Present text

1. A Member State may agree to represent another Member State that is competent in accordance with Article 5 for the purpose of examining applications and issuing visas on behalf of that Member State. A Member State may also represent another Member State in a limited manner solely for the collection of applications and the enrolment of biometric identifiers.

Amendment

‘1. Without prejudice to Article 6, a Member State may agree to represent another Member State that is competent in accordance with Article 5 for the purpose of examining applications and issuing visas on behalf of that Member State. A Member State may also represent another Member State in a limited manner solely for the collection of applications and the enrolment of biometric identifiers.’;

Amendment 32
Proposal for a regulation

Article 1 — paragraph 1 — point 6 — point b a (new)

Regulation (EC) No 810/2009
Article 8 — paragraph 6

Present text

6. With a view to ensuring that a poor transport infrastructure or long distances in a specific region or geographical area does not require a disproportionate effort on the part of applicants to have access to a consulate, Member States lacking their own consulate in that region or area shall endeavour to conclude representation arrangements with Member States that have consulates in that region or area.

Amendment

‘6. With a view to ensuring that a poor transport infrastructure or long distances in a specific region or geographical area does not require a disproportionate effort on the part of applicants to have access to a consulate, Member States lacking their own consulate in that region or area shall endeavour to conclude representation arrangements with Member States that have consulates in that region or area in order to combat discrimination between third-country nationals due to inequality of access to consular services.

Such agreements may also be concluded with the representation of an EU Member State in a neighbouring country of the third country concerned if it is closer to the home of the applicant.’
Amendment 33
Proposal for a regulation
Article 1 — paragraph 1 — point 7 — point a
Regulation (EC) No 810/2009
Article 9 — paragraph 1

Text proposed by the Commission

Applications may be lodged no more than six months, and for seafarers in the performance of their duties, no more than nine months before the start of the intended visit and, as a rule, no later than 15 calendar days before that start.;

Amendment

Applications may be lodged no more than nine months before the start of the intended visit and, as a rule, no later than 15 calendar days before that start. In justified individual cases of urgency, including when it is necessary on professional grounds, on humanitarian grounds, for reasons of national interest or because of international obligations, the consulate may waive the latter time limit.;

Amendment 34
Proposal for a regulation
Article 1 — paragraph 1 — point 7 — point a (new)
Regulation (EC) No 810/2009
Article 9 — paragraph 3

Text proposed by the Commission

In justified cases of urgency, the consulate may allow applicants to lodge their applications either without appointment, or an appointment shall be given immediately.

Amendment

In justified cases of urgency, the consulate may allow applicants to lodge their applications either without appointment, or an appointment shall be given immediately.

In an electronic procedure, in the event of failure to reply within one month of the submission of the application, provision shall be made for a remedy to enable the application to be examined in any event.‘

Amendment 35
Proposal for a regulation
Article 1 — paragraph 1 — point 7 — point b
Regulation (EC) No 810/2009
Article 9 — paragraph 4 — point a (new)

Text proposed by the Commission

(a a) by the legal representatives of the applicant

Amendment

(a a) In Article 9, paragraph 3 is amended

In an electronic procedure, in the event of failure to reply within one month of the submission of the application, provision shall be made for a remedy to enable the application to be examined in any event.‘
Amendment 36
Proposal for a regulation
Article 1 — paragraph 1 — point 8 — point a
Regulation (EC) No 810/2009
Article 10 — paragraph 1

Text proposed by the Commission

Applicants shall appear in person when lodging an application for the collection of fingerprints, in accordance with Article 13 (2), (3) and (7)(b):";

Amendment

Without prejudice to the provisions of Articles 13, 42, 43 and 45, applicants may lodge their applications in person or electronically.

Amendment 37
Proposal for a regulation
Article 1 — paragraph 1 — point 9 a (new)
Regulation (EC) No 810/2009
Article 13 — paragraph 2 — subparagraph 1 a (new)

Text proposed by the Commission

(9a) in Article 13, paragraph 2 the following subparagraph is added:

‘Without prejudice to paragraph 3, the applicant may not be requested by an external service provider to appear in person for each application in order to collect the biometric identifiers each time. To enable external service providers to verify that biometric identifiers have been collected, the applicant shall be issued with a receipt after the collection of the biometric identifiers.’;

Amendment 38
Proposal for a regulation
Article 1 — paragraph 1 — point 10 — point a
Regulation (EC) No 810/2009
Article 14 — paragraph 4 — subparagraph 1

Text proposed by the Commission

4. Member States may require applicants to present a proof of sponsorship and private accommodation or both by completing a form drawn up by each Member State. That form shall indicate in particular:

Amendment

4. Member States may require applicants to present a proof of sponsorship and private accommodation or both by completing a form drawn up by the Commission. That form shall indicate in particular:
Amendment 39
Proposal for a regulation
Article 1 — paragraph 1 — point 10 — point a
Regulation (EC) No 810/2009
Article 14 — paragraph 4 — subparagraph 2

Text proposed by the Commission
In addition to the Member State’s official language(s), the form shall be drawn up in at least one other official language of the institutions of the Union. A specimen of the form shall be sent to the Commission.

Amendment
The Commission shall adopt the form by means of implementing acts in accordance with the examination procedure referred to in Article 52(2). The form shall be used to inform the sponsor/inviting person about the processing of their personal data and the applicable rules. In addition to the Member State’s official language(s), the form shall be drawn up in at least one other official language of the institutions of the Union.

Amendment 40
Proposal for a regulation
Article 1 — paragraph 1 — point 11
Regulation (EC) No 810/2009
Article 15

Text proposed by the Commission
(11) Article 15 is amended as follows:

Amendment
(11) Article 15 is deleted

Deletion of Travel Medical Insurance

(a) paragraph 1 is replaced by the following:

‘1. Applicants for a uniform visa for one entry shall prove that they are in possession of adequate and valid travel medical insurance to cover any expenses that might arise in connection with repatriation for medical reasons, urgent medical attention and emergency hospital treatment or death, during their intended stay on the territory of the Member States.’

(b) in paragraph 2, the first subparagraph is replaced by the following:

‘2. Applicants for a uniform visa for multiple entries shall prove that they are in possession of adequate and valid travel medical insurance covering the period of their first intended visit.’
Amendment 41
Proposal for a regulation
Article 1 — paragraph 1 — point 12
Regulation (EC) No 810/2009
Article 16

Present text

Article 16

Visa fee

1. Applicants shall pay a visa fee of EUR 80.

2. Children from the age of six years and below the age of 12 years shall pay a visa fee of EUR 40;

4. The visa fee shall be waived for applicants belonging to one of the following categories:
   (a) children under six years;
   (b) school pupils, students, postgraduate students and accompanying teachers who undertake stays for the purpose of study or educational training;
   (c) researchers from third countries travelling for the purpose of carrying out scientific research, as defined in Recommendation No 2005/761/EC of the European Parliament and of the Council of 28 September 2005 to facilitate the issue by the Member States of uniform short-stay visas for researchers from third countries travelling within the Community for the purpose of carrying out scientific research;
   (d) representatives of non-profit organisations aged 25 years or less participating in seminars, conferences, sports, cultural or educational events organised by non-profit organisations.

5. The visa fee may be waived for:
   (a) children from the age of six years and below the age of 12 years;

Amendment

Article 16 will be replaced as follows:

Article 16

Visa fee

1. Applicants shall pay a visa fee of EUR 80.

1a. Applicants whose data are already entered registered in the Visa Information System and whose biometric identifiers have been collected in accordance with Article 13 shall pay a visa fee of EUR 60.

2. Children from the age of 12 years and below 18 years shall pay a visa fee of EUR 40.

2a. Applicants which form part of a group travelling for sports, cultural or educational purposes shall pay a visa fee of EUR 60.

4. The visa fee shall be waived for applicants belonging to one of the following categories:
   (a) children under twelve years;
   (b) school pupils, students, postgraduate students and accompanying teachers who undertake stays for the purpose of study or educational training;
   (c) researchers from third countries, as defined in Council Directive 2005/71/EC, travelling for the purpose of carrying out scientific research or participating in a scientific seminar or conference;
   (d) representatives of non-profit organisations aged 25 years or less participating in seminars, conferences, sports, cultural or educational events organised by non-profit organisations.
   (e) family members of the citizens of the Union as referred to Article 5(2) of Directive 2004/38/EC

5. The visa fee may be waived for:
   (a) children from the age of twelve years and below the age of 18 years;
(b) holders of diplomatic and service passports;

(c) participants aged 25 years or less in seminars, conferences, sports, cultural or educational events, organised by non-profit organisations.

6. In individual cases, the amount of the visa fee to be charged may be waived or reduced when to do so serves to promote cultural or sporting interests as well as interests in the field of foreign policy, development policy and other areas of vital public interest or for humanitarian reasons.


1. A service fee may be charged by an external service provider referred to in Article 43. The service fee shall be proportionate to the costs incurred by the external service provider while performing one or more of the tasks referred to in Article 43(6).

2. The service fee shall be specified in the legal instrument referred to in Article 43(2).

Amendment 42
Proposal for a regulation
Article 1 — paragraph 1 — point 13
Regulation (EC) No 810/2009
Article 17

(13) Article 17 will be amended as follows:

1. A service fee may be charged by an external service provider referred to in Article 43. The service fee shall be proportionate to the costs incurred by the external service provider while performing one or more of the tasks referred to in Article 43(6).

2. The service fee shall be specified in the legal instrument referred to in Article 43(2).
3. Within the framework of local Schengen cooperation, Member States shall ensure that the service fee charged to an applicant duly reflects the services offered by the external service provider and is adapted to local circumstances. Furthermore, they shall aim to harmonise the service fee applied.

4. The service fee shall not exceed half of the amount of the visa fee set out in Article 16(1), irrespective of the possible reductions in or exemptions from the visa fee as provided for in Article 16(2), (4), (5) and (6).

5. The Member State(s) concerned shall maintain the possibility for all applicants to lodge their applications directly at its/their consulates.

5a. The applicant shall be given a receipt upon payment of the service fee.

---

**Amendment 43**

**Proposal for a regulation**

**Article 1 — paragraph 1 — point 13 a (new)**

Regulation (EC) No 810/2009

**Article 19 — paragraph 3**

Where the competent consulate finds that the conditions referred to in paragraph 1 have not been fulfilled, the application shall be inadmissible and the consulate shall without delay:

- return the application form and any documents submitted by the applicant,
- destroy the collected biometric data,
- reimburse the visa fee, and
- not examine the application.

Where the competent consulate finds that the conditions referred to in paragraph 1 have not been fulfilled, it shall, where appropriate, notify the applicant, indicate the deficiencies and allow the applicant to correct them. If the deficiencies are not corrected, the application shall be inadmissible and the consulate shall without delay:

- return the application form and any documents submitted by the applicant,
- destroy the collected biometric data,
- reimburse the visa fee, and
- not examine the application.'
Amendment 44
Proposal for a regulation
Article 1 — paragraph 1 — point 13 a (new)
Regulation (EC) No 810/2009
Article 19 — paragraph 4

Present text

4. By way of derogation, an application that does not meet the requirements set out in paragraph 1 may be considered admissible on humanitarian grounds or for reasons of national interest.

Amendment

(13a) in Article 19, paragraph 4 is replaced by the following:

4. By way of derogation, an application that does not meet the requirements set out in paragraph 1 may be considered admissible on humanitarian grounds or for reasons of national interest or because of international obligations.

Amendment 45
Proposal for a regulation
Article 1 — paragraph 1 — point 14 — point a
Regulation (EC) No 810/2009
Article 21 — paragraph 3 — point e

Text proposed by the Commission

(a) in paragraph 3, point (e) is replaced by the following:

Amendment

(a) in paragraph 3, point (e) is deleted.

Amendment 46
Proposal for a regulation
Article 1 — paragraph 1 — point 14 — point c
Regulation (EC) No 810/2009
Article 21 — paragraph 8

Text proposed by the Commission

8. During the examination of an application, consulates may in justified cases carry out an interview with the applicant and request additional documents.

Amendment

8. During the examination of an application, consulates may in justified cases carry out an interview with the applicant and request additional documents. These interviews may be conducted using modern digital tools and remote means of communication, such as voice or video calls via internet. Fundamental rights of applicants shall be guaranteed during the process.
**Amendment 47**

Proposal for a regulation

**Article 1 — paragraph 1 — point 15 — point a a (new)**

Regulation (EC) No 810/2009

Article 22 — paragraph 4

<table>
<thead>
<tr>
<th>Present text</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(aa) paragraph 4 is replaced by the following:</td>
<td>'4. The Commission shall publish such notifications.'</td>
</tr>
</tbody>
</table>

4. The Commission shall inform Member States of such notifications.

**Amendment 48**

Proposal for a regulation

**Article 1 — paragraph 1 — point 16 — point a**

Regulation (EC) No 810/2009

Article 23 — paragraph 1

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applications shall be decided within 10 calendar days of the date of the lodging of an application which is admissible in accordance with Article 19.</td>
<td>Applications shall be decided within 10 calendar days of the date of the lodging of an application which is admissible in accordance with Article 19, or within five calendar days for visa applicants whose data are already recorded in the Visa Information System and whose biometric identifiers have been collected in accordance with Article 13.</td>
</tr>
</tbody>
</table>

**Amendment 49**

Proposal for a regulation

**Article 1 — paragraph 1 — point 16 — point a**

Regulation (EC) No 810/2009

Article 23 — paragraph 1 — subparagraph 2

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>That period may be extended up to a maximum of <strong>45</strong> calendar days in individual cases, notably when further scrutiny of the application is needed.</td>
<td>That period may be extended up to a maximum of <strong>30</strong> calendar days in individual cases, notably when further scrutiny of the application is needed.</td>
</tr>
</tbody>
</table>
Amendment 50
Proposal for a regulation
Article 1 — paragraph 1 — point 16 — point a a (new)
Regulation (EC) No 810/2009
Article 23 — paragraph 2 a (new)

Text proposed by the Commission

Amendment

(aa) the following paragraph is inserted:

‘2a. Applications shall be decided on without delay in justified individual cases of urgency, including when it is necessary on professional grounds, on humanitarian grounds, for reasons of national interest or because of international obligations.’;

Amendment 51
Proposal for a regulation
Article 1 — paragraph 1 — point 17 — point a a (new)
Regulation (EC) No 810/2009
Article 24 — paragraph 1a (new)

Text proposed by the Commission

Amendment

1a. Applicants whom the consulates consider to meet the entry conditions and in respect of whom no grounds for refusal referred to Article 32 exist shall be issued a visa in accordance with this Article.

Amendment 52
Proposal for a regulation
Article 1 — paragraph 1 — point 17 — point b
Regulation (EC) No 810/2009
Article 24 — paragraph 2 — point a

Text proposed by the Commission

Amendment

(a) for a validity period of one year, provided that the applicant has obtained and lawfully used three visas within the previous two years;

(a) for a validity period of one year, provided that the applicant has obtained and lawfully used three visas within the previous two years, and for the case of seafarers in the performance of their duties, for a validity period of one year, provided that the applicant has obtained and lawfully used two visas within the previous two years:
Amendment 53
Proposal for a regulation
Article 1 — paragraph 1 — point 17 — point b
Regulation (EC) No 810/2009
Article 24 — paragraph 2 — point b

Text proposed by the Commission

(b) for a validity period of two years shall be issued, provided that the applicant has obtained and lawfully used a previous multiple-entry visa valid for one year;

Amendment

(b) for a validity period of 2 years if the applicant has obtained, within the preceding two years, a multiple-entry visa valid for one year;

Amendment 54
Proposal for a regulation
Article 1 — paragraph 1 — point 17 — point b
Regulation (EC) No 810/2009
Article 24 — paragraph 2 — point c

Text proposed by the Commission

(c) for a validity period of five years, provided that the applicant has obtained and lawfully used a previous multiple-entry visa valid for two years;

Amendment

(c) for a validity period of five years if the applicant has obtained, within the preceding three years, a previous multiple-entry visa valid for two years;

Amendment 55
Proposal for a regulation
Article 1 — paragraph 1 — point 17 — point c
Regulation (EC) No 810/2009
Article 24 — paragraph 2 c

Text proposed by the Commission

2c. Without prejudice to paragraph 2, a multiple entry visa valid for up to five years may be issued to applicants who prove the need or justify their intention to travel frequently and/or regularly provided that they prove their integrity and reliability, in particular the lawful use of previous visas, their economic situation in the country of origin and their genuine intention to leave the territory of the Member States before the expiry of the visa for which they have applied.

Amendment

2c. Without prejudice to paragraph 2, a multiple entry visa valid for up to five years shall be issued to applicants who prove the need or justify their intention to travel frequently and/or regularly, in particular due to their occupational or family status, such as business persons, civil servants engaged in regular official contacts with Member States and EU institutions, representatives of civil society organisations travelling for the purpose of educational training, seminars and conferences, family members of citizens of the Union, family members of third-country nationals legally residing in Member States and seafarers, provided that they prove their integrity and reliability, in particular the lawful use of previous visas, their economic situation in the country of origin and their genuine intention to leave the territory of the Member States before the expiry of the visa for which they have applied.
Cooperation on readmission

1. Depending on third countries' levels of cooperation with Member States on the readmission of irregular migrants, assessed on the basis of relevant and objective data, the application of Article 16(1a) and (5), point (b) and Article 24(2) hereafter may be adjusted for categories of applicants or all applicants with the nationality of that third country as specified in paragraph 4.

This article is without prejudice to the powers conferred on the Commission by Article 24(2d).

2. The Commission shall regularly assess third countries' cooperation with regard to readmission, taking account, in particular, of the following indicators:

(a) the number of return decisions issued to persons illegally staying on the territory of the Member States from the third country in question;

(b) the number of actual returns of persons issued with return decisions as a percentage of the number of return decisions issued to citizens of the third country in question including, where appropriate, on the basis of Union or bilateral readmission agreements, the number of third country nationals who have transited through its territory;

(c) the number of readmission requests accepted by the third country as a percentage of the number of such applications submitted to it.

(b) the number of readmission requests by a Member State accepted by the third country as a percentage of the number of such applications submitted to it:

(c) the levels of practical cooperation in the area of return at the different stages of the return procedure, such as:

(i) timely assistance of identification procedures;
(ii) delivery and acceptance of necessary travel documents;
The Commission shall report the results of its assessment to the European Parliament and the Council, which shall discuss the matter, in particular with regard to the level of cooperation with the relevant third country in the readmission of irregular migrants.

In particular, the following elements shall be considered to assess a country’s cooperation on readmission:

(a) participation in pilot projects on labour migration, thus contributing to the desincentivizing irregular migration;

(b) demonstrated efforts to reintegrate returnees and ensure the sustainability of returns;

(c) demonstrated efforts to fight against trafficking and smuggling and ensuing violations of rights of involved individuals (participation in capacity building and training activities including on preventing abuse and exploitation).

The Parliament shall be informed by the Commission of the conclusions of the assessment.

3. A Member State may also notify the Commission if it observes substantial and persisting problems as well as substantial cooperation improvement encountered with a third country in the readmission of irregular migrants on the basis of the same indicators as those listed in paragraph 2.

The Commission shall examine any notification within a period of 15 days. The Commission shall immediately inform the Council and the Parliament of the results of its examination.

4. Where, on the basis of the analysis referred to in paragraphs 2 and 3, taking account of the Union’s overall relations with the third country concerned, especially in cooperation in the field of readmission, and taking into account the assessment and discussions referred to in paragraph 2, the Commission decides that a country is:

(a) cooperating sufficiently, it shall adopt an implementing act, in accordance with the examination procedure referred to in Article 52(2a), for certain categories of nationals or for all nationals of the third country concerned applying for visa on the territory of that third country:

(i) lowering the visa fee according to Article 16(2a);

(ii) reducing the time within which decisions on an application shall be made, according to Article 23 (1a);
Text proposed by the Commission

(iii) increasing the period of validity of multiple entry visas according to the last subparagraph of Article 24 (2); and/or

(iv) facilitating participation in labour migration projects;

(b) not cooperating sufficiently, it may, taking also account of the Union’s overall relations with the third country concerned, adopt an implementing act, in accordance with the examination procedure referred to in Article 52(2a):

(i) temporarily modifying the application of either Article 14(6) or of Article 23(1), or temporarily suspending Article 16(5b), Article 23(1), or some of their provisions, or Article 24(2).'

6. The Commission shall continuously assess on the basis of the indicators set out in paragraph 2 whether significant improvement in the given third country’s cooperation on readmission of irregular migrants can be established and, taking also account of the Union’s overall relations with the third country concerned, may decide to repeal or amend the implementing act referred to in paragraph 5.

7. At the latest six months after the entry into force of the implementing act referred to in paragraph 5, the Commission shall report to the European Parliament and to the Council on progress achieved in that third country’s cooperation on readmission.'

Amendment 58

Proposal for a regulation
Article 1 — paragraph 1 — point 22 — point a a (new)

Regulation (EC) No 810/2009

Article 32 — paragraph 1 — paragraph a — point vii

(a) in Article 32, paragraph 1, point (vii) is deleted

(vii) does not provide proof of holding adequate and valid travel medical insurance, where applicable;
Amendment 59
Proposal for a regulation
Article 1 — paragraph 1 — point 22 — point a (new)

Present text

2. A decision on refusal and the reasons on which it is based shall be notified to the applicant by means of the standard form set out in Annex VI.

Amendment

(paragraph 2 is replaced by the following):

2. A decision on refusal and the reasons on which it is based shall be notified to the applicant by means of the standard form set out in Annex VI in a language which the applicant understands or can be reasonably supposed to understand.

Amendment 60
Proposal for a regulation
Article 1 — paragraph 1 — point 22 — point b

Text proposed by the Commission

3. Applicants who have been refused a visa shall have the right to appeal which shall, at a certain stage of the proceedings, guarantee an effective judicial appeal. Appeals shall be instituted against the Member State that has taken the final decision on the application and in accordance with the national law of that Member State. Member States shall provide applicants with detailed information regarding the procedure to be followed in the event of an appeal, as specified in Annex VI.

Amendment

3. Applicants who have been refused a visa shall have the right to appeal which shall, at a certain stage of the proceedings, guarantee an effective judicial appeal. Appeals shall be instituted against the Member State that has taken the final decision on the application and in accordance with the national law of that Member State. The deadline for appeal shall be at least 30 calendar days. Member States shall provide applicants with detailed information regarding the procedure to be followed in the event of an appeal, as specified in Annex VI, in a language the applicants understand or are reasonably supposed to understand.

Amendment 61
Proposal for a regulation
Article 1 — paragraph 1 — point 22 — point b

Text proposed by the Commission

3a. The standard form for notifying and motivating refusal, annulment or revocation of a visa set out in Annex VI shall be available, as a minimum, in the following languages:
7. A visa holder whose visa has been annulled or revoked shall have the right to appeal, unless the visa was revoked at his request in accordance with paragraph 3. Appeals shall be conducted against the Member State that has taken the decision on the annulment or revocation and in accordance with the national law of that Member State. Member States shall provide applicants with information regarding the procedure to be followed in the event of an appeal, as specified in Annex VI.

Amendment 63
Proposal for a regulation
Article 1 — paragraph 1 — point 22 b (new)
Regulation (EC) No 810/2009
Article 35 — paragraph 2

Text proposed by the Commission

(22b) in Article 35, paragraph 2 is deleted;
Amendment 64
Proposal for a regulation
Article 1 — paragraph 1 — point 24

Text proposed by the Commission

3. The Member State concerned shall establish appropriate structures and deploy specially trained staff for the processing of visa applications and the carrying out of all verifications and risk assessment, as set out in Article 21.

Amendment

3. The Member State concerned shall establish appropriate structures and deploy specially trained staff for the processing of visa applications and the carrying out of all verifications and risk assessment, as set out in Article 21. *Staff shall receive training on digital file management.*

Amendment 65
Proposal for a regulation
Article 1 — paragraph 1 — point 24 b (new)

Present text

2. The storage and handling of visa stickers shall be subject to adequate security measures to avoid fraud or loss. Each consulate shall keep an account of its stock of visa stickers and register how each visa sticker has been used.

Amendment

(24b) in Article 37, paragraph 2 is amended

‘2. The storage and handling of visa stickers shall be subject to adequate security measures to avoid fraud or loss. Each consulate shall keep an account of its stock of visa stickers and register how each visa sticker has been used. *Any fraud or major loss must be reported to the Commission.*’

Amendment 66
Proposal for a regulation
Article 1 — paragraph 1 — point 25

Text proposed by the Commission

Individual application files shall be kept for a minimum of *one year* from the date of the decision on the application as referred to in Article 23(1) or, in the case of appeal, until the end of the appeal procedure.

Amendment

Individual application files shall be kept for a minimum of *two years* from the date of the decision on the application as referred to in Article 23(1) or, in the case of appeal, until the end of the appeal procedure.
Amendment 67
Proposal for a regulation
Article 1 — paragraph 1 — point 26 a (new)
Regulation (EC) No 810/2009
Article 38 — paragraph 4 a (new)

Text proposed by the Commission

(26a) in Article 38, the following paragraph is inserted:
‘4a. Member States shall ensure that consulates have a complaints procedure in place for visa applicants. Information on this procedure shall be made available by the consulate on their website and, where applicable, by the external service provider. Member States shall ensure that a record of complaints is kept.’

Amendment 68
Proposal for a regulation
Article 1 — paragraph 1 — point 26 b (new)
Regulation (EC) No 810/2009
Article 39 — paragraph 1

Present text

(26b) in Article 39, paragraph 1 is amended
‘1. Member States’ consulates shall ensure that applicants are received courteously. The arrangements for the reception of applicants and for processing their applications should duly respect fundamental rights, as referred to in the Charter of Fundamental Rights of the European Union and the Convention for the Protection of Human Rights and Fundamental Freedoms. Visa applications should be processed on a non-discriminatory basis and in a professional manner which respects applicants.’

Amendment 88
Proposal for a regulation
Article 1 — paragraph 1 — point 26 c (new)
Regulation (EC) No 810/2009
Article 39 — paragraph 3

Present text

(26c) in Article 39, paragraph 3 is amended as follows:
‘3. While performing their tasks, consular staff shall not discriminate against persons on grounds of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.’
Amendment 70
Proposal for a regulation
Article 1 — paragraph 1 — point 29 — point d
Regulation (EC) No 810/2009
Article 43 — paragraph 9

Text proposed by the Commission

9. Member States shall be responsible for compliance with the rules on the protection of personal data and ensure that the external service provider is subject to the monitoring by the data protection supervisory authorities pursuant to Article 51(1) of Regulation (EU) 2016/679.

Amendment

9. The Member State(s) concerned shall still be responsible for compliance with the rules, including with regard to respect for fundamental rights, and in particular the principle of non-discrimination and the protection of personal data, and shall ensure that the external service provider is subject to the monitoring by the data protection supervisory authorities pursuant to Article 51(1) of Regulation (EU) 2016/679.

Amendment 71
Proposal for a regulation
Article 1 — paragraph 1 — point 33 — point b
Regulation (EC) No 810/2009
Article 48 — paragraph 1 a — point (c)

Text proposed by the Commission

(c) ensure a common translation of the application form, where relevant;

Amendment

(c) ensure a common translation of the application form, and of the standard form for notifying and giving reasons for refusal, annulment or revocation of a visa, where relevant;

Amendment 72
Proposal for a regulation
Article 1 — paragraph 1 — point 33 — point d
Regulation (EC) No 810/2009
Article 48 — paragraph 3 — point (b) — (vi)

Text proposed by the Commission

(vi) trends in refusals;

Amendment

(vi) trends in refusals and the reasons therefor;
Amendment 73
Proposal for a regulation
Article 1 — paragraph 1 — point 33 — point d

(d) information on insurance companies providing adequate travel medical insurance, including verification of the type of coverage and possible excess amount.

Amendment 74
Proposal for a regulation
Article 1 — paragraph 1 — point 34 a (new)

Arrangements in relation to the Olympic and Paralympic Games
Arrangements in relation to the Olympic and Paralympic Games and other high-level international sporting competitions

Amendment 75
Proposal for a regulation
Article 1 — paragraph 1 — point 35

1. Delegated acts adopted under this Article shall enter into force without delay and shall apply as long as no objection is expressed in accordance with paragraph 2. The notification of a delegated act to the European Parliament and to the Council shall state the reasons for the use of the urgency procedure.

1. Delegated acts adopted under this Article shall enter into force without delay and shall apply as long as no objection is expressed in accordance with paragraph 2. The notification of a delegated act to the European Parliament and to the Council shall be forwarded simultaneously and without delay and shall state the reasons for the use of the urgency procedure.
### Amendment 76

**Proposal for a regulation**

Article 2 — paragraph 1

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. <em>Three</em> years after [the date of entry into force of this Regulation], the Commission shall produce an evaluation of the application of this Regulation. This overall evaluation shall include an examination of the results achieved against objectives and of the implementation of the provisions of this Regulation.</td>
<td>1. <em>Two</em> years after [the date of entry into force of this Regulation], the Commission shall produce an evaluation of the application of this Regulation. This overall evaluation shall include an examination of the results achieved against objectives and of the implementation of the provisions of this Regulation.</td>
</tr>
</tbody>
</table>

### Amendment 77

**Proposal for a regulation**

Article 2 — paragraph 2a (new)

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2a. No later than one year after [the date of entry into force of this Regulation], the Commission shall submit an evaluation report to the European Parliament and to the Council on the abolition of visa stickers and the introduction of the digital visa making it possible for a Schengen visa to be issued simply by registering it in the VIS and sending an electronic notification to the applicant.</td>
<td></td>
</tr>
</tbody>
</table>

### Amendment 78

**Proposal for a regulation**

Annex IV a (new)

Annex XI

<table>
<thead>
<tr>
<th>Present text</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANNEX XI SPECIFIC PROCEDURES AND CONDITIONS FACILITATING THE ISSUING OF VISAS TO MEMBERS OF THE OLYMPIC FAMILY PARTICIPATING IN THE OLYMPIC GAMES AND PARALYMPIC GAMES</td>
<td>‘ANNEX XI SPECIFIC PROCEDURES AND CONDITIONS FACILITATING THE ISSUING OF VISAS TO MEMBERS OF THE OLYMPIC AND SPORTING FAMILY PARTICIPATING IN THE OLYMPIC GAMES, PARALYMPIC GAMES AND HIGH-LEVEL SPORTING COMPETITIONS’</td>
</tr>
</tbody>
</table>
Common system of value added tax as regards the temporary application of a generalised reverse charge mechanism in relation to supplies of goods and services above a certain threshold *


(Special legislative procedure — consultation)

(2020/C 388/29)

The European Parliament,

— having regard to the Commission proposal to the Council (COM(2016)0811),
— having regard to Article 113 of the Treaty on the Functioning of the European Union, pursuant to which the Council consulted Parliament (C8-0023/2017),
— having regard to Rule 78c of its Rules of Procedure,
— having regard to the report of the Committee on Economic and Monetary Affairs (A8-0418/2018),

1. Approves the Commission proposal as amended;

2. Calls on the Commission to alter its proposal accordingly, in accordance with Article 293(2) of the Treaty on the Functioning of the European Union;

3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;

4. Asks the Council to consult Parliament again if it intends to substantially amend the Commission proposal;

5. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1
Proposal for a directive
Recital 4

Text proposed by the Commission
Recital 4

In order to limit the risk of fraud shifting between Member States, all Member States that fulfil certain criteria as regards their fraud level, in particular in relation to carousel fraud, and who are able to establish that other control measures are not sufficient to combat that fraud, should be allowed to use a GRCM.

Amendment
In order to limit the risk of fraud shifting between Member States, all Member States that fulfil certain criteria as regards their fraud level, in particular in relation to carousel fraud, and who are able to establish that other control measures are not sufficient to combat that fraud, should be allowed to use a GRCM. In addition, they should be required to establish that estimated gains in tax compliance and collection expected as a result of the introduction of the GRCM outweigh the estimated overall additional burdens on businesses and tax administrations and that businesses and tax administrations will not incur costs that are higher than those incurred as a result of the application of other control measures.
Amendment 2
Proposal for a directive
Recital 5

Text proposed by the Commission

(5) In addition, also bordering Member States that encounter a serious risk of shift of fraud to their territory, because of the authorisation of that mechanism in another Member State, should be allowed to use the GRCM, where other control measures would be insufficient to combat that risk of fraud. 

Amendment

deleted

Amendment 3
Proposal for a directive
Recital 6

Text proposed by the Commission

(6) If Member States choose to apply the GRCM, they should apply it to all supplies of goods and services above a defined threshold per invoice. The GRCM should not be restricted to any specific sector.

Amendment

(6) If Member States choose to apply the GRCM, they should apply it to all non-cross-border supplies of goods and services above a defined threshold per transaction. The GRCM should not be restricted to any specific sector.

Amendment 4
Proposal for a directive
Recital 7 a (new)

Text proposed by the Commission

(7a) In order to be able to assess whether the introduction of the GRCM in one Member State results in fraud shifting towards other Member States and to be able to assess the degree of possible disturbances to the functioning of the internal market, it is appropriate to provide for a specific obligation to exchange information between Member States that apply the GRCM and other Member States. All such exchanges of information should be subject to applicable personal data protection and confidentiality provisions. Those provisions provide exemptions and restrictions for safeguarding the interests of Member States and of the Union in the area of taxation.
Amendment 5
Proposal for a directive
Article 1 — paragraph 1
Directive 2006/112/EC
Article 199c — paragraph 1 — subparagraph 1

Text proposed by the Commission

Until 30 June 2022 a Member State may, as a Generalised Reverse Charge Mechanism (GRCM), provide that the person liable for payment of VAT is the taxable person to whom supplies of goods and services are made above a threshold of EUR 10 000 per invoice, by derogation from Article 193.

Amendment

Until 30 June 2022 a Member State may, as a Generalised Reverse Charge Mechanism (GRCM), provide that the person liable for payment of VAT is the taxable person to whom supplies of goods and services are made above a threshold of EUR 25 000 per invoice, by derogation from Article 193.

Amendment 6
Proposal for a directive
Article 1 — paragraph 1
Directive 2006/112/EC
Article 199c — paragraph 1 — subparagraph 2 — point a

Text proposed by the Commission

(a) it has a VAT gap, expressed as a percentage of the VAT Total Tax Liability, of at least 5 percentage points above the Community median VAT gap;

Amendment

(a) it had in 2014, in accordance with the method and figures set out in the 2016 final report dated 23 August 2016 on the VAT gap published by the Commission, a VAT gap, expressed as a percentage of the VAT Total Tax Liability, of at least 15 percentage points above the Community median VAT gap;

Amendment 7
Proposal for a directive
Article 1 — paragraph 1
Directive 2006/112/EC
Article 199c — paragraph 1 — subparagraph 2 — point b

Text proposed by the Commission

(b) it has a carousel fraud level within its total VAT gap of more than 25 %;

Amendment

(b) it has, based on the impact assessment that accompanied the legislative proposal for this Article, in the year covered by the report referred to in point (a) a carousel fraud level within its total VAT gap of more than 25%: and
Amendment 8
Proposal for a directive
Article 1 — paragraph 1
Directive 2006/112/EC

Article 199c — paragraph 1 — subparagraph 2 — point c

Text proposed by the Commission

(c) it establishes that other control measures are not sufficient to combat carousel fraud on its territory.

Amendment

(c) it establishes that other control measures are not sufficient to combat carousel fraud on its territory, in particular by specifying the control measures applied and the particular reasons for their lack of effectiveness, as well as the reasons why VAT administrative cooperation has proven insufficient; and

Amendment 9
Proposal for a directive
Article 1 — paragraph 1
Directive 2006/112/EC

Article 199c — paragraph 1 — subparagraph 2 — point c a (new)

Text proposed by the Commission

(ca) it establishes that the estimated gains in tax compliance and collection expected as a result of the introduction of the GRCM outweigh the expected overall additional burdens on businesses and tax administrations by at least 25%; and

Amendment

Amendment 10
Proposal for a directive
Article 1 — paragraph 1
Directive 2006/112/EC

Article 199c — paragraph 1 — subparagraph 2 — point c b (new)

Text proposed by the Commission

(cb) it establishes that businesses and tax administrations will not incur, as a result of the introduction of the GRCM, costs that are higher than those incurred as a result of the application of other control measures.
Amendment 11
Proposal for a directive
Article 1 — paragraph 1
Directive 2006/112/EC
Article 199c — paragraph 1 — subparagraph 3

Text proposed by the Commission
The Member State shall attach to the request referred to in paragraph 4 the calculation of the VAT gap according to the method and figures available in the latest report on the VAT gap published by the Commission.

Amendment
The Member State shall attach to the request referred to in paragraph 4 the calculation of the VAT gap according to the method and figures available in the report on the VAT gap published by the Commission, as referred to in point (a) of the second subparagraph.

Amendment 12
Proposal for a directive
Article 1 — paragraph 1
Directive 2006/112/EC
Article 199c — paragraph 2

Text proposed by the Commission
2. Until 30 June 2022, a Member State may provide that the person liable for payment of VAT is the taxable person to whom supplies of goods and services are made above a threshold of EUR 10 000 per invoice where this Member State:

Amendment
deleted

(a) has a common border with a Member State that is authorised to apply the GRCM;

(b) establishes that a serious risk of shift of fraud towards its territory exists because of the authorisation of the GRCM to that Member State;

(c) establishes that other control measures are not sufficient to combat fraud on its territory.
Amendment 13
Proposal for a directive
Article 1 — paragraph 1
Directive 2006/112/EC
Article 199c — paragraph 3

Text proposed by the Commission
3. Member States that apply the GRCM shall establish appropriate and effective electronic reporting obligations on all taxable persons and, in particular, on taxable persons who supply or receive the goods or services to which this mechanism applies.

Amendment
3. Member States that apply the GRCM shall establish appropriate and effective electronic reporting obligations on all taxable persons and, in particular, on taxable persons who supply or receive the goods or services to which this mechanism applies to ensure the effective functioning and monitoring of the application of the GRCM.

Amendment 14
Proposal for a directive
Article 1 — paragraph 1
Directive 2006/112/EC
Article 199c — paragraph 4 — subparagraph 1 — point a

Text proposed by the Commission
(a) a detailed justification that the conditions referred to in paragraph 1 or 2 are fulfilled;

Amendment
(a) a detailed justification that the conditions referred to in paragraph 1 are fulfilled; and

Amendment 15
Proposal for a directive
Article 1 — paragraph 1
Directive 2006/112/EC
Article 199c — paragraph 4 — subparagraph 1 — point b

Text proposed by the Commission
(b) the starting date of the application of the GRCM and the period to be covered by it;

Amendment
(b) the starting date of the application of the GRCM and the period to be covered by it; and
Amendment 16
Proposal for a directive
Article 1 — paragraph 1
Directive 2006/112/EC

Article 199c — paragraph 4 — subparagraph 1 — point c

**Text proposed by the Commission**

(c) actions to be taken to inform taxable persons of the introduction of the application of the GRCM;

**Amendment**

(c) actions to be taken to inform taxable persons of the introduction of the application of the GRCM; and

Amendment 17
Proposal for a directive
Article 1 — paragraph 1
Directive 2006/112/EC

Article 199c — paragraph 4 — subparagraph 1 — point d

**Text proposed by the Commission**

(d) a detailed description of the accompanying measures referred to in paragraph 3.

**Amendment**

(d) a detailed description of the accompanying measures referred to in paragraph 2.

Amendment 18
Proposal for a directive
Article 1 — paragraph 1
Directive 2006/112/EC

Article 199c — paragraph 7 — subparagraph 1

**Text proposed by the Commission**

Member States applying the GRCM shall submit an interim report to the Commission no later than two years after the start of application of the GRCM. This report shall provide a detailed assessment of the effectiveness of the GRCM.

**Amendment**

*Member States applying the GRCM shall submit in electronic format to all Member States:*

(a) the names of those persons who, in the twelve months preceding the date of application of the GRCM, have been subject to proceedings, whether criminal or administrative, for VAT fraud;

(b) the names of those persons, including in the case of legal persons the names of their directors, whose VAT registration in their Member State was terminated upon the introduction of the GRCM; and
Text proposed by the Commission

(c) the names of those persons, including in the case of legal persons the names of their directors, who have failed to submit a VAT return for two consecutive tax periods after the introduction of the GRCM.

The information referred to in points (a) and (b) shall be submitted no later than three months after the introduction of GRCM and shall be updated every three months thereafter. The information referred to in point (c) shall be submitted no later than nine months from the introduction of GRCM and shall be updated every three months thereafter.

Member States applying the GRCM shall submit an interim report to the Commission no later than one year after the start of application of the GRCM. This report shall provide a detailed assessment of the effectiveness of the GRCM.

Amendment 19
Proposal for a directive
Article 1 — paragraph 1
Directive 2006/112/EC
Article 199c — paragraph 8 — subparagraph 1

Text proposed by the Commission

Member States not applying the mechanism shall submit an interim report to the Commission as regards the impact in its territory of other Member States applying the GRCM no later than 30 June 2019, insofar the GRCM will have been applied for at least one year in one Member State by that date.

Amendment

Member States not applying the mechanism shall submit an interim report to the Commission as regards the impact in its territory of other Member States applying the GRCM. Such report shall be submitted to the Commission within three months of the GRCM being applied for one year in one Member State.

Amendment 20
Proposal for a directive
Article 1 — paragraph 1
Directive 2006/112/EC
Article 199c — paragraph 10 — point a

Text proposed by the Commission

(a) the evolution of the VAT gap;

Amendment

deleted
Amendment 21
Proposal for a directive
Article 2 — paragraph 2

Text proposed by the Commission
It shall apply until 30 September 2022.

Amendment
It shall apply until 30 June 2022.
Draft Amending Budget No 6/2018: Reduction of payment and commitment appropriations (own resources)


(2020/C 388/30)

The European Parliament,

— having regard to Article 314 of the Treaty on the Functioning of the European Union,

— having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,


— having regard to the general budget of the European Union for the financial year 2018, as definitively adopted on 30 November 2017 (3),


— having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management (5),

— having regard to Council Decision 2014/335/EU, Euratom of 26 May 2014 on the system of own resources of the European Union (6),


— having regard to the position on Draft amending budget No 6/2018, which the Council adopted on 26 November 2018 and forwarded to Parliament on the same day (13961/2018 — C8-0488/2018),

— having regard to Rules 88 and 91 of its Rules of Procedure,

— having regard to the report of the Committee on Budgets (A8-0399/2018),

A. whereas Draft amending budget No 6/2018 aims to update both the expenditure and the revenue sides of the budget to take account of the latest developments;

B. whereas, on the expenditure side, Draft amending budget No 6/2018 decreases the commitment and payment appropriations of budget lines by EUR 48.7 million and EUR 44.7 million respectively, in heading 1a ‘Competitiveness for growth and jobs’ and heading 2 ‘Sustainable growth — natural resources’;

C. whereas, on the revenue side, Draft amending budget No 6/2018 concerns a revision of the forecast of traditional own resources (i.e. customs duties and sugar sector levies), value-added tax (VAT) and gross national income (GNI) bases, and of the budgeting of the relevant UK corrections and their financing, which all affect the distribution of own resources contributions from Member States to the Union budget;

1. Welcomes the fact that implementation of 2014-2020 programmes is finally reaching cruising speed and results in only a minor adjustment to the expenditure side compared to the very significant amending budgets adopted in 2016 and 2017; encourages the Commission and the Member States to make up for the major delays accumulated in the last three years;

2. Takes note of the technical process of rebalancing of own resources made necessary by the revision of the forecast of Traditional Own Resources and VAT and by updates to the UK correction;

3. Approves the Council position on Draft amending budget No 6/2018;

4. Instructs its President to declare that Amending budget No 6/2018 has been definitively adopted and arrange for its publication in the Official Journal of the European Union;

5. Instructs its President to forward this resolution to the Council, the Commission and the national parliaments.
Mobilisation of the Flexibility Instrument to finance immediate budgetary measures to address the on-going challenges of migration, refugee inflows and security threats


(2020/C 388/31)

The European Parliament,

— having regard to the Commission proposal to the European Parliament and the Council (COM(2018)0901 — C8-0492/2018),

— having regard to Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (\(^1\)), and in particular Article 11 thereof,

— having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management (\(^2\)), and in particular point 12 thereof,

— having regard to the new draft general budget of the European Union for the financial year 2019, which the Commission adopted on 30 November 2018 (COM(2018)0900), in accordance with Article 314(8) TFEU,

— having regard to the conclusions of the budgetary trilogue of 4 December 2018,

— having regard to the position on the second draft general budget of the European Union for the financial year 2019, which the Council adopted on 11 December 2018 and forwarded to Parliament on the same day (15205/2018 — C8-0499/2018),

— having regard to the report of the Committee on Budgets (A8-0455/2018),

A. whereas the Flexibility Instrument is intended to allow the financing, for a given financial year, of clearly identified expenditure which could not be financed within the limits of the ceilings available for one or more other headings,

B. whereas the Commission had proposed to mobilise the Flexibility Instrument to supplement the financing available in the general budget of the Union for the financial year 2019 beyond the ceiling of heading 3 by the amount of EUR 985 629 138 to finance measures in the field of migration, refugees and security,

C. whereas representatives of the Parliament and the Council agreed, at the budgetary trilogue of 4 December 2018, to further mobilise the Flexibility Instrument by EUR 178 715 475 as a result of reinforcements of Horizon 2020 and Erasmus+ programmes in subheading 1a;

1. Agrees with the mobilisation of the Flexibility Instrument for an amount of EUR 1 164 344 613 in commitment appropriations;

2. Reiterates that the mobilisation of this instrument, as provided for in Article 11 of the MFF Regulation, shows, once more, the crucial need for the Union budget to be more flexible;

3. Reiterates its long-standing view that the payments stemming from commitments previously mobilised through the Flexibility Instrument can only be counted over and above the MFF ceilings;

4. Approves the decision annexed to this resolution;
5. Instructs its President to sign the decision with the President of the Council and arrange for its publication in the *Official Journal of the European Union*;
6. Instructs its President to forward this resolution, including its annex, to the Council and the Commission.
ANNEX

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the Flexibility Instrument to reinforce key programmes for the competitiveness of the EU
and to finance immediate budgetary measures to address the on-going challenges of migration, refugee inflows
and security threats

(The text of this annex is not reproduced here since it corresponds to the final act, Decision (EU) 2019/276.)
Mobilisation of the European Union Solidarity Fund to provide for the payment of advances in the EU general budget for 2019


The European Parliament,
— having regard to the Commission proposal to the European Parliament and the Council (COM(2018)0281 — C8-0221/2018),
— having regard to Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (2), and in particular Article 10 thereof,
— having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management (3), and in particular point 11 thereof,
— having regard to the results of the trilogue of 4 December 2018,
— having regard to the report of the Committee on Budgets (A8-0453/2018),
A. whereas, in line with Regulation (EU) No 661/2014 which amended Regulation (EC) No 2012/2002, an amount of EUR 50 000 000 is made available for the payment of advances through appropriations in the general budget of the Union:
1. Approves the decision annexed to this resolution;
2. Instructs its President to sign the decision with the President of the Council and arrange for its publication in the Official Journal of the European Union;
3. Instructs its President to forward this resolution, including its annex, to the Council and the Commission.

ANNEX

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Union Solidarity Fund to provide for the payment of advances in the general budget of the Union for 2019

(The text of this annex is not reproduced here since it corresponds to the final act, Decision (EU) 2019/277.)
The European Parliament,

— having regard to Article 314 of the Treaty on the Functioning of the European Union,

— having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,

— having regard to Council Decision 2014/335/EU, Euratom of 26 May 2014 on the system of own resources of the European Union (1),


— having regard to Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (4) (the ‘MFF Regulation’),

— having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management (5),

— having regard to its resolution of 15 March 2018 on general guidelines for the preparation of the budget (6),

— having regard to its resolution of 19 April 2018 on Parliament’s estimates of revenue and expenditure for the financial year 2019 (7),

— having regard to the draft general budget of the European Union for the financial year 2019, which the Commission adopted on 21 June 2018 (COM(2018)0600),

— having regard to the position on the draft general budget of the European Union for the financial year 2019, which the Council adopted on 4 September 2018 and forwarded to Parliament on 13 September 2018 (11737/2018 — C8-0410/2018),

— having regard to its resolution of 5 July 2018 on the mandate for the trilogue on the 2019 draft budget (8),

— having regard to its resolution of 24 October 2018 on the Council position on the draft general budget of the European Union for the financial year 2019 (9),

— having regard to the fact that the Conciliation Committee did not agree on a joint text within the twenty-one days referred to in Article 314(6) of Treaty on the Functioning of the European Union,

— having regard to the second draft general budget of the European Union for the financial year 2019, which the Commission adopted on 30 November 2018 (COM(2018)0900), in accordance with Article 314(8) TFEU,

— having regard to the conclusions of the budgetary trilogue on 4 December 2018,

— having regard to the position on the second draft general budget of the European Union for the financial year 2019, which the Council adopted on 11 December 2018 (15205/2018 — C8-0499/2018),

— having regard to Rule 88 of its Rules of Procedure,

— having regard to the report of the Committee on Budgets (A8-0454/2018),

1. Recalls that the ‘draft package’ agreed, after difficult and intense negotiations, by Parliament and Council during the trilogue of 4 December 2018 consists of two elements: the Union Budget for the year 2019 set at a level of EUR 165 795,6 million and EUR 148 198,9 million, respectively in commitment and payment appropriations, and four joint statements as well as one unilateral statement;

2. Underlines that, although the Draft Budget (DB) as modified by Council does not entirely meet the real need for a sustainable, coherent and efficient Union budget, Parliament’s objective is to provide the Union with a budget that can deliver tangible benefits to the citizens and companies;

3. Welcomes the overall level of commitment appropriations agreed, which represents an increase of EUR 1 728 million compared to the original reading of the Council; is pleased that the increases obtained in the negotiations worth EUR 943 million correspond to Parliament’s main political priorities, namely in support of researchers, young people, SMEs, tackling root causes of migration, climate change, increasing the security of Union citizens, and defence;

4. Welcomes that the overall level of payment appropriations agreed for 2019 increases by 2,4% compared to Budget 2018; notes however that the payments level represents merely 0,9% of the Union’s GNI; underlines the importance of the joint statement on the payments appropriations in which the Parliament and the Council commit to take the necessary decisions to cover any duly justified needs;

5. Regrets that the Council, under the pretext that it did not have the necessary time to analyse it, refused as a matter of principle, in the context of the 2019 budgetary procedure, any discussion on the use of the new Article 15(3) of the Financial Regulation, allowing de-committed amounts from research to be made available again in the framework of the annual budgetary procedure; invites therefore the Commission to report at least on a biannual basis specifically on the amounts de-committed for research programmes and provide all relevant information and elements on Article 15(3) and to propose its use in the context of the 2020 budgetary procedure;

6. Regrets once again that Parliament, being one of the two arms of the budgetary authority, was not duly involved by the Council and the Commission in the discussions on the extension of the Facility for Refugees in Turkey (FRT); regrets the uncompromising position of the Council on the financing of the second tranche of the FRT, to which the Union budget will contribute EUR 2 billion, while the Member States will contribute EUR 1 billion; reiterates its longstanding position that new initiatives must not be financed to the detriment of existing Union external projects; recalls that because of the unwillingness of the Council, the ceilings of the current MFF have not been risen on the occasion of the mid-term revision and the MFF has been lacking sufficient flexibility to respond to unforeseen circumstances; underlines that lessons must be learnt for the post-2021 MFF in order to avoid, inter alia, the creation of budgetary satellites such as the FRTs;

7. In line with the joint statement agreed between the Parliament, the Council and the Commission, insists that the agreed reinforcement of Horizon 2020 and Erasmus+ programmes of EUR 100 million in an amending budget in 2019 will not be financed through redeployments from other programmes but through fresh appropriations;

8. In view of the increased support that Europol provides to the Member States in the framework of the law enforcement cooperation and its involvement in the fight against terrorism and cybercrime, welcomes the creation of 10 additional posts and the related increase of appropriations for Europol;
9. Welcomes the creation of 5 posts and the related increase of appropriations by the Commission in the 2019 DB to prevent any bottleneck that might be detrimental to the productivity of the courts in the context of new activities taken up by the Court and of continuous increase of the workload especially due to Brexit; points out, however, that the real need for the ECJ was 16 new permanent posts for the support services;

10. Welcomes the reinforcement to the EEAS budget line on Strategic Communication Capacity, to deliver a stronger coordinated Union response to the challenge of disinformation;

11. Approves the Council position on the second draft general budget of the European Union for the financial year 2019 as well as the joint statements annexed to this resolution;

12. Instructs its President to declare that the general budget of the European Union for the financial year 2019 has been definitively adopted and to arrange for its publication in the Official Journal of the European Union;

13. Instructs its President to forward this resolution to the Council, the Commission, the other institutions and bodies concerned and the national parliaments.
ANNEX
DRAFT PACKAGE
Budget 2019 — Joint conclusions

These joint conclusions cover the following sections:

1. Budget 2019
2. Statements

Summary overview

According to the elements for joint conclusions:

— The overall level of commitment appropriations in the 2019 budget is set at EUR 165,795.6 million. Overall, this leaves a margin below the MFF ceilings for 2019 of EUR 1,291.1 million in commitment appropriations.

— The overall level of payment appropriations in the 2019 budget is set at EUR 148,198.9 million.

— The Flexibility Instrument for 2019 is mobilised in commitment appropriations for an amount of EUR 1,164.3 million for heading 1a Competitiveness for Growth and Jobs and heading 3 Security and Citizenship.

— The Global margin for commitments is used at a level of EUR 1,476.0 million for heading 1a Competitiveness for Growth and Jobs, heading 1b Economic, Social and Territorial Cohesion and heading 4 Global Europe.

— The Contingency margin mobilised in 2017 is offset for EUR 253.9 million against the unallocated margins under heading 5 Administration.

— The 2019 payment appropriations related to the mobilisation of the Flexibility Instrument in 2016, 2017, 2018 and 2019 are estimated by the Commission at EUR 961.9 million.

1. Budget 2019

The European Parliament and the Council have agreed on the conclusions included in sections 1.1 to 1.6 below.

1.1. Horizontal issues

Decentralised agencies

The EU contribution (in commitment and payment appropriations) and the number of posts for decentralised agencies are set at the level proposed by the Commission in the second Draft Budget (second DB).

Executive agencies

The EU contribution (in commitment and payment appropriations) and the number of posts for executive agencies are set at the level proposed by the Commission in the second DB.

Pilot Projects/Preparatory Actions

A comprehensive package of 75 pilot projects/preparatory actions (PP/PA) is agreed, as proposed by the Commission in the second DB. When a pilot project or a preparatory action appears to be covered by an existing legal basis, the Commission may propose the transfer of appropriations to the corresponding legal basis in order to facilitate the implementation of the action.

This package, proposed by the European Parliament in its reading of the original Draft Budget, fully respects the ceilings for pilot projects and preparatory actions provided in the Financial Regulation.
1.2. Expenditure headings of the financial framework — commitment appropriations

**Heading 1a**

Commitment appropriations are set at the level proposed by the Commission in the second DB, but with the adjustments detailed in the following table.

<table>
<thead>
<tr>
<th>Budget line / Programme</th>
<th>Name</th>
<th>Variation in commitment appropriations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Second Draft Budget 2019</td>
</tr>
<tr>
<td><strong>1.1.31</strong></td>
<td><em>Horizon 2020</em></td>
<td></td>
</tr>
<tr>
<td>08 02 03 04</td>
<td>Achieving a European transport system that is resource-efficient, environmentally friendly, safe and seamless</td>
<td>252 946 905</td>
</tr>
<tr>
<td>08 02 08</td>
<td>SME instrument</td>
<td>541 589 527</td>
</tr>
<tr>
<td>09 04 01 01</td>
<td>Strengthening research in future and emerging technologies</td>
<td>429 937 089</td>
</tr>
<tr>
<td>15 03 01 01</td>
<td>Marie Skłodowska-Curie actions — generating, developing and transferring new skills, knowledge and innovation</td>
<td>916 586 364</td>
</tr>
<tr>
<td><strong>1.1.5</strong></td>
<td><em>Education, Training and Sport (Erasmus+)</em></td>
<td></td>
</tr>
<tr>
<td>15 02 01 01</td>
<td>Promoting excellence and cooperation in the European education and training area and its relevance to the labour market</td>
<td>2 411 836 200</td>
</tr>
<tr>
<td>15 02 01 02</td>
<td>Promoting excellence and cooperation in the European youth area and the participation of young people in European democratic life</td>
<td>175 070 000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As a consequence, the agreed level of commitment appropriations is set at EUR 23 335.4 million, with no margin left under the expenditure ceiling of heading 1a, the use of the Global Margin for Commitments for an amount of EUR 74.7 million and the mobilisation of EUR 178.7 million through the Flexibility Instrument.

**Heading 1b**

Commitment appropriations are set at the level proposed by the Commission in the second DB.

As a consequence, the agreed level of commitment appropriations is set at EUR 57 192.0 million, with no margin left under the expenditure ceiling of heading 1b and the use of the Global Margin for Commitments for an amount of EUR 350.0 million.
**Heading 2**

Commitment appropriations are set at the level proposed by the Commission in the second DB.

As a consequence, the agreed level of commitment appropriations is set at EUR 59 642,1 million, leaving a margin of EUR 701,9 million.

**Heading 3**

Commitment appropriations are set at the level proposed by the Commission in the second DB.

As a consequence, the agreed level of commitment appropriations is set at EUR 3 786,6 million, with no margin left under the expenditure ceiling of heading 3, and the mobilisation of EUR 985,6 million through the Flexibility Instrument.

**Heading 4**

Commitment appropriations are set at the level proposed by the Commission in the second DB.

As a consequence, the agreed level of commitment appropriations is set at EUR 11 319,3 million, with no margin left under the expenditure ceiling of heading 4 and the use of the Global Margin for Commitments for an amount of EUR 1 051,3 million.

**Heading 5**

The number of posts in the establishment plans of the Institutions and the appropriations are set at the level proposed by the Commission in the second DB.

As a consequence, and after taking into account pilot projects and preparatory actions (EUR 4,1 million) proposed under section 1.1 above, the agreed level of commitment appropriations is set at EUR 9 943,0 million, leaving a margin of EUR 589,1 million under the expenditure ceiling of heading 5, after the use of EUR 253,9 million of the margin to offset the mobilisation of the Contingency margin in 2017.

**Special instruments: EGF, EAR and EUSF**

Commitment appropriations for the European Globalisation Adjustment Fund (EGF), for the Emergency Aid Reserve (EAR) and for the European Union Solidarity Fund (EUSF) are set at the level proposed by the Commission in the second DB.

1.3. Payment appropriations

The overall level of payment appropriations in the 2019 Budget is set at the level proposed by the Commission in the second DB.

1.4. Budgetary remarks

Budgetary remarks as proposed by the Commission in the second DB are approved, except for the following budget lines:

— Article 08 02 08 — SME Instrument of the section of the European Commission, for which the text as proposed in the original Draft Budget is approved;

— item 2 2 1 4 — Strategic Communication Capacity of the section of the European External Action Service, for which the text included in the reading of the European Parliament of the original Draft Budget is approved.

1.5. Nomenclature

The nomenclature as proposed by the Commission in the second DB is approved.

1.6. Reserves

The reserves as proposed by the Commission in the second DB are approved. In addition, an amount of EUR 19 321 000 is put in reserve in both commitment and payment appropriations pending the adoption of the Commission’s proposal COM(2018)0632 of 12 September 2018 for Article 18 03 02 European Border and Coast Guard Agency (Frontex).
2. Statements

2.1. Joint statement by the European Parliament, Council and Commission on the payment appropriations

The European Parliament and the Council recall the need to ensure, in the light of implementation, an orderly progression of payments in relation to the appropriations for commitments so as to avoid any abnormal level of unpaid invoices at year-end.

The European Parliament and the Council call on the Commission to continue monitoring closely and actively the implementation of the 2014-2020 programmes. To that end, they invite the Commission to present, in a timely manner, updated figures concerning the state of implementation and estimates regarding payment appropriations requirements in 2019.

If the figures show that the appropriations entered in the 2019 budget are insufficient to cover the needs, the European Parliament and the Council invite the Commission to present as soon as possible an appropriate solution, inter alia amending budget, with a view to allow the Budgetary Authority to take any necessary decisions in due time for duly justified needs. Where applicable, the European Parliament and the Council will take account the urgency of the matter.

2.2. Joint statement by the European Parliament, Council and Commission on the Youth Employment Initiative

The European Parliament, the Council and the Commission recall that reducing youth unemployment remains a high and shared political priority and reaffirm their determination to make the best possible use of budgetary resources to reach this goal, and in particular through the Youth Employment Initiative (YEI).

The European Parliament and the Council take note of the past experience in the context of the increase of the resources of the specific allocation for the YEI, which triggered extensive amendments to programmes to provide amounts from the European Social Fund (ESF) to match the support from the YEI specific allocation.

Therefore, the European Parliament and the Council invite the Commission to present a legislative proposal for smooth implementation of the increased budgetary resources for YEI. The European Parliament and the Council agree to swiftly examine this proposal, taking into account the upcoming European Parliament elections, to make the re-programming exercise in 2019 as smooth as possible.

2.3. Unilateral statement by the Commission on the Youth Employment Initiative

Without prejudice to the powers of the budgetary authority, the Commission confirms that the increase of the Youth Employment Initiative agreed for 2019 will not be considered as a frontloading of the amount currently foreseen for 2020 when it presents the updated financial programming and the legislative proposal to revise the Common Provisions Regulation.

2.4. Joint statement by the European Parliament, Council and Commission on the climate mainstreaming

The European Parliament, the Council and the Commission recall the importance of building a low-carbon, resource-efficient and climate resilient economy. To this end, the Council and the EP agreed to invest at least 20% of the EU budget in climate-related expenditure over the period 2014-20. On average — and even though the 2019 budget alone does reach the 20% target — the current forecast for the whole 2014-20 period indicates that 19.3% of the EU budget will be allocated to climate action, mainly due to the delays in the implementation of the European Structural Investment Funds at the beginning of the period.

The Council and the European Parliament take note of this evolution and invite the Commission to make every effort to reach the 20% target for the whole 2014-20 period.
2.5. **Joint statement by the European Parliament, Council and Commission on the reinforcement of heading 1a through an Amending budget**

Due to the limited availabilities of the Flexibility Instrument and the Global margin for commitments, the European Parliament and the Council have agreed to budget EUR 100 million in an amending budget in 2019 to reinforce H2020 and Erasmus+. The Commission will present this amending budget, which will not contain any other elements, as soon as the technical adjustment of the Multiannual Financial Framework for 2020 including the calculation of the Global margin for commitments is completed in the spring of 2019. This is without prejudice to any normal technical corrections the Commission will be called upon to make to ensure an orderly execution of the 2019 budget.

The Council and the European Parliament undertake to process swiftly the draft amending budget for 2019 put forward by the Commission.
EU-Japan Economic Partnership Agreement ***


(Consent)

(2020/C 388/34)

The European Parliament,
— having regard to the draft Council decision (07964/2018),
— having regard to the draft Agreement between the European Union and Japan for an Economic Partnership (07965/2018),
— having regard to the request for consent submitted by the Council in accordance with Article 91, Article 100(2), the first subparagraph of Article 207(4), point (a)(v) of the second subparagraph of Article 218(6), and Article 218(7), of the Treaty on the Functioning of the European Union (C8-0382/2018),
— having regard to its non-legislative resolution of 12 December 2018 (¹) on the draft decision,
— having regard to Rule 99(1) and (4) and Rule 108(7) of its Rules of Procedure,
— having regard to the recommendation of the Committee on International Trade and the opinion of the Committee on the Environment, Public Health and Food Safety and the opinion in letter form of the Committee on Agriculture and Rural Development (A8-0366/2018),

1. Gives its consent to conclusion of the agreement;
2. Instructs its President to forward its position to the Council, the Commission and the governments and parliaments of the Member States and of Japan.

EU-Japan Economic Partnership Agreement (resolution)


The European Parliament,

— having regard to the draft Council decision (07964/2018),

— having regard to the draft Agreement between the European Union and Japan for an Economic Partnership (07965/2018),

— having regard to the request for consent submitted by the Council in accordance with Article 91, Article 100(2), the first subparagraph of Article 207(4), point (a) (v) of the second subparagraph of Article 218(6), and Article 218(7) of the Treaty on the Functioning of the European Union (TFEU) (C8-0382/2018),

— having regard to the joint statement of the 25th EU-Japan summit of 17 July 2018,

— having regard to the EU-Japan Strategic Partnership Agreement which was signed on 17 July 2018,

— having regard to the negotiating directives for a Free Trade Agreement with Japan, adopted by the Council on 29 November 2012 and published on 14 September 2017,

— having regard to its resolution of 25 October 2012 on EU trade negotiations with Japan (1),

— having regard to its resolutions of 3 February 2016 containing the European Parliament’s recommendations to the Commission on the negotiations for the Trade in Services Agreement (TiSA) (2), and of 12 December 2017 entitled ‘Towards a digital trade strategy’ (3),

— having regard to the Final Report of the Trade Sustainability Impact Assessment of the Free Trade Agreement between the EU and Japan of April 2016 and to the analysis on the economic impact of the EU-Japan Economic Partnership Agreement published by the Commission’s Directorate-General for Trade in June 2018,

— having regard to the joint statement of the 38th EU-Japan interparliamentary meeting of 10 May 2018,

— having regard to the 2030 Agenda for Sustainable Development adopted at the United Nations Sustainable Development Summit in New York in September 2015,

— having regard to the Commission communication entitled ‘Trade for All — Towards more responsible trade and investment policy’ of October 2015,

— having regard to the non-paper of the Commission services of 26 February 2018 entitled ‘Feedback and way forward on improving the implementation and enforcement of Trade and Sustainable Development chapters in EU Free Trade Agreements’,

— having regard to the opinions of the European Economic and Social Committee of 15 October 2014 on the role of civil society in the EU-Japan Free Trade Agreement and of 14 February 2018 on trade and sustainable development chapters in EU Free Trade Agreements,

— having regard to the Commission’s 15-point plan to make EU trade and sustainable development chapters more effective of 26 February 2018;

(1) OJ C 72 E, 11.3.2014, p. 16.
— having regard to Opinion 2/15 of the Court of Justice of the European Union of 16 May 2017, pursuant to Article 218 (11) (TFEU, requested by the Commission on 10 July 2015,

— having regard to Protocol 26 to the TFEU on services of general interest,

— having regard to Articles 2 and 21 of the Treaty on European Union (TEU),

— having regard to Articles 168 to 191 TFEU and, in particular, Article 191(2) TFEU,

— having regard to Articles 91, 100(2) and 207 TFEU, and to Article 218 TFEU, in particular paragraph 10 thereof,

— having regard to its legislative resolution of 12 December 2018 (1) on the draft Council decision,

— having regard to Rule 99(2) of its Rules of Procedure,

— having regard to the report of the Committee on International Trade (A8-0367/2018),

A. whereas the Union and Japan share fundamental values such as respect for human rights, democracy and the rule of law, and a strong commitment to sustainable development and a rules-based World Trade Organisation (WTO) system;

B. whereas the EU-Japan Economic Partnership Agreement (EPA) has a strategic dimension and is the most important bilateral trade agreement ever concluded by the Union as it covers nearly a third of world GDP, almost 40% of world trade and over 600 million people;

C. whereas Japan is the world’s third largest consumer market but only the sixth export market for the Union, showing the untapped potential of bilateral trade;

D. whereas several ex ante studies and analyses on the impact of the EU-Japan EPA indicate that the deal has the potential to deliver positive effects in terms of GDP growth, income, trade, productivity and employment for both the Union and Japan, while adhering to the objective of ‘smart, sustainable and inclusive growth’; whereas the agreement also has the potential to bring benefits to consumers by lowering prices and increasing consumer choice with regard to goods and services; whereas the EU and its Member States should improve the existing tools to help workers and companies adapt to new opportunities and to the potential negative effects of globalisation and trade agreements; whereas the success of the agreement should also be assessed on the basis of its contribution to the achievement of the Sustainable Development Goals (SDGs) by 2030;

E. whereas Parliament has monitored these negotiations from the start and has called, inter alia, for negotiators to meet the interests of citizens, civil society and businesses and for transparency, which has led to better access to documents, regular reporting on negotiations and improved communication; whereas further improvements could be made to the trade agreement procedure in the future, notably by sharing EU proposals and ensuring that the Council systematically publishes the negotiating directives before the negotiations;

F. whereas it is crucial for the trade preferences and opportunities opened up by the agreement to be accessible and for full use to be made of them;

1. Considers this agreement to be of major bilateral and global strategic importance and that it represents a timely signal in support of open, fair, values- and rules-based trade, while promoting high standards, namely in the field of the environment, food safety, consumer protection and labour rights, at a time of serious protectionist challenges to the international order; warns that such protectionism is not an option and that the status quo in trade policy is no longer tenable;

2. Welcomes the ambitious and comprehensive nature of the EPA, which delivers on the priorities set out in Parliament’s resolution of 25 October 2012 on EU trade negotiations with Japan;

3. Notes in particular the high level of tariff liberalisation agreed in the EPA, which once fully implemented will see 99% of EU tariff lines and 97% of Japanese tariff lines liberalised, including for industrial products in sectors in which the EU is very competitive, combined with measures to safeguard the most sensitive products through duty-free quotas, reduced duties or staging periods; underlines that the EPA includes an anti-fraud clause, which makes it possible for the EU to withdraw trade preferences in cases of fraud and refusal to cooperate on customs matters, while ensuring that legitimate traders are not adversely affected;

4. Points out that the EU tariff on automobiles will be phased out over seven years; calls on the Commission to keep an eye on trends in automobile trade flows over this period in order to predict any destabilisation of the European market and address the situation in these cases; highlights, however, that a significant number of Japanese vehicle brands sold in the EU are manufactured in the EU;

5. Points out that Japan has addressed unnecessary non-tariff measures (NTMs) in a variety of sectors such as vehicles, food additives, sanitary and phytosanitary regulations, food labelling and cosmetics, thereby reducing compliance costs and creating a more predictable regulatory framework; recalls a country’s right to set national standards at a level that is higher than international ones when it is justified for the sake of adequate health, safety or consumer protection; takes note, in addition, of Japan’s commitment to align its automotive standards with UN Economic Commission for Europe international standards, also used by EU car manufacturers;

6. Welcomes the fact that Japan will, notably, grant non-discriminatory access for EU suppliers to the procurement markets of 54 core cities, and may increase the number of cities covered even further, remove the ‘operational safety clause’, which has in practice prevented EU rail suppliers from accessing the Japanese market, and maximise transparency in tendering for public contracts; calls on the Commission to monitor the implementation of this point closely to ensure that the commitments made in the areas of openness and equal access to public procurement are fulfilled; stresses that social and environmental criteria should also be taken into account when awarding public procurement contracts; highlights that in both the EU and Japan public procurement must continue to serve the best interests of citizens;

7. Considers that Japan is a highly valuable export market for EU farmers and food producers, and notes that around 85% of agri-food products will be allowed to enter Japan duty-free; points out that processed agricultural products will also enjoy duty-free entry to the Japanese market after a transitional period; welcomes the fact that the agreement provides significant export opportunities for EU agri-food products, such as wine, beef, pig meat and cheese, and that it protects 205 European geographical indications (GIs), with the possibility of adding further GIs, which constitutes a further improvement in comparison to previous trade agreements and is particularly important for small and medium-sized enterprises (SMEs) in the food sector; calls for the continuation of talks after three years in order to evaluate the options for expanding the list of protected GIs, and expects both parties to pay the utmost attention to sustainable agriculture, including small-scale food production and rural development;

8. Highlights the fact that the agreement promotes best practices for providing safe and high-quality food and products for consumers; stresses that nothing in the agreement prevents the application of the precautionary principle in the EU as set out in the TFEU; welcomes the inclusion of a clear reference to the precautionary approach in the agreement; stresses that the agreement must under no circumstances jeopardise precise, understandable and EU-compliant food labelling; calls on both partners to enhance consumer protection, consumer welfare and food safety in the implementation of the agreement and on the Commission to include specific and strong provisions on consumer protection in all future EU trade agreements;

9. Stresses that both parties are committed to ensuring high levels of environmental and labour protection and that those high standards should not be regarded as trade barriers, while noting that the agreement also makes it clear that labour and environmental standards cannot be relaxed or lowered to attract trade and investment; recalls SDG 5 of the UN’s 2030 Agenda for Sustainable Development; welcomes the fact that both Japan and the EU have adhered to the Buenos Aires Declaration on Women and Trade and calls on both parties to strongly reinforce commitments on gender and trade in the context of this agreement, including the right to equal pay; expects the EU and Japan to take all necessary steps to implement the SDGs in all their activities, including through this agreement; asks the Commission to carry out an ex-post sustainability impact assessment of the implementation of the agreement;
10. Welcomes the commitment to the effective implementation of the Paris Agreement to combat climate change and of other multilateral environmental agreements, as well as to the sustainable management of forests (including fighting illegal logging) and fisheries (combating illegal, unreported and unregulated fishing); underlines that EU legislation and standards remain applicable to products imported into the EU market and that, in particular, the EU Timber Regulation (Regulation (EU) No 995/2010) prohibits the placing of illegal timber on the EU market and establishes a mandatory due diligence system; calls on both parties to cooperate closely under the sustainable development chapter to exchange best practices and to strengthen the enforcement of legislation in these matters, including on the most effective measures to combat illegal logging and on paying particular attention to preventing exports of illegally logged timber from the EU to Japan;

11. Highlights the fact that the agreement includes the clear commitment to pursue the ratification of fundamental International Labour Organization (ILO) conventions; underlines that Japan has yet to ratify two ILO core conventions (on discrimination and on the abolition of forced labour) and expects concrete progress within a reasonable timeframe on the part of Japan towards the ratification and effective implementation of these conventions, in accordance with the provisions laid down in the EPA;

12.Welcomes the fact that Japan has established an interministerial framework to deal with the implementation of sustainable development commitments, including the ratification of the ILO core conventions, and that the trade and sustainable development committee provided for in the agreement is tasked with interacting with civil society on the subject of the implementation of the sustainable development chapter;

13. Recalls that the Court of Justice of the European Union has stated, in paragraph 161 of its Opinion 2/15 of 16 May 2017 on the EU-Singapore Free Trade Agreement, that trade and sustainable development chapters have a direct and immediate effect on trade and that a breach of sustainable development provisions authorises the other party to terminate or suspend the liberalisation provided for in the other provisions of the Free Trade Agreement; welcomes the inclusion of a review clause in the chapter on trade and sustainable development and calls on both parties to make good and timely use of this clause in order to uphold the commitments made and improve the enforceability and effectiveness of labour and environmental provisions, including the consideration of, among various enforcement methods, a sanctions-based mechanism as a last resort; calls on both parties not to wait until the review clause is triggered to take steps towards effective implementation, so as to ensure that this EPA is a front-running agreement providing the highest protection possible; calls on the Commission to monitor the commitments undertaken in the trade and sustainable development chapter and to cooperate with Japan on their implementation, building on the Commission's 15-point non-paper on trade and sustainable development implementation;

14. Underlines the fact that the EPA reasserts the right of Member State authorities to fully define, provide and regulate public services at local, regional or national level and that a negative list as provided for in this agreement does not prevent governments from bringing any privatised services back into the public sector or from freely developing new public utilities; believes that as a principle, the use of a positive list approach as per the WTO General Agreement on Trade and Services (GATS) is preferable; notes the commitment made by both parties in the EPA to protecting public water management as part of the general public services exemption;

15. Believes that market access commitments in cross-border services, including e-commerce, maritime transport, postal services, energy and telecommunications, have the potential to give a significant boost to trade in services; considers that the agreement will make it easier for EU firms to provide services on the Japanese market by ensuring fairer treatment; recalls that public policy objectives must be safeguarded, including in the field of cybersecurity, and that policy space must be preserved to address future regulatory challenges;

16. Points out that the EPA provides for the temporary movement of professionals across borders (mode 4), committing both sides to intra-corporate transfers in roughly 40 sectors and for independent professionals in roughly 20 sectors, thereby facilitating EU-Japan foreign direct investment ties;

17. Stresses that the agreement preserves the sovereign right to regulate the financial and banking sectors for prudential and supervisory reasons; calls on both partners to use the financial regulatory forum to improve the global financial system;
18. Welcomes key innovative elements such as dedicated chapters or provisions on the Paris Agreement, on SMEs and on corporate governance, aiming to promote corporate social responsibility based on the principles of the G20 and the Organisation for Economic Co-operation and Development (OECD); urges both parties to work actively towards corporate social responsibility and towards the conclusion of the UN Binding Treaty on Business and Human Rights;

19. Stresses that regulatory cooperation is voluntary and that it by no means limits the right to regulate; recalls that corresponding provisions must be implemented in full respect of the prerogatives of the co-legislators; welcomes the fact that the regulatory cooperation chapter clearly states that the principles established in the TFEU, such as the precautionary principle, must be fully respected;

20. Calls for transparency on the functioning of the regulatory cooperation committee and for the adequate involvement of all stakeholders, notably trade unions and civil society organisations, which should be regarded as a prerequisite for continuing to build public trust in the agreement and its implications; stresses that Parliament should be kept informed on a regular basis about the decisions taken in the regulatory cooperation committee;

21. Notes that negotiations continue on a separate investment agreement, which Parliament will monitor closely; notes that the Commission has introduced an investment court system in agreements with other partners, pending the establishment of a multilateral investment court; reiterates that the old, private investor-state dispute settlement (ISDS) mechanism is unacceptable and that there is no mandate to return to it;

22. Welcomes the fact that the EU and Japan successfully concluded their talks on a reciprocal adequacy decision on 17 July 2018 and that they agreed to recognise each other’s data protection systems as ‘equivalent’, which will enable data to flow more safely between the EU and Japan; highlights the important role of the respective data protection authorities in safeguarding an adequate level of data protection; notes that the agreement includes a rendez-vous clause providing for an assessment of the issue of cross-border transfer of data provisions within three years and recognises the increasing importance of the digital economy for growth and jobs; recalls that all trade agreements must fully respect the EU acquis on data protection and the protection of privacy, including the General Data Protection Regulation (Regulation (EU) 2016/679), and stresses that any future outcome must be subject to the consent of Parliament and safeguard EU citizens’ fundamental rights;

23. Calls on the Commission to enhance cooperation and coordination with Japan on multilateral issues, in close cooperation with other strategic partners, in order to defend and develop further international standards and an open, fair and strong multilateral trading system based on respect for WTO rules and other international norms;

24. Highlights that 78% of the EU companies exporting to Japan are smaller companies and welcomes the fact that the EPA includes a separate chapter on SMEs to enable them to gain maximum benefits from the agreement, namely through clauses committing both parties to transparency with regard to market access and to sharing relevant information; calls for the prompt establishment of the SME contact points and website to make sure that relevant information on market access is made available to SMEs;

25. Calls on the Commission to monitor closely the proper implementation of the agreed removal of the NTMs, as well as the management of tariff-rate quotas for agricultural products, and to report back to Parliament;

26. Urges both partners to ensure the active involvement of social partners and civil society, notably through the joint dialogue with civil society and the domestic advisory group; calls on the Commission to actively establish and share best practices with Japan on the functioning of domestic advisory groups and the joint dialogue; calls on both parties to ensure the swift establishment of well-functioning, effective and balanced domestic advisory groups with a proper code of conduct and to ensure that their views are taken into account in a transparent manner in the government-to-government consultations provided for in the agreement;

27. Calls on the Commission to ensure that the EU delegation to Japan is involved in the process of implementing the agreement from start to finish; points out that EU delegations make it possible to take swift and direct action to ensure the proper implementation of trade provisions and that issues and obstacles are detected quickly and dealt with effectively;
28. Expects full transparency vis-à-vis the functioning of the sectoral committees to be established under the agreement, with regard to both Parliament and the general public;

29. Commits to monitoring the implementation of the agreement closely, in close cooperation with the Commission, the stakeholders and the Japanese partners;

30. Instructs its President to forward this resolution to the Council, the Commission, the governments and parliaments of the Member States, and the government and parliament of Japan.
EU-Japan Strategic Partnership Agreement ***

European Parliament legislative resolution of 12 December 2018 on the draft Council decision on the conclusion, on behalf of the European Union, of the Strategic Partnership Agreement between the European Union and its Member States, of the one part, and Japan, of the other part (08462/2018 — C8-0417/2018 — 2018/0122(NLE))

(Consent)

(2020/C 388/36)

The European Parliament,

— having regard to the draft Council decision (08462/2018),
— having regard to the draft Strategic Partnership Agreement between the European Union and its Member States, of the one part, and Japan, of the other part (08463/2018),
— having regard to the request for consent submitted by the Council in accordance with Article 37 of the Treaty on European Union and Article 212(1), Article 218(6), second subparagraph, point (a) and Article 218(8), second subparagraph, of the Treaty on the Functioning of the European Union (C8-0417/2018),
— having regard to its non-legislative resolution of 12 December 2018 (1) on the draft decision,
— having regard to Rule 99(1) and (4) and Rule 108(7) of its Rules of Procedure,
— having regard to the recommendation of the Committee on Foreign Affairs (A8-0383/2018),

1. Gives its consent to conclusion of the agreement;

2. Instructs its President to forward its position to the Council, the Commission and the governments and parliaments of the Member States and of Japan.

EU-Japan Strategic Partnership Agreement (resolution)

European Parliament non-legislative resolution of 12 December 2018 on the draft Council decision on the conclusion, on behalf of the European Union, of the Strategic Partnership Agreement between the European Union and its Member States, of the one part, and Japan, of the other part (08462/2018 — C8-0417/2018 — 2018/0122M(NLE))

(2020/C 388/37)

The European Parliament,

— having regard to the draft Council decision (08462/2018),

— having regard to the draft Strategic Partnership Agreement between the European Union and its Member States, on the one part, and Japan, on the other part (1) (08463/2018),

— having regard to the request for consent submitted by the Council in accordance with Article 37 of the Treaty on European Union and Article 212(1), Article 218(6), second subparagraph, point (a) and Article 218(8), second subparagraph, of the Treaty on the Functioning of the European Union (C8-0417/2018),

— having regard to the EU-Japan strategic partnership agreement (SPA), signed in Tokyo on 17 July 2018,

— having regard to the EU-Japan economic partnership agreement (EPA), signed in Tokyo on 17 July 2018,

— having regard to the 25th bilateral summit held in Tokyo on 17 July 2018 and to its joint statement,

— having regard to the first bilateral summit held in the Hague in 1991 and to the adoption of a joint declaration on EC-Japan relations,

— having regard to the 20th EU-Japan Summit held in 2010,

— having regard to the joint communication of 19 September 2018 of the Vice-President of the Commission / High Representative of the EU for Foreign Affairs and Security Policy (VP/HR) to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank on ‘Connecting Europe and Asia — Building blocks for an EU Strategy’,

— having regard to the global strategy for the foreign and security policy of the European Union published by the VP/HR in June 2016,

— having regard to the Guidelines on the EU’s Foreign and Security Policy in East Asia, approved by the Council on 15 June 2012,

— having regard to the agreement between the European Community and Japan on cooperation in science and technology signed in 2009 (2),

— having regard to the EU-Japan Action Plan of 2001,

— having regard to the visit of an ad hoc delegation of the Committee on Foreign Affairs to Tokyo, Japan and South Korea of 3-6 April 2018,

— having regard to the 38th EU-Japan Interparliamentary Meeting, held in Tokyo on 9-10 May 2018,

— having regard to the visit of an ad hoc delegation of the Subcommittee on Defence and Security to Tokyo of 22-25 May 2017,

(2) OJ L 90, 6.4.2011, p. 2.
— having regard to its resolution of 17 April 2014 containing its recommendations to the Council, the Commission and the European External Action Service on the negotiations of the EU-Japan Strategic Partnership agreement (1),

— having regard to its legislative resolution of 12 December 2018 on the draft decision (2),

— having regard to Rule 99(2) of its Rules of Procedure,

— having regard to the report of the Committee on Foreign Affairs (A8-0385/2018),

A. whereas the EU and Japan have been strategic partners since 2003 and continue to cooperate closely in numerous multilateral fora;

B. whereas the EU and Japan as like-minded global partners share a special responsibility for fostering peace, stability, multilateralism, respect for human rights, prosperity and defending rules-based order in a rapidly changing world;

C. whereas around one third of global economic production will be covered by the EU-Japan SPA/FTA;

D. whereas the Japanese government has launched security policy reforms which include bolstering defence capabilities, revamping the US alliance and cooperating with other democracies in the region and beyond;

E. whereas Japan’s contribution to international security and stability has increased; whereas Japan’s 2013 National Security Strategy refers to the policy of ‘Proactive Contribution to Peace’ based on the principle of international cooperation;

F. whereas Japan is NATO’s longest-standing partner and has signed cooperation agreements on classified information, cybersecurity, anti-piracy, disaster relief and humanitarian assistance;

G. whereas Japan has over the last decades won international acclaim for its policy of military restraint, which has by no means stood in the way of its rise to become one of the most important economic and political players in the world;

H. whereas Japan led the efforts to revise the Trans-Pacific Partnership (TPP) following the withdrawal of the US, and ratified the revised agreement, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP or TPP-11), in July 2018; whereas Japan has also shown interest in the Regional Comprehensive Economic Partnership (RCEP), which includes China;

I. whereas Japan is an active member of the Asian Development Bank (ADB), the African Development Bank (AFDB), the Inter-American Development Bank (IADB), the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and other specialised UN agencies, as well as of the Asia-Europe Meeting (ASEM) and the Asia Cooperation Dialogue (ACD); whereas Japan is a member of the World Trade Organisation (WTO), the Organisation for Economic Cooperation and Development (OECD), the European Bank for Reconstruction and Development (EBRD), the International Bank for Reconstruction and Development (IBRD), the International Monetary Fund (IMF), the Group of Seven (G7) and the Group of Twenty (G20);

J. whereas the Japanese government approved a new Development Cooperation Charter in February 2015;

The agreement and EU-Japan relations

1. Welcomes the conclusion of the draft SPA, which provides a legally binding framework, strengthens EU-Japan bilateral relations and increases cooperation in more than 40 areas, such as foreign policy and security issues including promotion of peace and stability, emergency relief operations, global development and humanitarian aid, economic matters, research, innovation, education, food safety, agricultural policy, ICT policy, space technology, culture and sport, as well as on global challenges that require global coordination such as climate change, migration, cyberthreats, public health, cross-border crime, peace-building operations, crisis and disaster management and the fight against terrorism;
2. Highlights the linkages between the SPA and the EPA, the world’s largest bilateral free trade agreement; considers the conclusion of the two agreements as an upgrade in partnership with the objective of providing concrete benefits for the people of EU and Japan, and supports further cooperation in multilateral fora; welcomes the mutual respect and confidence that were strengthened during the negotiation process;

3. Welcomes the reference in Article 1(3) of the SPA to a parliamentary dimension aimed at strengthening the partnership through dialogue and cooperation in the areas of political issues, foreign and security policies and other sectoral cooperation; suggests, in this connection, that the Diet and the European Parliament continue to develop parliamentary oversight and dialogue with the aim of ensuring that the contractually agreed cooperation is implemented; calls for the European Parliament to oversee Joint Committee meetings and their documentation; urges further involvement and promotion of ownership by civil society in the implementation of the SPA; reiterates its conviction that the concrete form of general and sectoral cooperation should, in principle, be based on the sustainability objectives and targets to be implemented by 2030, jointly adopted by the UN and also endorsed by the contracting parties;

4. Stresses the need to work together at multilateral level to promote accession to the Arms Trade Treaty and the implementation of the Non-Proliferation Treaty, preventing proliferation of weapons of mass destruction, combating terrorism and fighting impunity of the most serious crimes against international law and violations of human rights;

5. Recalls that a comprehensive and coherent diplomatic, economic, cultural and security approach is needed in the developing world where security and development go hand in hand, a vision shared by the EU and Japan;

**Human rights and fundamental freedoms**

6. Reaffirms the shared commitment to respect for human rights, democracy, fundamental freedoms, good governance and the rule of law, and common values enshrined in the Universal Declaration of Human Rights, and to working together for the global promotion and protection of these values and the rules-based international order;

7. Notes that Japan has not ratified two ILO core conventions (on Discrimination and the Abolition of Forced Labour) and welcomes Japan’s decision to establish an inter-ministerial framework to deal with the implementation of sustainable development commitments under the EPA, including the ratification of such conventions;

8. Stresses the need for further cooperation on women’s rights in order to ensure that the achievement of gender equality is one of the key objectives of the partnership; encourages the Japanese Diet to further work on legislation to address discrimination based on sexual orientation and gender identity;

9. Condemns the fact that capital punishment is still a legal penalty in Japan, and that executions are carried out without inmates being given any advance warning; stresses that the UN Committee against Torture has criticised this practice for the psychological strain it places on the inmates and their families; supports the efforts of the UN on the phasing-out of capital punishment; calls for the EU to enter into a dialogue with the Japanese Government on a moratorium on capital punishment with a view to its eventual abolition;

**Regional and international relations**

10. Recalls that the 2016 EU Global Strategy identified a direct connection between European prosperity and Asian security, and called for the EU to make greater practical contributions and work with partners like Japan to promote peace in the Korean peninsula and the highly important peaceful settlement of maritime and territorial disputes in the East and South China Seas, on the basis of international law and conventions; underlines the importance of confidence-building and preventive diplomacy; stresses that the freedom of international navigation must be respected; welcomes the meeting of Prime Minister Abe and President Xi in Beijing on 26 October 2018 and the announcement of a commitment to open a new chapter of relations, as a step towards improving bilateral ties and reducing regional tensions;
11. Recognises that Chinese and Russian influence in the Asia-Pacific region is a major security challenge for Japan, as well as for EU interests, and therefore welcomes the commitments of the SPA to deepen EU-Japan security cooperation as a bulwark against such threats;

12. Welcomes the establishment of the Mission of Japan to NATO on 1 July 2018;

13. Welcomes the EU's new strategy for improving connectivity with Asia through promoting dialogue, stability, regional and international cooperation, interoperable transport, energy and digital networks, and people-to-people links; underlines the opportunities connectivity brings for stepping up exchanges in the fields of education, science, research and culture;

14. Calls for the expansion of bilateral EU-Japan and plurilateral cooperation with South Korea, the DPRK, the US and China in support of efforts to secure peace and maintain stability in the region, peaceful coexistence in the Korean peninsula, and the complete, irreversible and verifiable denuclearisation of the DPRK; expresses the importance of further Japan-South Korea cooperation and good neighbourly relations which could contribute to regional stability and address security risks such as the DPRK; pledges to support continued international pressure on the DPRK to ensure that concrete steps are taken towards denuclearisation; supports international cooperation on how to resolve the issue of missing Japanese citizens feared abducted by the North Korean regime; emphasises that stability in north-east Asia corresponds to Europe's core interests;

15. Suggests that the EU and Japan work together to increase the capacities of the Association of Southeast Asian Nations (ASEAN) regarding the regional integration and cooperation agenda and the capacity to resolve conflicts in the region collectively and strengthen the present centrality of ASEAN in the South-east Asian multilateral order; supports the decision taken at the 33rd ASEAN-Japan Forum in Tokyo to further strengthen ties and address regional and international issues of common interest and to work together to promote peace and stability; believes that the promotion and protection of human rights contributes effectively to these two objectives; calls for synergies between Japan's Free and Open Indo-Pacific strategy and EU initiatives, including the EU Investment Plan and the extended EU Trans-European Transport Networks, in order to promote global cooperation in connectivity;

16. Notes Japan's ambition to become a non-permanent member of the UN Security Council for 2023-2024, and welcomes its contribution to the UN in areas such as disarmament and non-proliferation, peacekeeping and peace building, and security;

**Sectoral cooperation**

17. Highlights the opportunities and momentum the SPA gives to developing cultural relations and to cooperation in the field of youth, education and sport; takes note of the current low levels of people-to-people exchanges and of the linguistic barriers; suggests further investment to enhance citizen-to-citizen interaction, educational and cultural dialogue, academic mobility programmes under Erasmus+, and public diplomacy to promote mutual understanding and cultural diversity;

18. Draws attention to the impetus that the SPA provides in furthering sectoral cooperation on consumer protection and exchanges on regulatory and supervisory regimes for the financial sector;

19. Considers that the EU and Japan, as leading global donors with a long history of Official Development Assistance to less developed countries in East Asia and, more recently, Africa, the Middle East and Latin America, are natural partners, together with recipient governments, in coordinating aid and ensuring coherence; stresses that the main purpose of development aid is poverty reduction with the achievement of the Sustainable Development Goals, and looks forward to mutual cooperation towards the achievement of those goals;

20. Welcomes Japan's ratification of the Paris Climate Agreement in 2016, and urges its effective implementation with Japan taking a lead in proactively combating climate change and stepping up mitigation efforts; calls for the EU and Japan to intensify cooperation in the field of sustainable energy, e.g. in developing low-emission forms of transport; underlines that the Foreign Minister's advisory panel on climate change issued its report in February 2018, placing the need for energy transition towards renewables at the core of Japan's energy diplomacy strategy;
21. Welcomes the inclusion of sustainable forest management in the agreement, and looks forward to further exchange of good practices regarding illegal logging, building on the experience of the EU Timber Regulation, with a view to introducing mandatory due diligence in Japanese legislation;

22. Regrets Japan’s attempt to secure an end to the moratorium on commercial whaling at the September 2018 meetings of the International Whaling Commission (IWC), and calls for the suspension of whaling for scientific purposes;

23. Stresses that Japan is the second biggest cosmetics market in the world; recalls that cosmetics testing on animals and the sale of imported cosmetic products tested on animals are banned in the EU; in this context encourages the Parties to exchange information and cooperate with a view to ending cosmetics testing on animals in Japan;

24. Stresses the importance of the preservation of biological diversity, and encourages Japan to lift its reservations to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES);

25. Calls for the swift ratification of the provisional agreement by the parliaments of the EU Member States and for its thorough implementation in all sectors;

26. Instructs its President to forward this resolution to the Council, the Commission, the European External Action Service, the Vice-President of the Commission/High Representative of the Union for Foreign Affairs and Security Policy, the governments and parliaments of the Member States and the Government and National Diet of Japan.
EU-Jordan Euro-Mediterranean Aviation Agreement (accession of Croatia) ***

European Parliament legislative resolution of 12 December 2018 on the draft Council decision on the conclusion, on behalf of the Union and its Member States, of a Protocol amending the Euro-Mediterranean Aviation Agreement between the European Union and its Member States, of the one part, and the Hashemite Kingdom of Jordan, of the other part, to take account of the accession to the European Union of the Republic of Croatia (07067/2015 — C8-0189/2016 — 2015/0003(NLE))

(Consent)

(2020/C 388/38)

The European Parliament,
— having regard to the draft Council decision (07067/2015),
— having regard to the draft Protocol amending the Euro-Mediterranean Aviation Agreement between the European Union and its Member States, of the one part, and the Hashemite Kingdom of Jordan, of the other part, to take account of the accession to the European Union of the Republic of Croatia (07066/2015),
— having regard to the request for consent submitted by the Council in accordance with Article 100(2) and Article 218(6), second subparagraph, point (a), of the Treaty on the Functioning of the European Union (C8-0189/2016),
— having regard to Rule 99(1) and 4 and Rule 108(7) of its Rules of Procedure,
— having regard to the recommendation of the Committee on Transport and Tourism (A8-0371/2018),

1. Gives its consent to conclusion of the protocol;
2. Instructs its President to forward its position to the Council, the Commission and the governments and parliaments of the Member States and of the Hashemite Kingdom of Jordan.
Establishing Horizon Europe — laying down its rules for participation and dissemination


(Ordinary legislative procedure: first reading)

(2020/C 388/39)

Amendment 1
Proposal for a regulation
Recital 1

Text proposed by the Commission

(1) It is the Union's objective to strengthen its scientific and technological bases and encourage its competitiveness, including in its industry, while promoting all research and innovation activities to deliver on the Union's strategic priorities, which ultimately aim at promoting peace, the Union's values and the well-being of its peoples.

Amendment

(1) It is the Union's objective to strengthen its scientific excellence and technological bases in which researchers, scientific knowledge and technology circulate freely and encourage its competitiveness, including in its industry, to strengthen the European Research Area, while promoting all research and innovation activities to deliver on the Union's strategic priorities and commitments, which ultimately aim at promoting peace, the Union's values and the well-being of its peoples;

(1) The matter was referred back for interinstitutional negotiations to the committee responsible, pursuant to Rule 59(4), fourth subparagraph (A8-0401/2018).
### Amendment 2
Proposal for a regulation

**Recital 2**

<table>
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<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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<tr>
<td>(2) To deliver scientific, economic and societal impact in pursuit of this general objective, the Union should invest in research and innovation through Horizon Europe — a Framework Programme for Research and Innovation 2021-2027 (the ‘Programme’) to support the creation and diffusion of high-quality knowledge and technologies, to strengthen the impact of research and innovation in developing, supporting and implementing Union policies, to support the uptake of innovative solutions in industry and society to address global challenges and promote industrial competitiveness; to foster all forms of innovation, including breakthrough innovation, and strengthen market deployment of innovative solutions; and optimise the delivery of such investment for increased impact within a strengthened European Research Area.</td>
<td>(2) To deliver scientific, economic and societal impact in pursuit of this general objective and maximise the Union’s added value of its RDI investments, the Union should invest in research and innovation through Horizon Europe — a Framework Programme for Research and Innovation 2021-2027 (the ‘Programme’) to support the creation, diffusion and transfer of high-quality knowledge and technologies in the Union, to strengthen the impact of research and innovation in addressing global challenges including the Sustainable Development Goals and climate change, and in developing, supporting and implementing Union policies, to support the uptake of innovative and sustainable solutions in the Union’s industry and society to create jobs and boost economic growth and industrial competitiveness: The Programme should foster all forms of innovation, strengthen market deployment of innovative solutions and optimise the delivery of investments.</td>
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### Amendment 3
Proposal for a regulation

**Recital 2 a (new)**

<table>
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<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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<tr>
<td>(2 a) The Programme should contribute to the achievement of an overall 3% of the Union’s GDP to be invested in research and development, in line with the EU2020 headline target. The achievement of the target will require Member States and the private sector to complement the Programme with their own and reinforced investment actions in research, development and innovation.</td>
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Amendment 4
Proposal for a regulation
Recital 3

Text proposed by the Commission

(3) The promotion of research and innovation activities deemed necessary to help realise Union policy objectives should take into account the innovation principle as put forward in the Commission Communication of 15 May 2018 ‘A renewed European Agenda for Research and Innovation — Europe’s chance to shape its future’ (COM(2018)306).

Amendment

(3) The promotion of research and innovation activities deemed necessary to help realise Union policy objectives should take into account the innovation principle as a key driver in turning faster and more intensively the Union’s substantial knowledge assets into innovations.

Amendment 5
Proposal for a regulation
Recital 4

Text proposed by the Commission

(4) Open Science, Open Innovation, Open to the World constitute general principles, which should ensure excellence and impact of the Union’s investment in research and innovation. They should be adhered in the implementation of the Programme, in particular for the strategic planning in respect of the pillar ‘Global Challenges and Industrial Competitiveness’.

Amendment

(4) The continuation of ‘Open Science, Open Innovation, Open to the World’ while safeguarding the Union’s scientific and socio-economic interests should ensure excellence and impact of the Union’s investment in research and innovation and strengthen the R&I capacity of all Member States. That should lead to a balanced implementation of the Programme.
Amendment 6
Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) Open science, including open access to scientific publications and research data, has the potential to increase the quality, impact and benefits of science and to accelerate the advancement of knowledge by making it more reliable, more efficient and accurate, better understandable by society and responsive to societal challenges. Provisions should be laid down to ensure that beneficiaries provide open access to peer-reviewed scientific publications, research data and other research outputs in an open and non-discriminatory manner, free of charge and as early as possible in the dissemination process, and to enable their widest possible use and re-use. More emphasis should in particular be given to the responsible management of research data, which should comply with the FAIR principles of ‘Findability’, ‘Accessibility’, ‘Interoperability’ and ‘Reusability’, notably through the mainstreaming of Data Management Plans. Where appropriate, beneficiaries should make use of the possibilities offered by the European Open Science Cloud and adhere to further open science principles and practices.

Amendment

(5) Open science has the potential to increase the quality, impact and benefits of science and to accelerate the advancement of knowledge by making it more reliable, more efficient and accurate, better understandable by society and responsive to societal challenges. Provisions should be laid down to ensure that beneficiaries provide open access to peer-reviewed scientific publications, research data and other research outputs in an open and non-discriminatory manner, free of charge and as early as possible in the dissemination process, and to enable their widest possible use and re-use. As far as research data is concerned, the principle should be ‘as open as possible, as closed as necessary’, thereby recognising the need for different access regimes because of the Union’s socio-economic interest, intellectual property rights, personal data protection and confidentiality, security concerns and other legitimate interests. More emphasis should be given to the responsible management of research data, which should comply with the FAIR principles of ‘Findability’, ‘Accessibility’, ‘Interoperability’ and ‘Reusability’, notably through the mainstreaming of Data Management Plans. Where appropriate, beneficiaries should make use of the possibilities offered by the European Open Science Cloud and the European Data Infrastructure and adhere to further open science principles and practices. Reciprocal open access should be encouraged in international S&T cooperation agreements and in relevant association agreements.
Amendment 7
Proposal for a regulation
Recital 5 a (new)

Text proposed by the Commission

(5a) SME beneficiaries are encouraged to make use of the existing instruments such as IPR SME Helpdesk that supports European Union small and medium sized enterprises to both protect and enforce their Intellectual Property (IP) rights through the provision of free information and services, in the form of confidential advice on intellectual property and related issues, plus training, materials and online resources.

Amendment 8
Proposal for a regulation
Recital 6

(6) The conception and design of the Programme should respond to the need for establishing a critical mass of supported activities, throughout the EU Union and through international cooperation, in line with the UN Sustainable Development Goals (SDGs). Programme implementation should reinforce the pursuit of this aim.

Amendment 9
Proposal for a regulation
Recital 7

(7) Activities supported under the Programme should contribute towards the achievement of the Union's objectives and priorities, the monitoring and assessment of progress against those objectives and priorities and for the development of revised or new priorities.
Amendment 10
Proposal for a regulation
Recital 7 a (new)

Text proposed by the Commission

Amendment

(7 a) The Programme should seek alignment with already existing European research and innovation roadmaps and strategies.

Amendment 11
Proposal for a regulation
Recital 8

Text proposed by the Commission

Amendment

(8) The Programme should maintain a balanced approach between bottom-up (investigator or innovator driven) and top-down (determined by strategically defined priorities) funding, according to the nature of the research and innovation communities that are engaged, the types and purpose of the activities carried out and the impacts that are sought. The mix of these factors should determine the choice of approach for the respective parts of the Programme, all of which contribute to all of the Programme’s general and specific objectives.

Amendment 12
Proposal for a regulation
Recital 8 a (new)

Text proposed by the Commission

Amendment

(8 a) A number of research and innovation actions should apply a Fast Track to Research and Innovation logic where time-to-grant should not exceed six months. This should allow a faster, bottom-up access to funds for small collaborative consortia covering actions from fundamental research to market application.
Amendment 13
Proposal for a regulation
Recital 8b (new)

Text proposed by the Commission

Amendment

(8b)The Programme should support all stages of research and innovation especially within collaborative projects. Fundamental research is an essential asset and an important condition for increasing the Union’s ability to attract the best scientists in order to become a global hub of excellence. The balance between basic and applied research should be ensured. Coupled with innovation, this will support the Union’s economic competitiveness, growth and jobs.

Amendment 14
Proposal for a regulation
Recital 8c (new)

Text proposed by the Commission

Amendment

(8c)In order to maximise the impact of Horizon Europe particular consideration should be given to multidisciplinary, interdisciplinary and transdisciplinary approaches as necessary elements for major scientific progress.

Amendment 15
Proposal for a regulation
Recital 8d (new)

Text proposed by the Commission

Amendment

(8d)The engagement with society is to be fostered through responsible research and innovation as a cross-cutting element with a view to build effective cooperation between science and society. It would allow all societal actors (researchers, citizens, policy makers, business, third sector organisations etc.) to work together during the whole research and innovation process in order to better align both the process and its outcomes with the values, needs and expectations of European society.
Amendment 16
Proposal for a regulation

Recital 9

Text proposed by the Commission

(9) Research activities carried out under the pillar ‘Open Science’ should be determined according to the needs and opportunities of science. The research agenda should be set in close liaison with the scientific community. Research should be funded on the basis of excellence.

Amendment

(9) Research activities carried out under the pillar ‘Excellent and Open Science’ should be determined according to the needs and opportunities of science. The research agenda should be set in close liaison with the scientific community and include emphasis on attracting new R&I talents, young researchers, while strengthening the ERA and avoiding brain drain. Research should be funded on the basis of excellence.

Amendment 17
Proposal for a regulation

Recital 10

Text proposed by the Commission

(10) The pillar ‘Global Challenges and Industrial Competitiveness’ should be established through clusters of research and innovation activities, in order to maximise integration across the respective work areas while securing high and sustainable levels of impact in relation to the resources that are expended. It will encourage cross-disciplinary, cross-sectoral, cross-policy and cross-border collaboration in pursuit of the UN SDGs and the competitiveness of the Union’s industries therein.

Amendment

(10) The pillar ‘Global Challenges and European Industrial Competitiveness’ should be established through clusters of research and innovation activities, in order to maximise integration across the respective work areas while securing high and sustainable levels of impact for the Union in relation to the resources that are expended. It will encourage cross-disciplinary, cross-sectoral, cross-policy and cross-border collaboration in pursuit of the UN SDGs and the Union’s commitments under the Paris Agreement and where needed to address societal challenges, and the competitiveness of the Union’s industries therein. The activities under this pillar should cover the full range of research and innovation activities including R&D, piloting, demonstration, and support for public procurement, pre-normative research and standard setting, and market uptake of innovations to ensure that Europe stays at the cutting-edge of research in strategically defined priorities.
Amendment 18
Proposal for a regulation
Recital 11

Text proposed by the Commission
(11) Full engagement of industry in the Programme, at all levels from the individual entrepreneur and small and medium-sized enterprises to large scale enterprises, should constitute one of the main channels through which the Programme's objectives are to be realised, specifically towards the creation of sustainable jobs and growth. Industry should contribute to the perspectives and priorities established through the strategic planning process which should support the development of work programmes. Such engagement by industry should see its participation in the actions supported at levels at least commensurate with those under the previous framework programme Horizon 2020 established by Regulation (EU) No 1291/2013 of the European Parliament and the Council.(13)('Horizon 2020')

(13)

Amendment
(11) Full and timely engagement of industry in the Programme, at all levels from the individual entrepreneur and small and medium-sized enterprises to large scale enterprises, should continue specifically towards the creation of sustainable jobs and growth in Europe strengthening private-public cooperation and enhancing R&I investment from the private sector.

Amendment 19
Proposal for a regulation
Recital 11 a (new)

Text proposed by the Commission
(11 a) Multi-stakeholders consultations, including civil society and industry, should contribute to the perspectives and priorities established through the strategic planning process. This should result in periodic Strategic R&I Plans adopted by means of delegated acts. Those strategic plans should then be implemented through the development of work programmes.
Amendment 20
Proposal for a regulation
Recital 12

Text proposed by the Commission

(12) It is important to support industry to stay or become world leader in innovation, digitisation and decarbonisation, notably through investments in key enabling technologies that will underpin tomorrow’s business. The Programme’s actions should be used to address market failures or sub-optimal investment situations, in a proportionate manner, without duplicating or crowding out private financing and have a clear European added value. This will ensure consistency between the actions of the programme and EU State aid rules, avoiding undue distortions of competition in the internal market.

Amendment

(12) It is important to support the Union’s industry to stay or become world leader in innovation, digitisation and decarbonisation, notably through investments in key enabling technologies that will underpin tomorrow’s business. Key Enabling Technologies (KETs) are set to play a central role in Pillar II ‘Global Challenges and European Industrial Competitiveness’ and should be further connected to the Future and Emerging Technologies (FET) Flagships to allow research projects to cover the whole innovation chain. The Programme’s actions should reflect the Union’s Industrial Policy Strategy so as to address market failures or sub-optimal investment situations, to boost investments in a proportionate and transparent manner, without duplicating or crowding out private financing and have a clear European added value and public return on investments. This will ensure consistency between the actions of the programme and EU RDI State aid rules, which should be revised in order to incentivise innovation.

Amendment 21
Proposal for a regulation
Recital 12 a (new)

Text proposed by the Commission

(12 a) SMEs constitute a significant source of innovation and growth in Europe. Therefore a strong participation of SMEs as defined in Commission Recommendation 2003/361/EC is needed in Horizon Europe. Building on best practices from Horizon 2020, Horizon Europe should continue to encourage SMEs participation to the Framework Programme in an integrated manner. Adequate measures and budget provisions, including the implementation of a fully bottom-up monobeneficiary SMEs instrument performing incremental innovation, with dedicated open calls throughout the different stages of the innovation cycle should be foreseen.

Amendment

(12 a) SMEs constitute a significant source of innovation and growth in Europe. Therefore a strong participation of SMEs as defined in Commission Recommendation 2003/361/EC is needed in Horizon Europe. Building on best practices from Horizon 2020, Horizon Europe should continue to encourage SMEs participation to the Framework Programme in an integrated manner. Adequate measures and budget provisions, including the implementation of a fully bottom-up monobeneficiary SMEs instrument performing incremental innovation, with dedicated open calls throughout the different stages of the innovation cycle should be foreseen.
The Programme should support research and innovation in an integrated manner, respecting all relevant provisions of the World Trade Organisation. The concept of research, including experimental development should be used in accordance with the Frascati Manual developed by the OECD, whereas the concept of innovation should be used in accordance with the Oslo Manual developed by the OECD and Eurostat, following a broad approach that covers social innovation. The OECD definitions regarding Technological Readiness Level (TRL) should continue, as in the previous Framework Programme Horizon 2020, to be taken into account in the classification of technological research, product development and demonstration activities, and the definition of types of action available in calls for proposals. In principle grants should not be awarded for actions where activities go above TRL 8. The work programme for a given call under the pillar ‘Global Challenges and Industrial Competitiveness’ could allow grants for large-scale product validation and market replication.
Amendment 23
Proposal for a regulation
Recital 14

Text proposed by the Commission

The Commission’s Communication on the interim evaluation of Horizon 2020 (COM(2018)0002) has provided a set of recommendations for this Programme, including its Rules for participation and dissemination, building on the lessons learnt from the previous Programme as well as input from EU institutions and stakeholders. Those recommendations include to invest more ambitiously in order to reach critical mass and maximise impact; to support breakthrough innovation; to prioritise Union research and innovation (R&I) investments in areas of high added value, notably through mission-orientation, citizen involvement and wide communication; to rationalise the Union funding landscape, including by streamlining the range of partnership initiatives and co-funding schemes; the development of more and concrete synergies between different Union funding instruments, notably with the aim of helping to mobilise under-exploited R&I potential across the Union; to strengthen international cooperation and reinforce openness to third countries’ participation; and to continue simplification based on implementation experiences from Horizon 2020.

Amendment

The Commission’s Communication on the interim evaluation of Horizon 2020 (COM(2018)0002) and the European Parliament’s report on the assessment of the implementation of Horizon 2020 in view of its interim evaluation and the Framework Programme 9 proposal (2016/2147(INI)) have provided a set of recommendations for this Programme, including its Rules for participation and dissemination, building on the lessons learnt from the previous Programme as well as input from EU institutions and stakeholders. Those recommendations include to invest more ambitiously in order to reach critical mass and maximise impact; to support breakthrough innovation; to prioritise Union research and innovation (R&I) investments in areas of high added value, notably through mission-orientation, full, well-informed and timely citizen involvement and wide communication; to rationalise the Union funding landscape in order to fully use the R&I potential of all Member States, including by streamlining the range of partnership initiatives and co-funding schemes; the development of more and concrete synergies between different Union funding instruments, notably with the aim of helping to mobilise under-exploited R&I potential across the Union; to better involve research infrastructures financed by the Union — especially from ERDF — into the Programme’s projects, to strengthen international cooperation and reinforce openness to third countries’ participation while safeguarding the Union interest and broadening the participation of all Member States in the Programme; and to continue simplification based on implementation experiences from Horizon 2020.
Amendment 24
Proposal for a regulation
Recital 15

Text proposed by the Commission

(15) The Programme should seek synergies with other Union programmes, from their design and strategic planning, to project selection, management, communication, dissemination and exploitation of results, to monitoring, auditing and governance. With a view to avoiding overlaps and duplication and increasing the leverage of Union funding, transfers from other Union programmes to Horizon Europe activities can take place. In such cases they will follow Horizon Europe rules.

Amendment

(15) **Cohesion policy should continue to contribute to research and innovation. Therefore, special attention needs to be paid to the coordination and complementarity between the two Union policies.** The Programme should seek alignment of rules and synergies with other Union programmes as referred to in Annex IV to this Regulation, from their design and strategic planning, to project selection, management, communication, dissemination and exploitation of results, to monitoring, auditing and governance. With a view to avoiding overlaps and duplication and increasing the leverage of Union funding, as well as decreasing administrative burden for the applicants and the beneficiaries, all types of synergies should follow the principle ‘one action follows one set of rules’:

— transfers from other Union programmes including the European Regional Development Fund (ERDF), to Horizon Europe activities can take place on a voluntary basis. In such cases they will follow Horizon Europe rules, but they will be used only for the benefit of the Member State or managing authority, as relevant, deciding to make the transfer;

— co-funding of an action by Horizon Europe and another Union programme could also be foreseen while not exceeding the total eligible costs of the action. In such cases, only Horizon Europe rules would apply and double audits should be avoided;

— Seals of Excellence should be awarded to all proposals which have passed the ‘excellence’ threshold in Horizon Europe but cannot be financed due to budgetary constraints. In such cases, the rules of the Fund providing support should apply with the exception of state aid rules.
Amendment 25
Proposal for a regulation
Recital 16

Text proposed by the Commission

(16) In order to achieve the greatest possible impact of Union funding and the most effective contribution to the Union’s policy objectives, the Programme should enter into European Partnerships with private and/or public sector partners. Such partners include industry, research organisations, bodies with a public service mission at local, regional, national or international level, and civil society organisations such as foundations that support and/or carry out research and innovation, provided that desired impacts can be achieved more effectively in partnership than by the Union alone.

Amendment

(16) In order to achieve the greatest possible impact of Union funding and the most effective contribution to the Union’s policy objectives and commitments, the Programme may enter into European Partnerships with private and/or public sector partners, on the basis of the outcome of the Strategic Planning. Such partners include public and private research and innovation stakeholders, competence centres, business incubators, science and technology parks, bodies with a public service mission, foundations and civil society organisations and regional innovation ecosystems, where appropriate that support and/or carry out research and innovation, provided that desired impacts can be achieved more effectively in partnership than by the Union alone.

Amendment 26
Proposal for a regulation
Recital 17

Text proposed by the Commission

(17) The Programme should strengthen cooperation between European Partnerships and private and/or public sector partners at the international level including by joining up research and innovation programmes and cross-border investment in research and innovation bringing mutual benefits to people and businesses while ensuring that the EU can uphold its interests in strategic areas (14).

Amendment

(17) The Programme should strengthen cooperation between European Partnerships and private and/or public sector partners at the international level including by joining up research and innovation programmes and cross-border investment in research and innovation bringing mutual benefits to people and businesses while ensuring that the Union can uphold its interests.

(14) See e.g. the Commission’s proposal for a regulation establishing a framework for screening Foreign Direct Investment into the EU (COM(2017)0487).
**Amendment 27**

**Proposal for a regulation**

**Recital 17 a (new)**

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**Text proposed by the Commission**

(17 a) FET Flagships’ have proven to be an effective and efficient instrument, delivering benefits for society in a joint, coordinated effort by the Union and its Member States, and existing flagships that have proven their benefits should continue to be supported.

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**Amendment**

(17 a) FET Flagships’ have proven to be an effective and efficient instrument, delivering benefits for society in a joint, coordinated effort by the Union and its Member States, and existing flagships that have proven their benefits should continue to be supported.

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**Amendment 28**

**Proposal for a regulation**

**Recital 18**

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**Text proposed by the Commission**

(18) The Joint Research Centre (JRC) should continue to provide Union policies with independent customer-driven scientific evidence and technical support throughout the whole policy cycle. The direct actions of the JRC should be implemented in a flexible, efficient and transparent manner, taking into account the relevant needs of the users of the JRC and the needs of Union policies, and ensuring the protection of the financial interests of the Union. The JRC should continue to generate additional resources.

---

**Amendment**

(18) The Joint Research Centre (JRC) should continue to provide Union policies with independent customer-driven scientific evidence and technical support throughout the whole policy cycle. The direct actions of the JRC should be implemented in a flexible, efficient and transparent manner, taking into account the relevant needs of the users of the JRC, the budgetary constraints and the needs of Union policies, and ensuring the protection of the financial interests of the Union. The JRC should continue to generate additional resources.
Text proposed by the Commission

(19) The pillar 'Open Innovation' should establish a series of measures for integrated support to the needs of entrepreneurs and entrepreneurship aiming at realising and accelerating breakthrough innovation for rapid market growth. It should attract innovative companies with potential for scaling up at international and at Union level and offer fast, flexible grants and co-investments, including with private investors. These objectives should be pursued through the creation of a European Innovation Council (EIC). This Pillar should also support the European Institute of Innovation and Technology (EIT) and European innovation ecosystems at large, notably through co-funding partnerships with national and regional innovation support actors.

Amendment

(19) The pillar 'Innovative Europe' should establish a series of measures for integrated support to the needs of entrepreneurs and research-driven entrepreneurship aiming at realising and accelerating breakthrough innovation for rapid market growth as well as promoting the Union’s technological autonomy in strategic areas. It should attract innovative companies, including SMEs and start-ups, with potential for scaling up at international and at Union level and offer fast, flexible grants and co-investments, including with private investors. These objectives should be pursued through the creation of a European Innovation Council (EIC). This Pillar should also support the European Institute of Innovation and Technology (EIT), the EIT Regional Innovation Scheme and European innovation ecosystems at large, throughout the Union, notably through co-funding partnerships with national and regional innovation support actors, both public and private.

Text proposed by the Commission

(20) The policy objectives of this Programme will be also addressed through financial instruments and budgetary guarantee under the policy windows of the InvestEU Fund. Financial support should be used to address market failures or sub-optimal investment situations, in a proportionate manner and actions should not duplicate or crowd out private financing or distort competition in the Internal market. Actions should have a clear European added value.

Amendment

(20) In order to address the need to support investment in higher-risk and non-linear activities such as research and innovation, it is essential that Horizon Europe, in particular the EIC, as well as the EIT with its KICs, work in synergy with the financial products to be deployed under InvestEU. In that regard, the experience gained from the financial instruments deployed under Horizon 2020 such as InnovaFin and the loan guarantee for SMEs, should serve as a strong basis to deliver this targeted support EIC should develop strategic intelligence and real time evaluation activities in order to timely manage and coordinate its various actions.
Amendment 31
Proposal for a regulation
Recital 21

Text proposed by the Commission

The EIC through its instruments — Pathfinder and Accelerator — should aim at identifying, developing and deploying breakthrough market creating innovations and supporting their rapid scale-up to EU and international levels. Through coherent and streamlined support to breakthrough innovation the EIC should fill the current vacuum in public support and private investment for breakthrough innovation. The instruments of the EIC call for dedicated legal and management features in order to reflect its objectives, in particular market deployment activities.

Amendment

deleted

Amendment 32
Proposal for a regulation
Recital 22

Text proposed by the Commission

Through EIC blended finance, the Accelerator should bridge the ‘valley of death’ between research, pre-mass commercialisation and the scaling-up of companies. In particular, the Accelerator should provide support to operations presenting such technological or market risks that they are not considered as bankable and cannot leverage significant investments from the market, hence complementing the InvestEU programme established by Regulation … (15) …

Amendment

(22) Through EIC blended finance, the EIC Accelerator should bridge the ‘valley of death’ between research, pre-mass commercialisation and the scaling-up of companies. In particular, the Accelerator should provide support to operations presenting such technological or market risks that they are not considered as bankable and cannot leverage significant investments from the market, hence complementing the InvestEU programme established by Regulation … (15)
(23) The EIT, primarily through its Knowledge and Innovation Communities (KICs), should aim at strengthening innovation ecosystems that tackle global challenges, by fostering the integration of business, research, higher education and entrepreneurship. The EIT should foster innovation in its activities and should support the integration of higher education within the innovation ecosystem, in particular by: stimulating entrepreneurial education, fostering strong non-disciplinary collaborations between industry and academia; and identifying prospective skills for future innovators to address global challenges, which includes advanced digital and innovation skills. Support schemes provided by the EIT should benefit to EIC beneficiaries, while start-ups emerging from EIT KICs should have access to EIC actions. While the EIT’s focus on innovation ecosystems should make it naturally fit within the pillar ‘Open Innovation’, the planning of its KICs should be aligned through the strategic planning process with the pillar ‘Global Challenges and Industrial Competitiveness’.

(23) The EIT, primarily through its Knowledge and Innovation Communities (KICs) and the EIT Regional Innovation Scheme should aim at strengthening innovation ecosystems for the development of an overall Union capacity for innovation that tackle global challenges, by fostering the integration of business, research, higher education and entrepreneurship. In line with its founding act, the EIT Regulation (1a) and the Strategic Innovation Agenda of the EIT (1b), the EIT should foster innovation in its activities and should support the integration of higher education within the innovation ecosystem, in particular by: stimulating entrepreneurial education, fostering strong non-disciplinary collaborations between industry and academia; and identifying prospective skills for future innovators to address global challenges, which includes advanced digital and innovation skills. Support schemes provided by the EIT should benefit to EIC beneficiaries, while start-ups emerging from EIT KICs should have fast-track access to EIC actions. While the EIT’s focus on innovation ecosystems should make it naturally fit within the pillar ‘Innovative Europe’, it should also support all other pillars, as appropriate, the planning of its KICs should be aligned through the strategic planning process with the pillar ‘Global Challenges and European Industrial Competitiveness’. Duplication between KICs and other instruments in the same field, in particular other Partnerships, should be avoided.


Amendment 34
Proposal for a regulation
Recital 24

Text proposed by the Commission

Ensuring and preserving a level playing field for companies that compete in a given market should be a key requirement for breakthrough or disruptive innovation to flourish thereby enabling in particular small and medium-size innovators to reap the benefits of their investment and to capture a share of the market.

Amendment

Ensuring and preserving a level playing field for companies that compete in a given market should be a key requirement for breakthrough or disruptive innovation to flourish thereby enabling in particular small and medium-size innovators to reap the benefits of their investment and to capture a share of the market. Similarly, a certain degree of openness in the innovation scale of funded actions — addressing a large network of beneficiaries — may contribute substantially to the building capacity of SMEs, as it provides them with the necessary means to attract investments and to thrive.

Amendment 35
Proposal for a regulation
Recital 25

Text proposed by the Commission

The Programme should promote and integrate cooperation with third countries and international organisations and initiatives based on common interest, mutual benefit and global commitments to implement the UN SDGs. International cooperation should aim to strengthen the Union’s research and innovation excellence, attractiveness and economic and industrial competitiveness, to tackle global challenges, as embodied in the UN SDGs, and to support the Union’s external policies. An approach of general opening for international participation and targeted international cooperation actions should be followed, including through appropriate eligibility for funding of entities established in low to middle income countries. At the same time, association of third countries to the Programme should be promoted.

Amendment

The Programme should promote and integrate cooperation with third countries and international organisations and initiatives based on Union’s interest, and mutual benefits and global commitments to implement the UN SDGs. International cooperation should aim to strengthen the Union’s excellence in research and innovation, attractiveness and economic and industrial competitiveness, to tackle global challenges, as embodied in the UN SDGs, and to support the Union’s external policies. An approach of general opening for reciprocal international participation and targeted international cooperation actions should be followed, appropriate eligibility criteria, considering different levels of R&I capacities, for funding of entities established in low to middle income countries need to be applied. At the same time, association of third countries to the Programme should be promoted where reciprocity is envisaged and where Union’s interest is safeguarded and increased participation of all Member States in the Programme is promoted.
(26) With the aim of deepening the relationship between science and society and maximising benefits of their interactions, the Programme should engage and involve citizens and civil society organisations in co-designing and co-creating research and innovation agendas and contents, promoting science education, making scientific knowledge publicly accessible, and facilitating participation by citizens and civil society organisations in its activities. It should do so across the Programme and through dedicated activities in the part ‘Strengthening the European Research Area’. The engagement of citizens and civil society in research and innovation should be coupled with public outreach activities to generate and sustain public support for the Programme. The programme should also seek to remove barriers and boost synergies between science, technology, culture and the arts to obtain a new quality of sustainable innovation.

(26 a) Horizon Europe should support new technologies which contribute to overcoming obstacles, that prevent the access and the full participation of persons with disabilities and which consequently restrain the development of a truly inclusive society.
Amendment 38
Proposal for a regulation
Recital 26 b (new)

Text proposed by the Commission

(26 b) With the aim of strengthening of the European Research Area, all parts of the Programme should contribute to significantly reduce the R&I divide, in particular by increasing the participation of widening countries in the Programme R&I actions, spreading scientific excellence, boosting new R&I cooperation patterns, reducing the remuneration gap among researchers within the Union, counterbalancing the brain-drain, modernising national R&I ecosystems and ensuring a balanced representation in the evaluation panels, expert groups and scientific boards.

Amendment 39
Proposal for a regulation
Recital 27

Text proposed by the Commission

(27) Pursuant to Article 349 of the TFEU, the Union's outermost regions are entitled to specific measures (taking into account their structural, social and economic situation) regarding access to horizontal Union programmes. The Programme should therefore take into account the specific characteristics of those regions in line with the Commission's Communication on 'A stronger and renewed strategic partnership with the EU’s outermost regions' (COM(2017)0623) as endorsed by the Council on 12 April 2018.

Amendment

(27) Pursuant to Article 349 of the TFEU, the Union's outermost regions are entitled to specific measures (taking into account their structural, social and economic situation) regarding access to horizontal Union programmes. The Programme should therefore take into account the specific characteristics of those regions in line with the Commission's Communication on 'A stronger and renewed strategic partnership with the EU’s outermost regions' (COM(2017)0623) as endorsed by the Council on 12 April 2018 and where possible promote their participation in the Programme.
Amendment 40
Proposal for a regulation
Recital 28

The activities developed under the Programme should aim at eliminating gender inequalities and promoting equality between women and men in research and innovation, in compliance with Articles 2 and 3 of the Treaty on European Union and Article 8 of the TFEU. The gender dimension should be adequately integrated in research and innovation content and followed through at all stages of the research cycle.

Amendment 41
Proposal for a regulation
Recital 29

In light of the specificities of the defence industry sector, the detailed provisions for Union funding to defence research projects should be fixed in the Regulation … establishing the European Defence Fund (\(^{16}\)) which defines the rules of participation for defence research. Research and innovation activities carried out under the European Defence Fund should have an exclusive focus on defence applications.

Amendment 42
Proposal for a regulation
Recital 31a (new)

Administrative simplification, in particular the reduction of the administrative burden and delays for beneficiaries should be continuously sought in the establishment, implementation, evaluation, reporting and monitoring of the Programme.
Amendment 43
Proposal for a regulation
Recital 31 b (new)

In order to ensure that Europe remains at the forefront of global research and innovation in the digital field and to take account of the necessity to step up investments to benefit from the growing opportunities of digital technologies, sufficient budget should be allocated to core digital priorities.

Amendment 44
Proposal for a regulation
Recital 33

Pursuant to [reference to be updated as appropriate according to a new decision on OCTs: Article 94 of Council Decision 2013/755/EU (23)], persons and entities established in overseas countries and territories (OCTs) are eligible for funding subject to the rules and objectives of the Programme and possible arrangements applicable to the Member State to which the relevant overseas country or territory is linked.

The Programme should take due account of the specific features of those territories in order to ensure their effective participation and to support cooperation and synergies, particularly in the outermost regions as well as with third countries in their neighbourhood.

Amendment 45
Proposal for a regulation
Recital 34

Pursuant to paragraph 22 and 23 of the Inter-institutional agreement for Better Law-Making of 13 April 2016, there is a need to evaluate this Programme on the basis of information collected through specific monitoring requirements, while avoiding overregulation and administrative burdens, in particular on Member States. These requirements, where appropriate, can include measurable indicators, as a basis for evaluating the effects of the Programme on the ground.

Amendment 46
Proposal for a regulation
Recital 38

Text proposed by the Commission

(38) Common rules across the Programme should ensure a coherent framework which facilitates participation in programmes financially supported by the budget of the Programme, including participation in programmes managed by funding bodies such as the EIT, joint undertakings or any other structures under Article 187 TFEU, and participation in programmes undertaken by Member States pursuant to Article 185 TFEU. **Flexibility to adopt** specific rules should be **ensured when justified.**

Amendment

(38) Common rules and requirements across the Programme should ensure simplified and common implementing tools including for monitoring and reporting and a coherent framework which facilitates participation in programmes financially supported by the budget of the Programme, including participation in programmes managed by funding bodies such as the EIT, joint undertakings or any other structures under Article 187 TFEU, and participation in programmes undertaken by Member States pursuant to Article 185 TFEU. **Adopting specific rules should be possible but exceptions must be limited to when strictly necessary and duly justified.**

Amendment 47
Proposal for a regulation
Recital 39

Text proposed by the Commission

(39) Actions which fall within the scope of the Programme should respect fundamental rights and observe the principles acknowledged in particular by the Charter of Fundamental Rights of the European Union. Such actions should be in conformity with any legal obligation including international law and with any relevant Commission decisions such as the Commission notice of 28 June 2013 (25), as well as with ethical principles, which include avoiding any breach of research integrity. Article 13 TFEU should also be taken into account in research activities, and the use of animals in research and testing should be reduced, with a view ultimately to replacing their use.

Amendment

(39) Actions which fall within the scope of the Programme should respect fundamental rights and observe the principles acknowledged in particular by the Charter of Fundamental Rights of the European Union. Such actions should be in conformity with any legal obligation including international law and with any relevant Commission decisions such as the Commission notice of 28 June 2013 (25), as well as with ethical principles, which include avoiding any breach of research integrity. **The opinions of the European Group on Ethics in Science and New Technologies, the European Union Agency for Fundamental Rights and the European Data Protection Supervisor should be taken into account.** Article 13 TFEU should also be taken into account in research activities, and the use of animals in research and testing should be reduced, with a view ultimately to replacing their use.

Amendment 48
Proposal for a regulation
Recital 40

(40) In line with the objectives of international cooperation as set out in Articles 180 and 186 TFEU, the participation of legal entities established in third countries and of international organisations should be promoted. The implementation of the Programme should be in conformity with the measures adopted in accordance with Articles 75 and 215 TFEU and should be in compliance with international law. For actions related to Union strategic assets, interests, autonomy or security, the participation to specific actions of the Programme may be limited to entities established in Member States only, or to entities established in specified associated or other third countries in addition to Member States.

Amendment 49
Proposal for a regulation
Recital 41

(41) Reflecting the importance of tackling climate change in line with the Union’s commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Programme will contribute to mainstream climate actions and to the achievement of an overall target of 25 % of the EU budget expenditures supporting climate objectives.

Amendment

(41) Acknowledging climate change as one of the biggest global and societal challenges and reflecting the importance of tackling climate change in line with the Union’s commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Programme will contribute with at least 35 % of its expenditures supporting climate objectives as appropriate and as part of the general Union objective of mainstreaming climate actions and of spending 30 % of the EU budget. In order to monitor and verify this objective, all climate-related expenditures must be recorded to cover all Union budget programmes and reflected in the appropriate parts of the work programmes. Their estimated spending on particular technologies within clean energy technology, should be broken down to ensure international comparability. In order to address the European Court of Auditors’ recommendations [Report 31/2016], climate mainstreaming mechanisms should differentiate ex-post between mitigation and adaptation when reporting.
Amendment 50
Proposal for a regulation
Recital 43

Text proposed by the Commission

(43) Use of sensitive background information or access by unauthorized individuals to sensitive results may have an adverse impact on the interests of the Union or of one or more of the Member States. Thus handling of confidential data and classified information should be governed by all relevant Union law, including the Institutions’ internal rules, such as Commission Decision (EU, Euratom) 2015/444, which lays down the provisions on security rules for protecting EU classified information.

Amendment

(43) Use of sensitive background information or access by unauthorized individuals to sensitive results and research data may have an adverse impact on the interests of the Union or of one or more of the Member States. Thus handling of confidential data and classified information should be governed by all relevant Union law, including the Institutions’ internal rules, such as Commission Decision (EU, Euratom) 2015/444, which lays down the provisions on security rules for protecting EU classified information.

Amendment 51
Proposal for a regulation
Recital 44

Text proposed by the Commission

(44) It is necessary to establish the minimum conditions for participation, both as a general rule where the consortium should include at least one legal entity from a Member State, and with regard to the specificities of particular type of actions under the Programme.

Amendment

deleted

Amendment 52
Proposal for a regulation
Recital 45

Text proposed by the Commission

(45) It is appropriate to establish the terms and conditions for providing Union funding to participants in actions under the Programme. Grants should be implemented taking into account all forms of contribution set out in the Financial Regulation, including lump sums, flat rates or unit costs, with the view to further simplification.

Amendment

(45) It is necessary to establish the terms and conditions for providing Union funding to participants in actions under the Programme. Grants will be the main type of financing within the Programme. Other types of financing should be chosen on the basis of their ability to achieve the specific objectives of the actions and to deliver results, taking into account in particular the costs of controls, the administrative burden, and the expected risk of non-compliance. For grants, this should include a consideration of the use of lump sums, flat rates and scales of unit costs as set out in the Financial Regulation, with a view to further simplification. Before any new costs reimbursement system could be deemed a real simplification for the beneficiaries, it should be preceded by an extensive and positive evaluation.
Amendment 53
Proposal for a regulation
Recital 46

Text proposed by the Commission

(46) The funding rates in this Regulation are referred to as maximums in order to comply with the co-financing principle.

Amendment

deleted

Amendment 54
Proposal for a regulation
Recital 47

Text proposed by the Commission

(47) In accordance with the Financial Regulation, the Programme should provide the basis for a wider acceptance of the usual cost accounting practices of the beneficiaries as regards personnel costs and unit costs for internally invoiced goods and services. The usage of unit costs for internally invoiced goods and services combining direct costs and indirect cost should be an option which could be chosen by all beneficiaries. Costs estimated via allocation keys should be eligible.

Amendment

(47) In accordance with the Financial Regulation, the Programme should provide the basis for a wider acceptance of the usual cost accounting practices of the beneficiaries as regards personnel costs and unit costs for internally invoiced goods and services. The usage of unit costs for internally invoiced goods and services combining direct costs and indirect cost should be an option which could be chosen by all beneficiaries. Costs estimated via allocation keys should be eligible.

Amendment 55
Proposal for a regulation
Recital 48

Text proposed by the Commission

(48) The current system of reimbursement of actual personnel costs should be further simplified building on the project-based remuneration approach developed under Horizon 2020 and further aligned to the Financial Regulation.

Amendment

(48) The current system of reimbursement of actual personnel costs should be further simplified building on the project-based remuneration approach developed under Horizon 2020 and further aligned to the Financial Regulation, aiming for ‘equal pay for equal work’ as a general principle and to close the remuneration gap between EU researchers involved in the Programme.
Amendment 56
Proposal for a regulation
Recital 50

Text proposed by the Commission

(50) Rules governing the exploitation and dissemination of results should be laid down to ensure that beneficiaries protect, exploit, disseminate and provide access to those results as appropriate. More emphasis should be given to exploiting the results, in particular in the Union. Beneficiaries should update their plans regarding the exploitation and dissemination of their results during and after the end of the action.

Amendment

(50) Rules governing the exploitation and dissemination of results should be laid down to ensure that beneficiaries protect, exploit, disseminate and provide access to those results as appropriate, taking into consideration the legitimate interests of the beneficiaries and any other constraints, such as data protection rules, privacy and security rules as well as intellectual property rights, confidentiality, or the Union’s global economic competitiveness. More emphasis should be given to exploiting the results, especially in the Union. Beneficiaries should update their plans regarding the exploitation and dissemination of their results during the action.

Amendment 57
Proposal for a regulation
Recital 51

Text proposed by the Commission

(51) The key elements of the proposal evaluation and selection system of the predecessor programme Horizon 2020 with its particular focus on excellence should be maintained. Proposals should continue to be selected based on the evaluation made by independent experts. Where relevant, the necessity to ensure the overall coherence of the portfolio of projects should be taken into account.

Amendment

(51) The key elements of the proposal evaluation and selection system of the predecessor programme Horizon 2020 with its particular focus on excellence, ‘impact’ and ‘quality and efficiency of implementation’ criteria should be maintained. Proposals should continue to be selected based on the evaluation made by independent experts stemming from as many Member States as possible. The Commission should organise anonymous evaluation where appropriate and analyse its results in order to avoid selection bias. Where relevant, the necessity to ensure the overall coherence of the portfolio of projects should be taken into account by independent experts.
Amendment 58
Proposal for a regulation
Recital 52

Text proposed by the Commission

(52) A wider cross-reliance on audits and assessments – including with other Union programmes – should be envisaged, in order to reduce administrative burden for beneficiaries of Union funds. Cross reliance should be explicitly provided for by considering also other elements of assurance such as systems and processes audits.

Amendment

(52) Systematic cross-reliance on audits and assessments with other Union programmes should be implemented in accordance with Article 127 of the Financial Regulation for all parts of the Programme, in order to reduce administrative burden for beneficiaries of Union funds. Cross reliance should be explicitly provided for by considering also other elements of assurance such as systems and processes audits.

Amendment 59
Proposal for a regulation
Recital 53

Text proposed by the Commission

(53) Specific challenges in the area of research of innovation should be addressed by prizes, including through common or joint prizes where appropriate, organised by the Commission or funding body with other Union bodies, third countries, international organisations or non-profit legal entities.

Amendment

(53) Specific challenges in the areas of research and innovation should be addressed by prizes, including through common or joint prizes where appropriate, organised by the Commission or funding body with other Union bodies, third countries, international organisations or non-profit legal entities. In particular, prizes should be awarded to projects attracting scientists to widening countries as well as to successful projects to increase their visibility and allow to increase the promotion of Union funded actions.

Amendment 60
Proposal for a regulation
Recital 54

Text proposed by the Commission

(54) The types of financing and the methods of implementation under this Regulation shall be chosen on the basis of their ability to achieve the specific objectives of the actions and to deliver results, taking into account, in particular, the costs of controls, the administrative burden, and the expected risk of non-compliance. For grants, this shall include consideration of the use of lump sums, flat rates and scales of unit costs.

Amendment

(54) Financing types and the methods of implementation under this Regulation shall be chosen on the basis of their ability to achieve the specific objectives of the actions and to deliver results, taking into account, in particular, the costs of controls, the administrative burden, and the expected risk of non-compliance. This should include consideration of the use of lump sums, flat rates and scales of unit costs.
Amendment 61

Proposal for a regulation

Article 1

Subject matter

1. This Regulation establishes Horizon Europe — the Framework Programme for Research and Innovation ('the Programme') and the rules for participation and dissemination in indirect actions under the Programme.

2. It lays down the objectives of the Programme, the budget for the period 2021 — 2027, the forms of Union funding and the rules for providing such funding.

3. The Programme shall be implemented through:

   (a) the specific programme established by Decision …/[…]/EU (*) which includes a financial contribution to the EIT;

   (b) the specific programme on defence research established by Regulation …/[…]/EU.

4. The terms 'Horizon Europe', 'the Programme' and 'specific programme' used in this Regulation address matters relevant only to the specific programme described in paragraph 3(a), unless otherwise explicitly stated.

4.a The EIT shall implement the Programme in accordance with the Strategic R&I plan and the Strategic Innovation Agenda of the EIT for the period 2021-2027, with the reserve that any new KIC created shall, if possible, entail additional and adequate budgetary resources and shall not undermine the objectives and the commitments of the existing KICs.

(*)
For the purposes of this Regulation, the following definitions apply:

(1) ‘research infrastructures’ mean facilities that provide resources and services for the research communities to conduct research and foster innovation in their fields. This definition includes the associated human resources, and it covers major equipment or sets of instruments; knowledge-related facilities such as collections, archives or scientific data infrastructures; computing systems, communication networks, and any other infrastructure, of a unique nature and open to external users, essential to achieve excellence in research and innovation. Where relevant, they may be used beyond research, for example for education or public services and they may be ‘single sited’, ‘virtual’ or ‘distributed’;

(2) ‘smart specialisation strategy’ has the same meaning as smart specialisation strategy as defined in Regulation (EU) No 1303/2013 of the European Parliament and of the Council (26) and fulfilling the enabling conditions set out in Regulation (EU) XX [Common Provisions Regulation];

(3) ‘European Partnership’ means an initiative where the Union, together with private and/or public partners (such as industry, universities, research organisations including research infrastructures, bodies with a public service mission at local, regional, national or international level or civil society organisations including foundations), commit to jointly support the development and implementation of a programme of research and innovation activities, including those related to market, regulatory or policy uptake;

For the purposes of this Regulation, the following definitions apply:

(1) ‘research infrastructures’ mean facilities that provide resources and services for the research communities to conduct research and foster innovation in their fields. This definition includes the associated human resources, and it covers major equipment or sets of instruments in particular those supported by other Union funds as referred to in Annex IV; knowledge-related facilities such as collections, archives or scientific data infrastructures; computing systems, communication networks, and any other infrastructure, of a unique nature and open to external users, essential to achieve excellence in research and innovation. Where relevant, they may be used beyond research, for example for education or public services and they may be ‘single sited’, ‘virtual’ or ‘distributed’;

(2) ‘smart specialisation strategy’ has the same meaning as smart specialisation strategy as defined in Regulation (EU) No 1303/2013 of the European Parliament and of the Council (26) and fulfilling the enabling conditions set out in Regulation (EU) XX [Common Provisions Regulation];

(3) ‘European Partnership’ means an initiative where the Union, together with private and/or public partners (such as industry, universities, research organisations including research infrastructures, bodies with a public service mission at local, regional, national or international level or civil society organisations including non-governmental organisations and foundations), where appropriate commit to jointly support the development and implementation of a programme of research and innovation activities, including those pursuant to Article 185 and 187 TFUE, and those related to market, regulatory or policy uptake;
(4) ‘open access’ means the practice of providing online access to research outputs resulting from actions funded under the Programme, in particular scientific publications and research data, free of charge to the end-user;

(4) ‘open access’ means the practice of providing online access to research outputs resulting from actions funded under the Programme, in particular scientific publications and research data, free of charge to the end-user. With regard to research data, relevant privacy and security interests, as well as intellectual property rights, confidentiality, European Union global economic competitiveness and other legitimate interests need to be addressed in accordance with the principle ‘as open as possible, as closed as necessary’ and according to ‘robust opt-outs’;

(5) ‘mission’ means a portfolio of actions intended to achieve a measurable goal within a set timeframe, and impact for science and technology and/or society and citizens that could not be achieved through individual actions;

(5) ‘mission’ means a portfolio of excellence-driven R&I actions which could be cross-cluster or cross-cutting intended to achieve a measurable goal within a set timeframe, and have an impact for science and technology, for society, policymaking and/or diplomacy and citizens and which could not be achieved through individual actions;

(6) ‘pre-commercial procurement’ means the procurement of research and development services involving risk-benefit sharing under market conditions, and competitive development in phases, where there is a clear separation of the research and development services procured from the deployment of commercial volumes of end-products;

(6) ‘pre-commercial procurement’ means the procurement of research and development services involving risk-benefit sharing under market conditions, and competitive development in phases, where there is a clear separation of the research and development services procured from the deployment of commercial volumes of end-products;

(7) ‘public procurement of innovative solutions’ means procurement where contracting authorities act as a launch customer for innovative goods or services which are not yet available on a large-scale commercial basis, and may include conformity testing.

(7) ‘public procurement of innovative solutions’ means procurement where contracting authorities act as a launch customer for innovative goods or services which are not yet available on a large-scale commercial basis, and may include conformity testing.

(8) ‘access rights’ means rights to use results or background;

(8) ‘access rights’ means rights to use results or background under terms and conditions laid down in accordance with this Regulation;

(9) ‘background’ means any data, know-how or information whatever its form or nature, tangible or intangible, including any rights such as intellectual property rights, that is: (i) held by beneficiaries prior to their accession to the action; (ii) identified by the beneficiaries in writing in any manner as needed for implementing the action or for exploiting its results;

(9) ‘background’ means any data, know-how or information whatever its form or nature, tangible or intangible, including any rights such as intellectual property rights, that is: (i) held by beneficiaries prior to their accession to the action; and (ii) identified by the beneficiaries in a written agreement as needed for implementing the action or for exploiting its results;

(10) ‘dissemination’ means the public disclosure of the results by appropriate means (other than resulting from protecting or exploiting the results), including by scientific publications in any medium;

(10) ‘dissemination’ means the public disclosure of the results by appropriate means (other than resulting from protecting or exploiting the results), including by scientific publications in any medium;
(11) 'exploitation' means the use of results in further research and innovation activities other than those covered by the action concerned, or in developing, creating, manufacturing and marketing a product or process, or in creating and providing a service, or in standardisation activities;

(11) 'exploitation' means the use of results in further research and innovation activities other than those covered by the action concerned, or inter alia, commercial exploitation such as developing, creating, manufacturing and marketing a product or process, or in creating and providing a service, or in standardisation activities;

(12) 'fair and reasonable conditions' means appropriate conditions, including possible financial terms or royalty-free conditions, taking into account the specific circumstances of the request for access, for example the actual or potential value of the results or background to which access is requested and/or the scope, duration or other characteristics of the exploitation envisaged;

(12) 'fair and reasonable conditions' means appropriate conditions, including possible financial terms or royalty-free conditions, taking into account the specific circumstances of the request for access, for example the actual or potential value of the results or background to which access is requested and/or the scope, duration or other characteristics of the exploitation envisaged;

(13) 'funding body' means a body or organisation, other than the Commission, as referred to in point (c) of Article 62(1) of the Financial Regulation, to which the Commission has entrusted budget implementation tasks under the Programme;

(13) 'funding body' means a body or organisation, other than the Commission, as referred to in point (c) of Article 62(1) of the Financial Regulation, to which the Commission has entrusted budget implementation tasks under the Programme;

(14) 'international European research organisation' means an international organisation, the majority of whose members are Member States or associated countries, and whose principal objective is to promote scientific and technological cooperation in Europe;

(14) 'international European research organisation' means an international organisation, the majority of whose members are Member States or associated countries, and whose principal objective is to promote scientific and technological cooperation in Europe;

(15) 'legal entity' means any natural or legal person created and recognised as such under national law, Union law or international law, which has legal personality and which may, acting in its own name, exercise rights and be subject to obligations, or an entity without a legal personality in accordance with Article 197(2)(c) of the Financial Regulation;

(15) 'legal entity' means any natural or legal person created and recognised as such under national law, Union law or international law, which has legal personality and which may, acting in its own name, exercise rights and be subject to obligations, or an entity without a legal personality in accordance with Article 197(2)(c) of the Financial Regulation;

(15 a) 'widening countries' means those countries identified through the composite indicator of Research Excellence (R&D intensity, excellence in S&T, Knowledge-intensity of economy, High Tech/ Medium Tech product contribution to trade balance) and with a corrective threshold of 70% of the Union average (\(^{26a}\)).

(16) 'non-profit legal entity' means a legal entity which by its legal form is non-profit-making or which has a legal or statutory obligation not to distribute profits to its shareholders or individual members;

(16) 'non-profit legal entity' means a legal entity which by its legal form is non-profit-making or which has a legal or statutory obligation not to distribute profits to its shareholders or individual members;

(17) 'mid-cap' means a company that is not a micro-, small- and medium-sized enterprise (SME) as defined in Commission Recommendation 2003/361/EC (\(^{27}\)), and that has a number of employees of up to 3 000 where the staff headcount is calculated in accordance with Articles 3, 4, 5 and 6 of Title I of the Annex of that Recommendation;

(17) 'mid-cap' means a company that is not a micro-, small- and medium-sized enterprise (SME) as defined in Commission Recommendation 2003/361/EC (\(^{27}\)), and that has a number of employees of up to 3 000 where the staff headcount is calculated in accordance with Articles 3, 4, 5 and 6 of Title I of the Annex of that Recommendation;
(18) ‘results’ means any tangible or intangible effect of the action, such as data, know-how or information, whatever its form or nature, whether or not it can be protected, as well as any rights attached to it, including intellectual property rights;

(19) ‘seal of excellence’ means a certified label which shows that a proposal submitted to a call for proposals exceeded all of the thresholds set out in the work programme, but could not be funded due to lack of budget available to that call in the work programme;

(19 a) ‘strategic R&I Plan’ means a document adopted every two years by means of a delegated act supplementing the Specific Programme, and following a broad mandatory multi-stakeholder consultation process with Member States, the European Parliament, the RDI stakeholders, including civil society. It defines the priorities, the instruments, and the suitable types of action and forms of implementation, thus serving as a basis for the development of the work programmes. It contains in particular the selected missions, the newly established or continued contractual or institutional partnerships, FET-Flagships and KICs;

(20) ‘work programme’ means the document adopted by the Commission for the implementation of the specific programme in accordance with its Article 12 or the equivalent document in content and structure adopted by a funding body.

(21) ‘reimbursable advance’ means the part of a Horizon Europe or EIC blended finance corresponding to a loan under Title X of the Financial Regulation, but that is directly awarded by the Union on a non-profit basis to cover the costs of activities corresponding to an innovation action, and to be reimbursed by the beneficiary to the Union under the conditions provided for in the contract;

(22) ‘contract’ means the agreement concluded between the Commission or a funding body with a legal entity implementing an innovation and market deployment action and supported by a Horizon Europe or EIC blended finance.
(23) 'classified information' means EU classified information as defined in Article 3 of Commission Decision (EU, Euratom) 2015/444 as well as classified information of Member States, classified information of third countries with which the Union has a security agreement and classified information of international organisations with which the Union has a security agreement.

(24) 'Blending operation' means actions supported by the EU budget, including within blending facilities pursuant to Article 2(6) of the Financial Regulation, combining non-repayable forms of support and/or financial instruments from the EU budget with repayable forms of support from development or other public finance institutions, as well as from commercial finance institutions and investors.

(25) 'Horizon Europe or EIC blended finance' means a single financial support to an innovation and market deployment action, consisting in a specific combination of a grant or a reimbursable advance with an investment in equity.

(25 a) 'research and innovation action' means an action primarily consisting of activities aiming to establish new knowledge and/or to explore the feasibility of a new or improved technology, product, process, service or solution. This may include basic and applied research, technology development and integration, testing and validation on a small-scale prototype in a laboratory or simulated environment;

(25 b) 'innovation action' means an action primarily consisting of activities directly aimed at producing plans and arrangements or designs for new, altered or improved products, processes or services, possibly including prototyping, testing, demonstrating, piloting, large-scale product validation and market replication;

(25 c) 'ERC frontier research' means principal investigator-led research actions, hosted by ERC only single or multiple beneficiaries;

(25 d) 'training and mobility action' means an action geared towards the improvement of skills, knowledge and career prospects of researchers based on mobility between countries, and, if relevant, between sectors or disciplines;

(25 e) 'programme co-funding action' means an action to provide co-funding to a programme of activities established and/or implemented by entities managing and/or funding research and innovation programmes, other than Union funding bodies;
(25 f) ‘pre-commercial procurement action’ means an action with the primary aim of conducting pre-commercial procurement procedures implemented by beneficiaries that are contracting authorities or contracting entities;

(25 g) ‘public procurement of innovative solutions action’ means an action with the primary aim of conducting joint or coordinated public procurement procedures concerning innovative solutions implemented by beneficiaries that are contracting authorities or contracting entities;

(25 h) ‘coordination and support action’ means an action contributing to the objectives of the Programme, excluding research and innovation activities;

(25 i) ‘public procurement’ means the implementation of parts of the Programme related to strategic interests and autonomy of the Union and the carrying out, for the Commission’s own purposes, of public procurement procedures for studies, products, services and capabilities;

(25 j) ‘affiliated entity’ means any legal entity that is under the direct or indirect control of a participant, or under the same direct or indirect control as the participant, or that is directly or indirectly controlling a participant;


(27) The Commission may review and if necessary update the list of widening countries in its work programmes.

(28) OJ …. 
Amendment 63
Proposal for a regulation

Article 3

Programme objectives

1. The Programme's general objective is to deliver scientific, economic and societal impact from the Union's investments in research and innovation so as to strengthen the scientific and technological bases of the Union and foster its competitiveness, including in its industry, deliver on the Union strategic priorities, and contribute to tackling global challenges, including the Sustainable Development Goals.

2. The Programme has the following specific objectives:

(-a) to develop, promote and spread scientific and technological excellence;

(a) to support the creation and diffusion of high-quality new knowledge, skills, technologies and solutions to global challenges;

(b) to strengthen the impact of research and innovation in developing, supporting and implementing Union policies, and support the uptake of innovative solutions in industry and society to address global challenges;

(c) to foster all forms of innovation, including breakthrough innovation, and strengthen market deployment of innovative solutions;

1. The Programme’s general objective is to deliver scientific, technological, economic and societal impact from the Union’s investments in research and innovation so as to strengthen the scientific and technological bases of the Union as a whole, to strengthen the European Research Area and foster its competitiveness. Research and industry shall deliver on the Union strategic priorities and policies, contribute to addressing global challenges, including the Sustainable Development Goals and the Paris Agreement as well as contribute to achieving an overall investment of 3% of the GDP invested in research and development, in line with the commitment made by the Union Heads of State and Governments.

2. The Programme has the following specific objectives:

(a) to support the creation and diffusion of high-quality knowledge, skills, technologies and solutions, based on both fundamental and applied research, in order to tackle global challenges, including climate change and Sustainable Development goals;

(a a) to aim at significantly reducing the R&I divide within the Union, in particular by increasing participation in Horizon Europe of low R&I performing Member States as compared to the previous FP;

(b) to strengthen the Union added value of RDI funding, the impact of research and innovation in developing, supporting and implementing Union policies, and support the access to and uptake of innovative solutions in society and European industry;

(c) to foster all forms of innovation and strengthen market deployment and exploitation of RDI results especially within the Union;
(d) to optimise the Programme's delivery for **increased** impact within a strengthened European Research Area.

**Amendment**

(d) to optimise the Programme's delivery for **strengthening and increasing the** impact and RDI attractiveness of the European Research Area.

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**Amendment 64**

Proposal for a regulation

**Article 4**

Programme structure

1. The Programme is structured in the following parts contributing to the general and specific objectives set out in Article 3:

(1) Pillar I ‘Open Science’, **pursuing the specific objective set out in Article 3(2)(a) and also supporting specific objectives set out in Article 3(2)(b) and (c)**, with the following components:

   (a) the European Research Council (ERC);
   
   (b) Marie Skłodowska-Curie Actions (MSCA);
   
   (c) research infrastructures.

(2) Pillar II ‘Global Challenges and Industrial Competitiveness’, **pursuing the specific objective set out in Article 3(2)(b) and also supporting the specific objectives set out in Article 3(2)(a) and (c)**, with the following components:

   (a) cluster ‘Health’;
   
   (b) cluster ‘Inclusive and Secure Society’;
   
   (c) cluster ‘Digital and Industry’;
   
   (d) cluster ‘Climate, Energy and Mobility’;
   
   (e) cluster ‘Food and Natural Resources’;
   
   (f) non-nuclear direct actions of the Joint Research Centre (JRC).

(3) Pillar III ‘Open Innovation’, **pursuing the specific objective set out in Article 3(2)(c) and also supporting the specific objectives set out in Article 3(2)(a) and (b)**, with the following components:

   (a) the European Innovation Council (EIC);
   
   (b) cluster ‘Secure Societies’;
   
   (c) cluster ‘Digital, Industry and Space’;
   
   (d) cluster ‘Climate, Energy and Mobility’;
   
   (e) cluster ‘Food, Natural Resources and Agriculture’;
   
   (f) non-nuclear direct actions of the Joint Research Centre (JRC).

(1) Pillar I ‘**Excellent and Open Science**’ with the following components:

   (a) the European Research Council (ERC);
   
   (b) Marie Skłodowska-Curie Actions (MSCA);
   
   (c) research infrastructures.

(2) Pillar II ‘Global Challenges and **European** Industrial Competitiveness’ with the following components:

   (a) cluster ‘Health’;
   
   (b) cluster ‘Inclusive and Creative Society’;
   
   (c) cluster ‘Digital, Industry and Space’;
   
   (d) cluster ‘Climate, Energy and Mobility’;
   
   (e) cluster ‘Food, Natural Resources and Agriculture’;
   
   (f) non-nuclear direct actions of the Joint Research Centre (JRC).

(3) Pillar III ‘**Innovative Europe**’ with the following components:

   (a) the European Innovation Council (EIC);
### Amendment 65

**Proposal for a regulation**

**Article 5**

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<td>Defence research</td>
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1. Activities to be carried out under the specific programme referred to in Article 1(3)(b) and which are laid down in Regulation .... establishing the European Defence Fund, shall be **research with an exclusive** focus on defence applications, with the objective to foster **the** competitiveness, efficiency and innovation of defence industry.

2. This Regulation does not apply to the specific programme referred to in Article 1(3)(b), with the exception of this Article, Article 1(1) and (3) and Article 9(1).

### Amendment 66

**Proposal for a regulation**

**Article 6**

**Implementation and forms of EU funding**

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<td><strong>Implementation</strong> and forms of EU funding</td>
<td><strong>Strategic planning and implementation</strong> and forms of EU funding</td>
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1. The Programme shall be implemented in direct management in accordance with the Financial Regulation or in indirect management with funding bodies referred to in Article 62(1)(c) of the Financial Regulation.

2. The Programme may provide funding to indirect actions in any of the forms laid down in the Financial Regulation, in particular grants (including operating grants), prizes and procurements. It may also provide financing in the form of financial instruments within blending operations.

3. The rules for participation and dissemination laid down in this Regulation shall apply to indirect actions.

4. The main types of action to be used under the Programme are set out and defined in Annex II. All forms of funding shall be used in a flexible manner across all objectives of the Programme with their use being determined on the basis of the needs and the characteristics of the particular objectives.

5. The Programme shall also support direct actions undertaken by the JRC. Where these actions contribute to initiatives established under Article 185 or Article 187 TFEU, this contribution shall not be considered as part of the financial contribution allocated to those initiatives.

6. The implementation of the specific programme (°) shall be based on a transparent and strategic multiannual planning of research and innovation activities, in particular for the pillar 'Global Challenges and Industrial Competitiveness'. Following consultations with stakeholders about priorities and the suitable types of action and forms of implementation to use, this shall ensure alignment with other relevant Union programmes.

Consultations with national authorities, the European Parliament, RDI and industry stakeholders including European Technology Platforms (ETPs), civil society representatives, and independent advisory groups of high-level experts shall be held about priorities and the suitable types of action and forms of implementation to use. The Strategic Planning shall ensure alignment with other relevant Union programmes and increase complementarity and synergies with national and regional RDI funding programmes and priorities, thereby strengthening the ERA.

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Text proposed by the Commission

6 a. The Programme shall provide the possibility to apply for funding in a faster manner for all beneficiaries. A number of research and innovation actions shall apply a Fast Track to Research and Innovation logic where time-to-grant shall not exceeding 6 months. This shall allow a faster, bottom-up access to funds for small collaborative consortia covering actions from fundamental research to market application. Calls under the Fast Track to Research and Innovation approach shall be continuously open with cut-off dates and be implemented in the work programmes under clusters, the EIC and the ‘spreading excellence’ part.

7. Horizon Europe activities shall be primarily delivered through calls for proposals, some of which organised as parts of missions and European Partnerships.

8. Research and innovation activities carried out under Horizon Europe shall have a focus on civil applications.

9. The Programme shall ensure the effective promotion of gender equality and the gender dimension in research and innovation content. Particular attention shall be paid to ensuring gender balance, subject to the situation in the field of research and innovation concerned, in evaluation panels and in bodies such as expert groups.

Amendment 67
Proposal for a regulation
Article 6 a (new)

Amendment

6 a. The Programme shall provide the possibility to apply for funding in a faster manner for all beneficiaries. A number of research and innovation actions shall apply a Fast Track to Research and Innovation logic where time-to-grant shall not exceeding 6 months. This shall allow a faster, bottom-up access to funds for small collaborative consortia covering actions from fundamental research to market application. Calls under the Fast Track to Research and Innovation approach shall be continuously open with cut-off dates and be implemented in the work programmes under clusters, the EIC and the ‘spreading excellence’ part.

7. Horizon Europe activities shall be delivered through calls for proposals, some of which organised as parts of missions and European Partnerships, except for the activities referred to in Article 39 on Prizes.

8. Research and innovation activities carried out under Horizon Europe shall have a focus on civil applications.

9. The Programme shall ensure the effective promotion of gender equality and the gender dimension in research and innovation content. Particular attention shall be paid to ensuring gender balance, subject to the situation in the field of research and innovation concerned, in evaluation panels and in bodies such as expert groups.
3. The collaborative parts of the Programme shall ensure a balance between lower and higher TRLs thereby covering the whole value chain.

4. The Programme shall aim to significantly reduce the RDI divide within the Union and to promote broad geographical coverage in collaborative projects. Those efforts shall be mirrored by proportional measures by Member States, with the support of Union, national and regional funds. Particular attention shall be paid to geographical balance, subject to the situation in the field of research and innovation concerned, in funded projects, evaluation panels and in bodies such as boards and expert groups, without undermining the excellence criteria.

5. The Programme shall ensure the effective promotion of gender equality and the gender dimension in research and innovation content and shall address the causes of gender imbalance. Particular attention shall be paid to ensuring gender balance, subject to the situation in the field of research and innovation concerned, in evaluation panels and in other relevant advisory bodies such as boards and expert groups.

6. The Programme shall aim at continuous administrative simplification and reduction of the burden for the beneficiaries.

7. Climate mainstreaming shall be adequately integrated in research and innovation content and applied at all stages of the research cycle.

8. The programme shall provide, where applicable, for societal engagement to better align the process of R&I and its outcomes with the values and needs of society, by promoting science engagement and science education activities and by co-creation and co-design of scientific agendas through engagement of citizens and civil society in R&I priority-setting;

9. The programme shall ensure transparency and accountability of public funding in research and innovation projects, thereby preserving the public interest.

10. The Commission or the relevant funding body shall ensure that sufficient guidance and information is made available to all potential participants at the time of publication of the call for proposals, in particular the applicable model grant agreement.
Amendment 68
Proposal for a regulation
Article 7

Text proposed by the Commission

Article 7
Missions

1. Missions shall be programmed within the pillar 'Global Challenges and Industrial Competitiveness', but may also benefit from actions carried out within other parts of the Programme.

2. The missions shall be implemented in accordance with Article 5 of the Specific Programme. Evaluation shall be carried out in accordance with Article 26.

Amendment

Article 7
Missions

1. Missions shall be programmed within the pillar 'Global Challenges and European Industrial Competitiveness', but may also benefit from actions carried out within other parts of the Programme as well as actions carried out under other Union funding programmes, under Horizon Europe rules.

2. The content of the missions, objectives, targets, timelines and their implementation shall be further specified in the Strategic R&D Plans as identified, as defined in Article 2 and specified in Article 6 of the Framework programme and in Article 5 of the Specific Programme. Evaluation shall be carried out in accordance with Article 26.

2 a. During the first two years of the programme, a maximum of 10% of the annual budget of Pillar II shall be programmed through specific calls for implementing the missions. For the last three years of the programme, and only after a positive evaluation of the mission selection and management process, this percentage may be increased. The total budgetary share dedicated to missions shall be specified in Strategic R&D Plans.

2 b. A full evaluation of the missions covering the scope, governance, Board appointment and their preliminary actions shall be carried out in accordance with their respective measurable milestones. The recommendations resulting from that evaluation shall be taken into account before programming new missions or before continuing, terminating or redirecting existing ones.

3. Missions shall:

(a) have a clear EU-added value and contribute to reaching Union priorities;

(b) be bold and inspirational, and hence have wide societal or economic relevance;

(c) indicate a clear direction and be targeted, measurable and time-bound;

(d) be centered on ambitious but realistic research and innovation activities;

(a a) be inclusive, encourage broad engagement and ensure participation of various types of stakeholders and deliver R&D&I results benefiting all Member States;

(b) be bold, inspirational, and have wide societal, scientific, technological, diplomatic, environmental or economic relevance;

(c) indicate a clear direction and be targeted, measurable and time-bound;

(d) be selected in a transparent manner and be centered on ambitious, excellence-driven, but realistic research and innovation activities across all stages of development:
(d a) include an element of urgency regarding the mission objectives, have the necessary scope, scale and wide mobilization of the resources required and with the sole focus being to deliver the mission outcome;

(e) spark activity across disciplines, sectors and actors;

(f) be open to multiple, bottom-up solutions.

(f a) achieve synergies in a transparent manner with other Union programmes as well as with public and private funds, including through active involvement of national and regional innovation ecosystems.

Amendment 69
Proposal for a regulation
Article 7 a (new)

The European Innovation Council

1. The Commission shall establish a European Innovation Council (EIC) for implementing actions under Pillar III ‘Innovative Europe’ which relates to the EIC. The EIC shall operate according to the following principles: focus on breakthrough and disruptive innovation, autonomy, ability to take risk, efficiency, effectiveness, transparency and accountability.

2. The EIC shall be open to all types of innovators from individuals to universities, research organisations and companies, startups, in particular SMEs and mid-caps and from single beneficiaries to multi-disciplinary consortia. At least 70 % of EIC budget shall be dedicated to innovative start-ups and SMEs.

3. The EIC Board and management features of the EIC are defined in Decision (EU)… [Specific Programme] and its annexes.
Amendment 70
Proposal for a regulation

Article 8

Text proposed by the Commission

European Partnerships

1. Parts of Horizon Europe may be implemented through European Partnerships. The involvement of the Union in European Partnerships may take any of the following forms:

(a) participation in partnerships set up on the basis of memoranda of understanding and/or contractual arrangements between the Commission and the partners referred to in Article 2(3), specifying the objectives of the partnership, related commitments for financial and/or in-kind contributions of the partners, key performance and impact indicators, and outputs to be delivered. They include the identification of complementary research and innovation activities that are implemented by the partners and by the Programme (Co-programmed European Partnerships);

(b) participation in and financial contribution to a programme of research and innovation activities, based on the commitment of the partners for financial and in-kind contributions and integration of their relevant activities using a Programme co-fund action (Co-funded European Partnerships);

(c) participation in and financial contribution to research and innovation programmes undertaken by several Member States in accordance with Article 185 TFEU, or by bodies established pursuant to Article 187 TFEU, such as Joint Undertakings, or by the EIT Knowledge and Innovation Communities in compliance with the [EIT Regulation] (Institutionalised European Partnerships), to be implemented only where other forms of European Partnerships would not achieve the objectives or would not generate the necessary expected impacts, and if justified by a long-term perspective and high degree of integration including central management of all financial contributions.

2. European Partnerships shall:

(a) Be established in cases where they will more effectively achieve objectives of Horizon Europe than the Union alone;

(b) Adhere to the principles of Union added value, transparency, openness, impact, leverage effect, long-term financial commitment of all the involved parties, flexibility, coherence and complementarity with Union, local, regional national and international initiatives;

Amendment

European Partnerships

1. Parts of Horizon Europe may be implemented through European Partnerships. The involvement of the Union in European Partnerships may take any of the following forms:

(a) participation in partnerships set up on the basis of memoranda of understanding and/or contractual arrangements between the Commission and the partners referred to in Article 2(3), specifying the objectives of the partnership, related commitments for financial and/or in-kind contributions of the partners, key performance and impact indicators, and outputs to be delivered. They include the identification of complementary research and innovation activities that are implemented by the partners and by the Programme (Co-programmed European Partnerships);

(b) participation in and financial contribution to a programme of research and innovation activities, based on the commitment of the partners for financial and in-kind contributions and integration of their relevant activities using a Programme co-fund action (Co-funded European Partnerships);

(c) participation in and financial and/or in-kind contributions to research and innovation programmes undertaken by several Member States in accordance with Article 185 TFEU, or by bodies established pursuant to Article 187 TFEU, such as Joint Undertakings, or by the EIT Knowledge and Innovation Communities in compliance with the [EIT Regulation] (Institutionalised European Partnerships), to be implemented only where other forms of European Partnerships would not achieve the objectives or would not generate the necessary expected impacts, and if justified by a long-term perspective and high degree of integration including central management of all financial contributions.

2. European Partnerships shall:

(a) be established only in cases where they will more effectively achieve objectives of Horizon Europe when compared to other parts of the Framework programme;

(b) adhere to the principles of Union added value, transparency, openness, impact, strong leverage effect, long-term financial and/or in-kind commitment of all the involved parties, flexibility, coherence, and complementarity with Union, local, regional national and international initiatives;
Text proposed by the Commission

(c) Be time limited and include conditions for phasing-out the Programme funding.

Amendment

(c) be time limited and include conditions for phasing-out the Programme funding.

2 a. All Partnerships shall be identified in Strategic R&I Plans, as referred to in Article 6 of and Annex III to the Framework Programme and Annex I to the Specific Programme, before being implemented in work programmes or work plans.

Provisions and criteria for their selection, implementation, monitoring, evaluation and phasing-out are set out in Annex III.

Amendments 71 and 172
Proposal for a regulation
Article 9

1. The financial envelope for the implementation of the Framework Programme for the period 2021 — 2027 shall be EUR 94 100 000 000 in current prices for the specific programme referred to in Article 1(3)(a) and, in addition, the amount for the specific programme referred to in Article 1(3)(b), as laid down in Regulation…. establishing the European Defence Fund.

2. The indicative distribution of the amount referred to in paragraph 1, first half sentence, shall be:

(a) EUR 25 800 000 000 for Pillar I ‘Open Science’ for the period 2021-2027, of which

(1) EUR 16 600 000 000 for the European Research Council;

(2) EUR 6 800 000 000 for Marie Skłodowska-Curie Actions;

(3) EUR 2 400 000 000 for research infrastructures;

(b) EUR 52 700 000 000 for Pillar II ‘Global Challenges and Industrial Competitiveness’ for the period 2021-2027, of which

(1) EUR 7 700 000 000 for cluster ‘Health’;

(2) EUR 2 800 000 000 for cluster ‘Inclusive and Secure Society’;

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3. In order to respond to unforeseen situations or to new developments and needs, the Commission may, within the annual budgetary procedure, deviate from the amounts referred to in paragraph 2 up to a maximum of 10%. No such deviation shall be allowed in respect of the amounts referred to in points (b) and (6) of paragraph 2 of this Article and the total amount set out for Part 'Strengthening the European Research Area' of paragraph 2 of this Article.

3a. As part of the general Union objective of mainstreaming climate actions and of spending 30% of the Union budget in support of climate objectives, actions under the Programme shall contribute at least 35% of the expenditure under the Programme to climate objectives where appropriate.

3b. At least EUR 2,5 billion shall be dedicated to grants for incremental innovation in SMEs according to the instrument referred to in Article 43a of this Regulation and in Annex I to the Decision.

3c. 45% of the budget of cluster ‘Inclusive and Creative Society’ shall support research on cultural and creative sectors, including the Union’s cultural heritage, that shall include EUR 300 million to be earmarked for the creation of a European Cultural Heritage Cloud, as set out in Annex I to the Specific Programme following an impact assessment to be presented to the European Parliament.
3d. At least EUR 1 billion shall aim to be dedicated to Quantum Research under the ‘Digital, Industry and Space’ cluster under Pillar II.

4. The amount referred to in paragraph 1, first half sentence, may also cover expenses for preparation, monitoring, control, audit, evaluation and other activities and expenditures necessary for managing and implementing the Programme, including all administrative expenditure, as well as evaluating the achievement of its objectives. It may moreover cover expenses relating to the studies, meetings of experts, information and communication actions, in so far as they are related to the objectives of the Programme, as well as expenses linked to information technology networks focusing on information processing and exchange, including corporate information technology tools and other technical and administrative assistance needed in connection with the management of the Programme.

5. If necessary, appropriations may be entered in the budget beyond 2027 to cover the expenses provided for in paragraph 4, to enable the management of actions not completed by 31 December 2027.

6. Budgetary commitments for actions extending over more than one financial year may be broken down over several years into annual instalments.

7. Without prejudice to the Financial Regulation, expenditure for actions resulting from projects included in the first work programme may be eligible as from 1 January 2021.

8. Resources allocated to Member States under shared management and transferrable in accordance with Article 21 of Regulation (EU) XX [...Common Provisions Regulation] may, at their request, be transferred to the Programme. The Commission shall implement those resources directly in accordance with point (a) of Article 62(1) of the Financial Regulation or indirectly in accordance with point (c) of that Article. Where possible, those resources shall be used for the benefit of the Member State concerned.

9. Horizon Europe is designed to be implemented in synergy with other Union funding programmes. A non-exhaustive list of synergies with other Union funding programmes is included in Annex IV.
Open access and open data

1. Open access to scientific publications resulting from research funded under the Programme shall be ensured in accordance with Article 35(3). Open access to research data shall be ensured in line with the principle ‘as open as possible, as closed as necessary’. **Open access to other research outputs shall be encouraged.**

1. a. Open access to research data shall recognise the need for different access regimes because of the Union’s economic interest, Intellectual Property Rights, personal data protection and confidentiality, security concerns and other legitimate interests, including the possibility for opt-out. Data management plans during the duration of the project shall be considered as eligible costs.

1. b. Reciprocal open access to scientific publications and research data shall be promoted internationally, taking into account the Union’s competitiveness and industrial interests. In particular, reciprocal open access shall be encouraged foreseen in all association agreements and in S&T cooperation agreements with third countries, including agreements signed by funding bodies entrusted for indirect management of the Programme.

2. Responsible management of research data shall be ensured in line with the principles ‘Findability’, ‘Accessibility’, ‘Interoperability’ and ‘Reusability’ (FAIR).

2. Responsible management of research data shall be ensured in line with the principles of data ‘Findability’, ‘Accessibility’, ‘Interoperability’ and ‘Reusability’ (FAIR).

3. Open science practices beyond open access to research **outputs** and responsible management of research data shall be promoted.

3. Open science practices beyond open access to research **data and scientific publications** and responsible management of research data shall be promoted.
Amendment 73
Proposal for a regulation
Article 11

Text proposed by the Commission

Complementary and combined funding

Amendment

Complementary, combined and cumulative funding

1. Horizon Europe shall be implemented in synergy with other Union funding programmes while seeking maximal administrative simplification. A non-exhaustive list of synergies with other funding programmes is included in Annex IV. A The Horizon Europe single set of rules shall apply for an RDI co-funded action.

2. The Seal of Excellence shall be awarded for all parts of the Programme. Actions awarded a Seal of Excellence certification, or which comply with the following cumulative, comparative, conditions:

(a) they have been assessed in a call for proposals under the Programme;

(b) they comply with the minimum quality requirements of that call for proposals;

(c) they may not be financed under that call for proposals due to budgetary constraints,

may receive support from the European Regional Development Fund, the Cohesion Fund, the European Social Fund+ or the European Agricultural Fund for Rural Development, in accordance with paragraph 5 of Article [67] of Regulation (EU) XX [Common Provisions Regulation] and Article [8] or Regulation (EU) XX [Financing, management and monitoring of the Common Agricultural Policy], provided that such actions are consistent with the objectives of the programme concerned. The rules of the Fund providing support shall apply.

2 a. In accordance with Article 21 of Regulation (EU) XX […] Common Provisions Regulation], the managing authority, on a voluntary basis, may request the transfer of parts of its financial allocations to Horizon Europe. Transferred resources shall be implemented in accordance with the rules of Horizon Europe. In addition, the Commission shall ensure that such transferred funds are earmarked entirely for programmes and/or projects which will be implemented in the Member State or region, as applicable, they originated from.

2 b. With prior authorisation from the applicants, the Commission shall include the allocations referred to in this Article in the information system on selected projects in order to allow for a fast exchange of information and enable financing authorities to provide funding to the selected actions.
An action that has received a contribution from another Union programme may also receive a contribution under the Programme, provided that the contributions do not cover the same costs.

Amendment 74
Proposal for a regulation
Article 12

Text proposed by the Commission

Third countries associated to the Programme

1. The Programme shall be open to association of the following third countries:

(a) European Free Trade Association (EFTA) members which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA agreement;

(b) acceding countries, candidate countries and potential candidates, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective framework agreements and Association Council decisions, or similar agreements, and in accordance with the specific conditions laid down in agreements between the Union and those countries;

(c) countries covered by the European Neighbourhood Policy, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective framework agreements and Association Council decisions, or similar agreements, and in accordance with the specific conditions laid down in agreements between the Union and those countries;

(d) third countries and territories that fulfil all of the following criteria:

i. a good capacity in science, technology and innovation;

ii. commitment to a rules-based open market economy, including fair and equitable dealing with intellectual property rights, backed by democratic institutions;

iii. active promotion of policies to improve the economic and social well-being of citizens.

Amendment

Article 12

Third countries associated to the Programme

1. The Programme shall be open to association of the following third countries:

(a) European Free Trade Association (EFTA) members which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA agreement;

(b) acceding countries, candidate countries and potential candidates, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective framework agreements and Association Council decisions, or similar agreements, and in accordance with the specific conditions laid down in agreements between the Union and those countries;

(c) countries covered by the European Neighbourhood Policy, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective framework agreements and Association Council decisions, or similar agreements, and in accordance with the specific conditions laid down in agreements between the Union and those countries;

(d) third countries and territories that fulfil all of the following criteria:

i. a good capacity in science, technology and innovation;

ii. commitment to a rules-based open market economy, including fair and equitable dealing with intellectual property rights, backed by democratic institutions;

iii. active promotion of policies to improve the economic and social well-being of citizens.
Text proposed by the Commission

Association to the Programme of each of the third countries under point (d) shall be in accordance with the conditions laid down in a specific agreement covering the participation of the third country to any Union programme, provided that the agreement:

— ensures a fair balance as regards the contributions and benefits of the third country participating in the Union programmes;

— lays down the conditions of participation in the programmes, including the calculation of financial contributions to individual programmes and their administrative costs. These contributions shall constitute assigned revenues in accordance with Article 21(5) of the Financial Regulation;

— guarantees the rights of the Union to ensure sound financial management and to protect its financial interests.

2. The scope of association of each third country to the Programme shall take into account the objective of driving economic growth in the Union through innovation. Accordingly, with the exception of EEA members, acceding countries, candidate countries and potential candidates, parts of the Programme may be excluded from an association agreement for a specific country.

3. The association agreement shall, where appropriate, provide for the participation of legal entities established in the Union in equivalent programmes of associated countries in accordance with the conditions laid down therein.

4. The conditions determining the level of financial contribution shall ensure an automatic correction of any significant imbalance compared to the amount that entities established in the associated country receive through participation in the Programme, taking into account the costs in the management, execution and operation of the Programme.

Amendment

Full or partial association to the Programme of each of the third countries under point (d) shall be based on an assessment of the benefits for the Union. It shall in particular be in accordance with the conditions laid down in a specific agreement covering the participation of the third country to any Union programme, provided that the agreement:

— ensures a fair balance as regards the contributions and benefits of the third country participating in the Union programmes;

— confers the right to coordinate an action under the Programme provided that it benefits the Union and that the protection of Union’s financial interest is ensured;

— lays down the conditions of participation in the Programme including the calculation of financial contributions to individual (sub-)programmes and their administrative costs. These contributions shall constitute assigned revenues in accordance with Article 21(5) of the Financial Regulation;

— guarantees the rights of the Union to ensure sound financial management and to protect the Union’s financial interests.

2. The scope of association of each third country to the Programme shall take into account the objective of driving economic growth in the Union through innovation and shall avoid the brain drain from the Union. Accordingly, with the exception of EEA members, acceding countries, candidate countries and potential candidates, mono-beneficiary parts of the Programme may be excluded from an association agreement for a specific country, in particular those dedicated to private entities.

3. The association agreement shall, where appropriate, provide for and pursue reciprocal participation of legal entities established in the Union in equivalent programmes of associated countries in accordance with the conditions laid down therein.

4. The association agreement conditions determining the level of financial contribution shall ensure an automatic correction, every two years of any imbalance compared to the amount that entities established in the associated country receive through participation in the Programme, taking into account the costs in the management, execution and operation of the Programme.

4a. The contributions of all associated countries shall be included in the relevant parts of the Programme provided that the budget breakdown as specified in Article 9, paragraph 2 is respected. The Commission shall report to the Council and the Parliament during the annual budgetary procedure the total budget of each part of the Programme, identifying each of the associated countries, individual contributions and their financial balance.
Amendment 75
Proposal for a regulation
Article 14 — title

Text proposed by the Commission

Eligible actions

Amendment

Eligible actions and ethical principles

Amendment 76
Proposal for a regulation
Article 15

Text proposed by the Commission

Article 15

Ethics

Amendment

Article 15

Ethics

1. Actions carried out under the Programme shall comply with ethical principles and relevant national, Union and international legislation, including the Charter of Fundamental Rights of the European Union and the European Convention on Human Rights and its Supplementary Protocols.

Particular attention shall be paid to the principle of proportionality, the right to privacy, the right to the protection of personal data, the right to the physical and mental integrity of a person, the right to non-discrimination and the need to ensure high levels of human health protection.

2. Entities participating in the action shall provide:

(a) an ethics self-assessment identifying and detailing all the foreseeable ethics issues related to the objective, implementation and likely impact of the activities to be funded, including a confirmation of compliance with paragraph 1, and a description of how it will be ensured;

(b) a confirmation that the activities will comply with the European Code of Conduct for Research Integrity published by All European Academies and that no activities excluded from funding will be conducted;

(c) for activities carried out outside the Union, a confirmation that the same activities would have been allowed in a Member State; and

(b) a confirmation that the activities will comply with the European Code of Conduct for Research Integrity published by All European Academies and that no activities excluded from funding will be conducted;

(c) for activities carried out outside the Union, a confirmation that the same activities would have been allowed in a Member State; and
(d) for activities making use of human embryonic stem cells, as appropriate, details of licensing and control measures that shall be taken by the competent authorities of the Member States concerned as well as details of the ethics approvals that shall be obtained before the activities concerned start.

3. Proposals shall be systematically screened to identify those actions raising complex or serious ethics issues and submit them to an ethics assessment. The ethics assessment shall be carried out by the Commission unless it is delegated to the funding body. For actions involving the use of human embryonic stem cells or human embryos, an ethics assessment shall be mandatory. Ethics screenings and assessments shall be carried out with the support of ethics experts. The Commission and the funding bodies shall ensure the transparency of the ethics procedures as much as possible.

4. Entities participating in the action shall obtain all approvals or other mandatory documents from the relevant national, local ethics committees or other bodies such as data protection authorities before the start of the relevant activities. Those documents shall be kept on file and provided to the Commission or funding body upon request.

5. If appropriate, ethics checks shall be carried out by the Commission or funding body. For serious or complex ethics issues, the checks shall be carried out by the Commission unless it is delegated to the funding body.

Ethics checks shall be carried out with the support of ethics experts.

6. Actions which are not ethically acceptable may be rejected or terminated at any time.

(d) for activities making use of human embryonic stem cells, as appropriate, details of licensing and control measures that shall be taken by the competent authorities of the Member States concerned as well as details of the ethics approvals that shall be obtained before the activities concerned start.

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5. If appropriate, ethics checks shall be carried out by the Commission or funding body. For serious or complex ethics issues, the checks shall be carried out by the Commission unless it is delegated to the funding body.

Ethics checks shall be carried out with the support of ethics experts.

6. Actions which are not ethically acceptable shall be rejected or terminated as soon as the ethical unacceptability has been established.
Amendment 77
Proposal for a regulation

Article 16

Text proposed by the Commission

Article 16

Security

1. Actions carried out under the Programme shall comply with the applicable security rules and in particular rules on protection of classified information against unauthorised disclosure, including compliance with any relevant national and Union law. In case of research carried out outside the Union using and/or generating classified information, it is necessary that, in addition to the compliance with those requirements, a security agreement shall have to be concluded between the Union and the third country in which the research is conducted.

2. Where appropriate, proposals shall include a security self-assessment identifying any security issues and detailing how these issues will be addressed in order to meet the relevant national and Union law.

3. Where appropriate, the Commission or funding body shall carry out a security scrutiny for proposals raising security issues.

4. Where appropriate, the actions shall comply with Decision (EU, Euratom) 2015/444, and its implementing rules.

5. Entities participating in the action shall ensure the protection against unauthorised disclosure of classified information used and/or generated by the action. They shall provide proof of personal and/or facility security clearance from the relevant national security authorities, prior to the start of the activities concerned.

6. If external experts have to deal with classified information, the appropriate security clearance shall be required before those experts are appointed.

7. Where appropriate, the Commission or funding body may carry out security checks.

8. Actions which do not comply with security rules may be rejected or terminated at any time.

Amendment

Article 16

Security

1. Actions carried out under the Programme shall comply with the applicable security rules and in particular rules on protection of classified information against unauthorised disclosure, including compliance with any relevant national and Union law. In case of research carried out outside the Union using and/or generating classified information, it is necessary that, in addition to the compliance with those requirements, a security agreement shall have to be concluded between the Union and the third country in which the research is conducted.

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4. Where appropriate, the actions shall comply with Decision (EU, Euratom) 2015/444, and its implementing rules.

5. Entities participating in the action shall ensure the protection against unauthorised disclosure of classified information used and/or generated by the action. They shall provide proof of personal and/or facility security clearance from the relevant national security authorities, prior to the start of the activities concerned on request by the Commission or a funding body.

6. If external experts have to deal with classified information, the appropriate security clearance shall be required before those experts are appointed.

7. Where appropriate, the Commission or funding body may carry out security checks.

8. Actions which do not comply with security rules may be rejected or terminated at any time.
Amendment 78  
Proposal for a regulation  
Article 18

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<th>Text proposed by the Commission</th>
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<td><strong>Article 18</strong></td>
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**Entities eligible for participation**

1. Any legal entity, regardless of its place of establishment, or international organisation may participate in actions under the Programme, provided that the conditions laid down in this Regulation have been met together with any conditions laid down in the work programme or call.

2. Entities shall be part of a consortium that shall include at least three independent legal entities each established in a different Member State or associated country and with at least one of them established in a Member State, unless:

   (a) the work programme provides otherwise, if justified;

   (b) the action is one referred to in paragraphs 3 or 4.

3. European Research Council (ERC) frontier research actions, European Innovation Council (EIC) actions, training and mobility actions or programme co-fund actions may be implemented by one or more legal entities, one of which must be established in a Member State or associated country.

4. Coordination and support actions may be implemented by one or more legal entities, which may be established in a Member State, associated country or in another third country.

5. For actions related to Union strategic assets, interests, autonomy or security, the work programme may provide that the participation can be limited to those legal entities established in Member States only, or to those legal entities established in specified associated or other third countries in addition to Member States.

6. The work programme may provide for eligibility criteria in addition to those set out in paragraphs 2, 3, 4, and 5 according to specific policy requirements or to the nature and objectives of the action, including the number of legal entities, the type of legal entity and the place of establishment.

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<td><strong>Official Journal of the European Union</strong></td>
<td>C 388/403</td>
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<td><strong>Wednesday 12 December 2018</strong></td>
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Text proposed by the Commission

Amendment

7. For actions benefitting from amounts under Article 9(8), the participation shall be limited to a single legal entity established in the jurisdiction of the delegating Managing Authority, except if otherwise agreed with the Managing Authority and provided for in the work programme.

7. For actions benefitting from amounts under Article 11, the participation shall be limited to a single legal entity established in the jurisdiction of the delegating Managing Authority, except if otherwise agreed with the Managing Authority and provided for in the work programme.

8. Where indicated in the work programme, the Joint Research Centre may participate in actions.

8. Where indicated in the work programme, the Joint Research Centre may participate in actions.

9. The Joint Research Centre, international European research organisations and legal entities created under Union law shall be deemed to be established in a Member State other than the ones in which other legal entities participating in the action are established.

10. For European Research Council (ERC) frontier research actions and training and mobility actions, international organisations with headquarters in a Member State or associated country shall be deemed to be established in this Member State or associated country.

Amendment 79

Proposal for a regulation

Article 19

Text proposed by the Commission

Amendment

Article 19

Entities eligible for funding

1. Entities are eligible for funding if they are established in a Member State or associated country.

1. Entities are eligible for funding if they are established in a Member State or associated country as referred to in Article 12 (1).

For actions benefitting from amounts under Article 9(8), only entities established in the jurisdiction of the delegating Managing Authority shall be eligible for funding out of these amounts.

For actions benefitting from amounts under Article 11(3), only entities established in the jurisdiction of the delegating Managing Authority shall be eligible for funding out of these amounts.

1 a. Where applicable, international organisations shall be eligible for funding in an action if their headquarters are located in a Member State or in an associated country.

1 b. Low to middle income countries and exceptionally for other non-associated third countries they could be eligible for funding in an action if:

(a) the third country is identified in the work programme; and
2. Entities established in a non-associated third country should **in principle** bear the cost of their participation. **However, for low to middle income countries and exceptionally for other non-associated third countries they could be eligible for funding in an action if:**

   (a) the third country is identified in the work programme adopted by the Commission; or

   (b) the Commission or funding body consider that its participation is essential for implementing the action;

2. Entities established in **other** non-associated third countries should bear the cost of their participation. **R&D agreements between those non-associated third countries and the Union can be made wherever deemed useful, and co-funding mechanism similar to the ones agreed inside Horizon 2020 may be established. Those countries shall ensure reciprocal access for Union legal entities to those countries’ RDI funding programmes, as well as reciprocity in open access to scientific results and data and to fair and equitable terms for intellectual property rights.**

3. Affiliated entities are eligible for funding in an action if they are established in a Member State, Associated country, or in a third country identified in the work programme adopted by the Commission.

3. Affiliated entities are eligible for funding in an action if they are established in a Member State or Associated country.

3 a. The Commission shall report to the Parliament and the Council specifying, for each non-associated third country, the amount of the Union’s financial contributions provided to the participating entities and the amount of the financial contributions provided by the same country to Union entities participating in their activities.

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**Amendment 80**

**Proposal for a regulation**

**Article 20**

1. For all actions, **except for EIC Pathfinder transition activities**, the content of the calls for proposals shall be included in the work programme.

1. For all actions the content of the calls for proposals shall be included in the work programme.
The work programme shall explain why a particular action is to be funded with reference to the outcome of specific previous projects and to the state of science, technology and, innovation at national, Union and international level and of relevant policy, market and societal developments.

2. For EIC Pathfinder transition activities:

(a) the launch and the content of the calls for proposals shall be determined with regard to objectives and budget established by the work programme in relation with the concerned portfolio of actions;

(b) grants for a fixed amount not exceeding EUR 50,000 may be awarded without a call for proposals to carry out urgent coordination and support actions for reinforcing the portfolio’s community of beneficiaries or assessing possible spin-offs or potential market creating-innovation.

3. If necessary to achieve their objectives, calls may be restricted to develop additional activities or to add additional partners to existing actions.

4. A call for proposals is not required for coordination and support actions or programme co-fund actions which:

(a) are to be carried out by the Joint Research Centre or legal entities identified in the work programme and

(b) do not fall within the scope of a call for proposals.

5. The work programme shall specify calls for which ‘Seals of Excellence’ will be awarded. With prior authorisation from the applicant, information concerning the application and the evaluation may be shared with interested financing authorities, subject to the conclusion of confidentiality agreements.

5a. To tackle oversubscription, the Commission may apply, to a number of calls, a two-stage evaluation procedure.
Amendment 81
Proposal for a regulation

Article 21

Text proposed by the Commission

Joint calls

The Commission or funding body may issue a joint call for proposals with:

(a) third countries, including their scientific and technological organisations or agencies;

(b) international organisations;

(c) non-profit legal entities.

In the case of a joint call, joint procedures shall be established for selection and evaluation of proposals. The procedures shall involve a balanced group of experts appointed by each party.

Amendment

Article 21

Joint calls

The Commission or funding body may issue a joint call for proposals with:

(a) third countries, including their scientific and technological organisations or agencies;

(b) international organisations;

(c) non-profit legal entities.

In the case of a joint call, applying consortia shall fulfil the requirements under Article 18 of this Regulation and joint procedures shall be established for selection and evaluation of proposals. The procedures shall involve a balanced group of experts appointed by each party.

Amendment 82
Proposal for a regulation

Article 22

Text proposed by the Commission

Pre-commercial procurement and procurement of innovative solutions

1. Actions may involve or have as their primary aim pre-commercial procurement or public procurement of innovative solutions that shall be carried out by beneficiaries which are contracting authorities or contracting entities as defined in Directives 2014/24/EU (31), 2014/25/EU (32) and 2009/81/EC (33).

2. The procurement procedures:

(a) shall comply with the principles of transparency, non-discrimination, equal treatment, sound financial management, proportionality and competition rules;

Amendment

Article 22

Pre-commercial procurement and procurement of innovative solutions

1. Actions may involve or have as their primary aim pre-commercial procurement or public procurement of innovative solutions that shall be carried out by beneficiaries which are contracting authorities or contracting entities as defined in Directives 2014/24/EU (31), 2014/25/EU (32) and 2009/81/EC (33).

2. The procurement procedures:

(a) shall comply with the principles of transparency, non-discrimination, equal treatment, sound financial management, proportionality and competition rules;
(b) for pre-commercial procurement, may provide for specific conditions such as the place of performance of the procured activities being limited to the territory of the Member States and of associated countries;

c) may authorise the award of multiple contracts within the same procedure (multiple sourcing); and

d) shall provide for the award of the contracts to the tender(s) offering best value for money while ensuring absence of conflict of interest.

3. The contractor generating results in pre-commercial procurement shall own at least the attached intellectual property rights. The contracting authorities shall enjoy at least royalty-free access rights to the results for their own use and the right to grant, or require the participating contractors to grant, non-exclusive licences to third parties to exploit the results for the contracting authority under fair and reasonable conditions without any right to sub-license. If a contractor fails to commercially exploit the results within a given period after the pre-commercial procurement as identified in the contract, the contracting authorities can require it to transfer any ownership of the results to the contracting authorities.

3 a. **Specific provisions regarding ownership, access rights and licensing may be laid down in the contracts for public procurement of innovative solutions.**

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Amendment 83
Proposal for a regulation
Article 23

Text proposed by the Commission

**Article 23**

**Cumulative funding**

An action that has received a contribution from another Union programme may also receive a contribution under the Programme, provided that the contributions do not cover the same costs. The rules of each contributing Union programme shall apply to its respective contribution to the action. The cumulative funding shall not exceed the total eligible costs of the action and the support from different Union programmes may be calculated on a pro-rata basis in accordance with the documents setting out the conditions for support.

Amendment 84
Proposal for a regulation
Article 24 — title

Text proposed by the Commission

**Selection criteria**

**Financial capacity of applicants**

Amendment 85
Proposal for a regulation
Article 25

Text proposed by the Commission

**Article 25**

**Award criteria**

1. A proposal shall be evaluated on the basis of the following award criteria:
   
   (a) excellence;
   
   (b) impact;
   
   (c) quality and efficiency of the implementation.

2. Only the criterion referred to in point (a) of paragraph 1 shall apply to proposals for ERC frontier research actions.

Amendment

**Article 25**

**Selection and award criteria**

1. A proposal shall be evaluated on the basis of the following award criteria:
   
   (a) excellence;
   
   (b) impact;
   
   (c) quality and efficiency of the implementation.

2. Only the criterion referred to in point (a) of paragraph 1 shall apply to proposals for ERC frontier research actions. Only in cases when two or more excellent projects obtain the same ranking, the differentiation shall be made by applying the criteria referred to in point (b) or point (c) of paragraph 1.
3. The work programme shall lay down further details of the application of the award criteria laid down in paragraph 1, and **may specify weightings and thresholds**.

3 a. The Commission shall take into account the possibility of a two-stage submission procedure and where possible, anonymised proposals may be evaluated during the first stage of evaluation based on the award criteria referred to in paragraph 1.

**Amendment 86**

Proposal for a regulation

**Article 26**

Text proposed by the Commission

1. Proposals shall be evaluated by the evaluation committee which **may be**:

— **fully or partially** composed of external independent experts,

— **composed of** representatives of Union Institutions or bodies as referred to in Article 150 of the Financial Regulation.

The evaluation committee may be assisted by independent experts.

2. Where necessary, the evaluation committee shall rank the proposals having passed the applicable thresholds, according to:

— the evaluation scores,

— their contribution to the achievement of specific policy objectives, including the constitution of a consistent portfolio of projects.

The evaluation committee may **also** propose **any substantial** adjustments to the proposals in as far as needed for the consistency of the portfolio.

Amendment

1. Proposals shall be evaluated by the evaluation committee which **shall be**:

— composed of external independent experts.

In the case of the EIC and missions, the evaluation committee **may also include** representatives of Union Institutions or bodies as referred to in Article 150 of the Financial Regulation.

The evaluation committee may be assisted by independent experts.

2. Where necessary, the evaluation committee shall rank the proposals having passed the applicable thresholds, according to:

— the evaluation scores,

— their contribution to the achievement of specific policy objectives, including the constitution of a consistent portfolio of projects.

The evaluation committee may **only exceptionally and in duly justified cases** propose adjustments to the proposals in as far as needed for the consistency of the portfolio.
2 a. The evaluation process shall avoid any conflict of interest and reputation bias. The transparency of the evaluation criteria and of the proposal scoring shall be guaranteed.

Amendment 87
Proposal for a regulation
Article 27

1. An applicant may request an evaluation review if it considers that the applicable evaluation procedure has not been correctly applied to its proposal.

2. An evaluation review applies only to the procedural aspects of the evaluation, not to the evaluation of the merits of the proposal.

2 a. A request for review shall relate to a specific proposal and shall be submitted within 30 days after the communication of evaluation results. The review committee shall be chaired by and composed of representatives who were not involved in the call for proposals. The committee shall decide whether the proposal needs to be re-evaluated or the initial evaluation is confirmed. It shall do so without undue delay, without compromising the selection possibilities.

3. An evaluation review shall not delay the selection process for proposals that are not the subject of review.

3 a. The Commission shall ensure the existence of a procedure for participants to make direct enquiries and complaints about their involvement in Horizon Europe. Information on how to register enquiries or complaints shall be made available on-line.
Amendment 88
Proposal for a regulation
Article 28

| Text proposed by the Commission |
| Article 28 |

Time to grant

1. By derogation from the first subparagraph of Article 194 (2) of the Financial Regulation, the following periods shall apply:

   (a) for informing all applicants of the outcome of the evaluation of their application, a maximum period of five months from the final date for submission of complete proposals;

   (b) for signing grant agreements with applicants, a maximum period of eight months from the final date for submission of complete proposals.

2. The work programme for the EIC may establish shorter periods.

3. In addition to the exceptions laid down in the second subparagraph of Article 194(2) of the Financial Regulation, the periods referred to in paragraph 1 may be exceeded for actions of the ERC, for missions and when actions are submitted to an ethics or security assessment.

| Amendment |
| Article 28 |

Time to grant

1. By derogation from the first subparagraph of Article 194 (2) of the Financial Regulation, the following periods shall apply:

   (a) for informing all applicants of the outcome of the evaluation of their application, a maximum period of five months from the final date for submission of complete proposals;

   (b) for signing grant agreements with applicants, a maximum period of eight months from the final date for submission of complete proposals;

   (b a) for the specific grant signed under Fast Track to Research and Innovation, a maximum period of six months from the final date for submission of complete proposals.

Time to grant shall not affect the quality of evaluation.

Amendment 89
Proposal for a regulation
Article 29

| Text proposed by the Commission |
| Article 29 |

Implementation of the grant

1. If a beneficiary fails to comply with its obligations regarding the technical implementation of the action, the other beneficiaries shall comply with those obligations without any additional Union funding, unless they are expressly relieved of that obligation. The financial responsibility of each beneficiary shall be limited to its own debt subject to the provisions relating to the Mutual Insurance Mechanism.

| Amendment |
| Article 29 |

Implementation of the grant

1. If a beneficiary fails to comply with its obligations regarding the technical implementation of the action, the other beneficiaries shall comply with those obligations without any additional Union funding, unless they are expressly relieved of that obligation. The financial responsibility of each beneficiary shall be limited to its own debt subject to the provisions relating to the Mutual Insurance Mechanism.
2. The grant agreement may establish milestones and related pre-financing installments. If milestones are not met, the action may be suspended, amended or terminated.

3. The action may also be terminated where expected results have lost their relevance for the Union due to scientific, technological or economic reasons, including in the case of EIC and missions, their relevance as part of a portfolio of actions.

The Commission shall undergo a procedure with the action coordinator and if appropriate with external experts before deciding to terminate an action.

Amendment 90
Proposal for a regulation
Article 30

Funding rates

1. A single funding rate per action shall apply for all activities it funds. The maximum rate shall be fixed in the work programme.

2. The Programme may reimburse up to 100 % of total eligible costs of an action, except for:

(a) innovation actions: up to 70 % of the total eligible costs, except for non-profit legal entities where the Programme may reimburse up to 100 % of the total eligible costs;

(b) programme co-fund actions: at least 30 % of the total eligible costs, and in identified and duly justified cases up to 70 %.

3. The funding rates determined in this Article shall also apply for actions where flat rate, unit or lump sum financing is fixed for the whole or part of the action.
Amendment 91
Proposal for a regulation

Article 31

Indirect costs

1. Indirect eligible costs shall be determined by applying a flat rate of 25% of the total direct eligible costs, excluding direct eligible costs for subcontracting, financial support to third parties and any unit costs or lump sums which include indirect costs.

Where appropriate, indirect costs included in unit costs or lump sums shall be calculated using the flat rate set out in paragraph 1, except for unit costs for internally invoiced goods and services which shall be calculated on the basis of actual costs, in accordance with the beneficiaries’ usual costs accounting practices.

2. However, if provided for in the work programme, indirect costs may be declared in the form of a lump sum or unit costs.

Amendment 92
Proposal for a regulation

Article 32

Eligible costs

1. In addition to the criteria set out in Article 197 of the Financial Regulation, for beneficiaries with project-based remuneration, costs of personnel are eligible up to the remuneration that the person is paid for work in similar projects funded by national schemes.

Project-based remuneration means remuneration that is linked to the participation of a person in projects, is part of the beneficiary’s usual remuneration practices and is paid in a consistent manner.
2. By derogation from Article 190(1) of the Financial Regulation, costs of resources made available by third parties by means of in-kind contributions shall be eligible, up to the direct eligible costs of the third party.

3. By derogation from Article 192 of the Financial Regulation, income generated by the exploitation of the results shall not be considered as receipts of the action.

3 a. Beneficiaries may use their usual accounting practices to identify and declare the costs incurred in relation to an action. The Commission may specify a limited number of additional eligibility conditions in order to ensure the sound management of the grant. The Commission shall not reject accounting practices if their outcomes do not differ from its own and if they offer the same level of protection of the Union’s financial interests.

4. By derogation from Article 203(4) of the Financial Regulation, a certificate on the financial statements shall be mandatory at payment of the balance, if the amount claimed as actual costs and unit costs calculated in accordance with usual cost accounting practices is equal to or greater than EUR 325 000.

4 a. By derogation from Article 186(1) of the Financial Regulation, for the MSCA training and mobility actions, exclusively in the event of maternity or parental leave during the lifetime of the grant, the maximum grant amount shall be increased by the allowances due to the researcher in this respect.

4 b. Costs generated by the responsible management of research data in line with the principles ‘Findability’, ‘Accessibility’, ‘Interoperability’ and ‘Reusability’ (FAIR) shall be eligible.
Amendment 93
Proposal for a regulation

Article 33

Text proposed by the Commission

Article 33

Mutual Insurance Mechanism

1. A Mutual Insurance Mechanism (the 'Mechanism') is hereby established which shall replace and succeed the fund set up in accordance with Article 38 of Regulation (EC) No 1290/2013. The Mechanism shall cover the risk associated with non-recovery of sums due by the beneficiaries:

(a) to the Commission under Decision No 1982/2006/EC,

(b) to the Commission and Union bodies under 'Horizon 2020',

(c) to the Commission and funding bodies under the Programme.

The coverage of the risk regarding funding bodies referred to in point (c) of the first subparagraph may be implemented through an indirect coverage system set out in the applicable agreement and taking into account the nature of the funding body.

2. The Mechanism shall be managed by the Union, represented by the Commission acting as executive agent. The Commission shall set up specific rules for the operation of the Fund.

3. Beneficiaries shall make a contribution of 5 % of the Union funding for the action. On the basis of periodic evaluations, this contribution may be raised by the Commission up to 8 % or may be reduced under 5 %. The beneficiaries' contribution to the Mechanism may be offset from the initial pre-financing and be paid to the Fund on behalf of the beneficiaries.

4. The contribution of the beneficiaries shall be returned at the payment of the balance.

5. Any financial return generated by the Mechanism shall be added to the Mechanism. If the return is insufficient, the Mechanism shall not intervene and the Commission or funding body shall recover directly from beneficiaries or third parties any amount owed.

6. The amounts recovered shall constitute revenue assigned to the Mechanism within the meaning of Article 21(4) of the Financial Regulation. Once all grants whose risk is covered directly or indirectly by the Mechanism are completed, any sums outstanding shall be recovered by the Commission and entered into the budget of the Union, subject to decisions of the legislative authority.

Amendment

Article 33

Mutual Insurance Mechanism

1. A Mutual Insurance Mechanism (the 'Mechanism') is hereby established which shall replace and succeed the fund set up in accordance with Article 38 of Regulation (EU) No 1290/2013. The Mechanism shall cover the risk associated with non-recovery of sums due by the beneficiaries:

(a) to the Commission under Decision No 1982/2006/EC,

(b) to the Commission and Union bodies under 'Horizon 2020',

(c) to the Commission and funding bodies under the Programme.

The coverage of the risk regarding funding bodies referred to in point (c) of the first subparagraph may be implemented through an indirect coverage system set out in the applicable agreement and taking into account the nature of the funding body.

2. The Mechanism shall be managed by the Union, represented by the Commission acting as executive agent. The Commission shall set up specific rules for the operation of the Fund.

3. Beneficiaries shall make a contribution of 5 % of the Union funding for the action. On the basis of transparent evaluations carried out annually, this contribution may be raised by the Commission up to 8 % or may be reduced under 5 %. The beneficiaries' contribution to the Mechanism may be offset from the initial pre-financing and be paid to the Fund on behalf of the beneficiaries.

4. The contribution of the beneficiaries shall be returned at the payment of the balance.

5. Any financial return generated by the Mechanism shall be added to the Mechanism. If the return is insufficient, the Mechanism shall not intervene and the Commission or funding body shall recover directly from beneficiaries or third parties any amount owed.

6. The amounts recovered shall constitute revenue assigned to the Mechanism within the meaning of Article 21(4) of the Financial Regulation. Once all grants whose risk is covered directly or indirectly by the Mechanism are completed, any sums outstanding shall be recovered by the Commission and entered into the budget of the Union.
7. The Mechanism may be **opened** to beneficiaries of any other directly managed Union programme. The Commission shall adopt modalities for participation of beneficiaries of other programmes.

7. The Mechanism may be **extended** to beneficiaries of any other directly managed Union programme. The Commission shall adopt modalities for participation of beneficiaries of other programmes.

**Amendment 94**

Proposal for a regulation

**Article 34**

**Text proposed by the Commission**

**Amendment**

Ownership and protection

1. Beneficiaries shall own the results they generate. They shall ensure that any rights of their employees or any other parties in relation to the results can be exercised in a manner compatible with the beneficiaries’ obligations in accordance with the terms and conditions laid down in the grant agreement.

Two or more beneficiaries shall own results jointly if:

(a) they have jointly generated them; and

(b) it is not possible to:

(i) establish the respective contribution of each beneficiary,

or

(ii) separate them when applying for, obtaining or maintaining their protection.

The joint owners shall agree in writing on the allocation and terms of exercise of their joint ownership. Unless otherwise agreed, each joint owner may grant non-exclusive licences to third parties to exploit the jointly-owned results (without any right to sub-license), if the other joint owners are given advance notice and fair and reasonable compensation. The joint owners may agree in writing to apply another regime than joint ownership.

**Amendment**

Ownership and protection

1. Beneficiaries shall own the results they generate. They shall ensure that any rights of their employees or any other parties in relation to the results can be exercised in a manner compatible with the beneficiaries’ obligations in accordance with the terms and conditions laid down in the grant agreement.

Two or more beneficiaries shall own results jointly if:

(a) they have jointly generated them; and

(b) it is not possible to:

(i) establish the respective contribution of each beneficiary,

or

(ii) separate them when applying for, obtaining or maintaining their protection.

The joint owners shall agree in writing on the allocation and terms of exercise of their joint ownership. Unless otherwise agreed in the Consortium Agreement and/or in the joint ownership agreement, each joint owner may grant non-exclusive licences to third parties to exploit the jointly-owned results (without any right to sub-license), if the other joint owners are given advance notice and fair and reasonable compensation. The joint owners may agree in writing to apply another regime than joint ownership.
2. Beneficiaries having received Union funding shall adequately protect their results if protection is possible and justified, taking into account all relevant considerations, including the prospects for commercial exploitation. When deciding on protection, beneficiaries shall also consider the legitimate interests of the other beneficiaries in the action.

Amendment 95
Proposal for a regulation

Article 35

Text proposed by the Commission

Exploitation and dissemination

1. Beneficiaries having received Union funding shall use their best efforts to exploit their results, in particular in the Union. Exploitation may be done directly by the beneficiaries or indirectly in particular through the transfer and licensing of results in accordance with Article 36.

The work programme may provide for additional exploitation obligations.

If despite a beneficiary's best efforts to exploit its results directly or indirectly no exploitation takes place within a given period as identified in the grant agreement, the beneficiary shall use an appropriate online platform as identified in the grant agreement to find interested parties to exploit those results. If justified on the basis of a request of the beneficiary, this obligation may be waived.

2. Subject to any restrictions due to the protection of intellectual property, security rules or legitimate interests, beneficiaries shall disseminate their results as soon as possible.

The work programme may provide for additional dissemination obligations.

Amendment

Exploitation and dissemination

1. Beneficiaries having received Union funding shall make their best efforts to exploit their results, especially in the Union. Exploitation may be done directly by the beneficiaries or indirectly in particular through the transfer and licensing of results in accordance with Article 36.

The work programme may provide for additional exploitation obligations.

If despite a beneficiary's best efforts to exploit its results directly or indirectly no exploitation takes place within a given period as identified in the grant agreement and as outlined in its Dissemination and Exploitation Plan, the exploitation activities may be transferred to another party upon agreement with the beneficiaries. If justified on the basis of a request of the beneficiary, this obligation may be waived.

2. Beneficiaries shall disseminate their results as soon as possible, in an open format, subject to any restrictions due to the protection of intellectual property, security rules or legitimate interests.

The work programme may provide for additional dissemination obligations while safeguarding the Union's economic and scientific interests.
3. Beneficiaries shall ensure that open access to scientific publications applies under the terms and conditions laid down in the grant agreement. In particular, the beneficiaries shall ensure that they or the authors retain sufficient intellectual property rights to comply with their open access requirements.

Open access to research data shall be the general rule under the terms and conditions laid down in the grant agreement, but exceptions shall apply if justified, taking into consideration the legitimate interests of the beneficiaries and any other constraints, such as data protection rules, security rules or intellectual property rights.

The work programme may provide for additional obligations to adhere to open science practices.

4. Beneficiaries shall manage all research data in accordance with the terms and conditions laid down in the grant agreement and shall establish a Data Management Plan.

The work programme may provide for additional incentives to adhere to open science practices.

5. Beneficiaries that intend to disseminate their results shall give advance notice to the other beneficiaries in the action. Any other beneficiary may object if it can show that the intended dissemination would significantly harm its legitimate interests in relation to its results or background. In such cases, the dissemination may not take place unless appropriate steps are taken to safeguard these legitimate interests.

The work programme may further encourage the use of the European Open Science Cloud for storing and giving access to research data.

6. Unless the work programme provides otherwise, proposals shall include a plan for the exploitation and dissemination of the results. If the expected exploitation entails developing, creating, manufacturing and marketing a product or process, or in creating and providing a service, the plan shall include a strategy for such exploitation. If the plan provides for exploitation primarily in non-associated third countries, the legal entities shall explain how that exploitation is still in the Union interest.

6. Unless the work programme provides otherwise, proposals shall include a plan for the exploitation and dissemination of the results. If the expected exploitation entails developing, creating, manufacturing and marketing a product or process, or in creating and providing a service, the plan shall include a strategy for such exploitation. If the plan provides for exploitation primarily in non-associated third countries, the legal entities shall justify how that exploitation is still in the Union interest.
The beneficiaries shall further develop the plan during and after the end of the action.

7. For the purposes of monitoring and dissemination by the Commission or funding body, the beneficiaries shall provide any requested information regarding the exploitation and dissemination of their results. Subject to the legitimate interests of the beneficiaries, such information shall be made publicly available.

7. For the purposes of monitoring and dissemination by the Commission or funding body, the beneficiaries may further develop the plan during the action, including through public engagement and science education.

Amendment 96
Proposal for a regulation
Article 36

1. Beneficiaries may transfer ownership of their results. They shall ensure that their obligations also apply to the new owner and that the latter has the obligation to pass them on in any subsequent transfer.

1. Beneficiaries may transfer ownership of their results. They shall ensure that their obligations also apply to the new owner and that the latter has the obligation to pass them on in any subsequent transfer.

2. Unless agreed otherwise in writing for specifically-identified third parties and for its Affiliated Entities or unless impossible under applicable law, beneficiaries that intend to transfer ownership of results shall give advance notice to any other beneficiary that still has access rights to the results. The notification must include sufficient information on the new owner to enable a beneficiary to assess the effects on its access rights.

2. Unless agreed otherwise in writing for specifically-identified third parties and for its Affiliated Entities or unless impossible under applicable law, beneficiaries that intend to transfer ownership of results shall give advance notice to any other beneficiary that still has access rights to the results. The notification must include sufficient information on the new owner to enable a beneficiary to assess the effects on its access rights.

3. Beneficiaries may grant licences to their results or otherwise give the right to exploit them, if this does not affect compliance with their obligations.

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4. Where this is justified, the grant agreement shall lay down the right to object to transfers of ownership of results, or to grants of an exclusive licence regarding results, if:

4. Where this is justified, the grant agreement shall lay down the right for the Commission to object to transfers of ownership of results, or to grants of an exclusive licence regarding results, if:
Text proposed by the Commission

(a) the beneficiaries generating the results have received Union funding;

(b) the transfer or licence is to a legal entity established in a third country; and

(c) the transfer or licence is not in line with Union interests.

If the right to object applies, the beneficiary shall give advance notice. The right to object may be waived in writing regarding transfers or grants to specifically identified legal entities if measures safeguarding Union interests are in place.

Amendment

(a) the beneficiaries generating the results have received Union funding;

(b) the transfer or licence is to a legal entity established in a third country; and

(c) the transfer or licence is not in line with Union interests.

Technology transfer agreements shall be promoted.

If the right to object applies, the beneficiary shall give advance notice. The right to object may be waived in writing regarding transfers or grants to specifically identified legal entities if measures safeguarding Union interests are in place.

Amendment 97
Proposal for a regulation

Article 37

Text proposed by the Commission

Access rights

1. The following access rights principles shall apply:

(a) a request to exercise access rights or any waiving of access rights shall be made in writing;

(b) unless otherwise agreed with the grantor, access rights do not include the right to sub-license;

(c) the beneficiaries shall inform each other before their accession to the grant agreement of any restrictions to granting access to their background;

(d) if a beneficiary is no longer involved in an action, it shall not affect its obligations to grant access;

(e) if a beneficiary defaults on its obligations, the beneficiaries may agree that it no longer has access rights.

2. Beneficiaries shall grant access to:

(a) their results on a royalty-free basis to any other beneficiary in the action that needs it to implement its own tasks;

Amendment

Access rights

1. The following access rights principles shall apply:

(a) a request to exercise access rights or any waiving of access rights shall be made in writing;

(b) unless otherwise agreed with the grantor, access rights do not include the right to sub-license;

(c) the beneficiaries shall inform each other before their accession to the grant agreement of any restrictions to granting access to their background;

(d) if a beneficiary is no longer involved in an action, it shall not affect its obligations to grant access;

(e) if a beneficiary defaults on its obligations, the beneficiaries may agree that it no longer has access rights.

2. Beneficiaries shall grant access to:

(a) their results on a royalty-free basis to any other beneficiary in the action that needs it to implement its own tasks;
(b) their background to any other beneficiary in the action that needs it to implement its own tasks, subject to any restrictions referred to in paragraph 1(c); that access shall be granted on a royalty-free basis, unless otherwise agreed by the beneficiaries before their accession to the grant agreement;

(c) their results and, subject to any restrictions referred to in paragraph 1(c), to their background to any other beneficiary in the action that needs it to exploit its own results; that access shall be granted under fair and reasonable conditions to be agreed upon.

(3) Unless otherwise agreed by the beneficiaries, they shall also grant access to their results and, subject to any restrictions referred to in paragraph 1(c), to their background to a legal entity that:

(a) is established in a Member State or associated country;

(b) is under the direct or indirect control of another beneficiary, or is under the same direct or indirect control as that beneficiary, or is directly or indirectly controlling that beneficiary; and

(c) needs the access to exploit the results of that beneficiary.

Access shall be granted under fair and reasonable conditions to be agreed upon.

4. A request for access for exploitation purposes may be made up to one year after the end of the action, unless the beneficiaries agree on a different time-limit.

5. Beneficiaries having received Union funding shall grant access to their results on a royalty-free basis to the Union institutions, bodies, offices or agencies for developing, implementing and monitoring Union policies or programmes. Access shall be limited to non-commercial and non-competitive use taking into consideration the legitimate interests of the beneficiaries.

Such access rights shall not extend to the participants’ background.

(c) their results and, subject to any restrictions referred to in paragraph 1(c), to their background to any other beneficiary in the action that needs it to exploit its own results; that access shall be granted under fair and reasonable conditions to be agreed upon.

3. Unless otherwise agreed by the beneficiaries, they shall also grant access to their results and, subject to any restrictions referred to in paragraph 1(c), to their background to a legal entity that:

(a) is established in a Member State or associated country;

(b) is under the direct or indirect control of another beneficiary, or is under the same direct or indirect control as that beneficiary, or is directly or indirectly controlling that beneficiary; and

(c) needs the access to exploit the results of that beneficiary.

Access shall be granted under fair and reasonable conditions to be agreed upon.

4. A request for access for exploitation purposes may be made up to one year after the end of the action, unless the beneficiaries agree on a different time-limit.

5. Beneficiaries having received Union funding shall grant access to their results on a royalty-free basis to the Union institutions, bodies, offices or agencies for developing, implementing and monitoring Union policies or programmes. Access shall be limited to non-commercial and non-competitive use taking into consideration the legitimate interests of the beneficiaries.

Such access rights shall not extend to the participants’ background.
In actions under the cluster ‘Inclusive and secure Society’, area of intervention ‘Protection and Security’, beneficiaries having received Union funding shall also grant access to their results on a royalty-free basis to Member States’ national authorities, for developing, implementing and monitoring their policies or programmes in that area. Access shall be limited to non-commercial and non-competitive use and shall be granted upon bilateral agreement defining specific conditions aimed at ensuring that those rights will be used only for the intended purpose and that appropriate confidentiality obligations will be in place. The requesting Member State, Union institution, body, office or agency shall notify all Member States of such requests.

6. The work programme may provide for additional access rights.

Amendment 98
Proposal for a regulation
Article 38

Specific provisions on exploitation and dissemination

Specific rules on ownership, exploitation and dissemination, transfer and licensing as well as access rights may apply for ERC actions, training and mobility actions, pre-commercial procurement actions, public procurement of innovative solutions actions, programme co-fund actions and coordination and support actions.

These specific rules shall not change the obligations on open access.

Amendment 99
Proposal for a regulation
Article 39

Prizes

1. Prizes under the Programme shall be awarded and managed in accordance with Title IX of the Financial Regulation, unless otherwise specified in this Chapter.
2. Any legal entity, regardless of its place of establishment, may participate in a contest, unless otherwise provided in the work programme or rules of contests.

3. The Commission or funding body may organise prizes with:

(a) other Union bodies;

(b) third countries, including their scientific and technological organisations or agencies;

(c) international organisations; or

(d) non-profit legal entities.

4. The work programme or rules of contest may include obligations regarding communication, exploitation and dissemination.

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Amendment 100
Proposal for a regulation
Article 42

Text proposed by the Commission

Horizon Europe and EIC Blended finance

1. The grant and reimbursable advance components of Horizon Europe or EIC blended finance shall be subject to Articles 30 to 33.

2. EIC blended finance shall be implemented in accordance with Article 43. The support under the EIC blended finance may be granted until the action can be financed as a blending operation or as a financing and investment operation fully covered by the EU guarantee under InvestEU. By derogation from Article 209 of the Financial Regulation, the conditions laid down in paragraph (2) and, in particular, paragraph (a) and (d), do not apply at the time of the award of EIC blended finance.

3. Horizon Europe blended finance may be awarded to a programme co-fund where a joint programme of Member States and associated countries provides for the deployment of financial instruments in support of selected actions. The evaluation and selection of such actions shall be made in accordance with Articles 19, 20, 23, 24, 25 and 26. The implementation modalities of the Horizon Europe blended finance shall comply with Article 29, by analogy Article 43(9) and with additional conditions defined by the work programme.

Amendment

Horizon Europe and EIC Blended finance

1. The grant and reimbursable advance components of Horizon Europe or EIC blended finance shall be subject to Articles 30 to 33.

2. EIC blended finance shall be implemented in accordance with Article 43. The support under the EIC blended finance may be granted until the action can be financed as a blending operation or as a financing and investment operation fully covered by the EU guarantee under InvestEU. By derogation from Article 209 of the Financial Regulation, the conditions laid down in paragraph (2) and, in particular, paragraph (a) and (d), do not apply at the time of the award of EIC blended finance.

3. Horizon Europe blended finance may be awarded to a programme co-fund where a joint programme of Member States and associated countries provides for the deployment of financial instruments in support of selected actions. The evaluation and selection of such actions shall be made in accordance with Articles 11, 19, 20, 24, 25, 26, 42a and 43. The implementation modalities of the Horizon Europe blended finance shall comply with Article 29, by analogy Article 43(9) and with additional and justified conditions defined by the work programme.
4. Repayments including reimbursed advances and revenues of Horizon Europe and EIC blended finance shall be considered as internal assigned revenues in accordance with Articles 21(3)(f) and 21(4) of Financial Regulation.

5. Horizon Europe and EIC blended finance shall be provided in a manner that does not distort competition.

Amendment 101
Proposal for a regulation
Article 42 a (new)

Text proposed by the Commission

The Pathfinder

1. The Pathfinder shall provide grants to high-risk cutting-edge projects aiming to develop the strategic autonomy of the Union into potentially radical innovative technologies of the future and new market opportunities. The Pathfinder shall initially provide support for the earliest stages of scientific and technological research and development, including proof of concept and prototypes for technology validation.

The Pathfinder shall be mainly implemented through an open call for bottom-up proposals with regular cut-off dates per year and shall also provide for competitive challenges to develop key strategic objectives ("2) calling for deep-tech and radical thinking. Regrouping of selected projects into thematic or objective driven portfolios will allow establishing critical mass of efforts, technological strategic autonomy at EU level and structuring new multidisciplinary research communities.

2. The Pathfinder's Transition activities shall be implemented to help innovators develop the pathway to commercial development in the Union, such as demonstration activities and feasibility studies to assess potential business cases, and support the creation of spin offs and start-ups.

(a) the launch and the content of the calls for proposals shall be determined with regard to objectives and budget established by the work programme in relation with the concerned portfolio of actions;
Text proposed by the Commission

(b) grants for a fixed amount not exceeding EUR 50,000 may be awarded without a call for proposals, only to those activities already funded under the Pathfinder to carry out urgent coordination and support actions for reinforcing the portfolio’s community of beneficiaries or assessing possible spin-offs or potential market creating-innovation.

3. The award criteria as defined in Article 25 shall apply to the EIC Pathfinder.

(14) These could include topics such as Artificial Intelligence, Quantum technologies, Biocontrol or Second generation digital twins, or any other topics identified in the context of the Horizon Europe Strategic programming (including with Member States’ networked programmes).

Amendment 102
Proposal for a regulation
Article 43

Text proposed by the Commission

Article 43

EIC’s Accelerator

1. The beneficiary of the EIC Accelerator shall be a legal entity qualifying as a start-up, SME or as a mid-cap, established in a Member State or associated country. The proposal may be submitted by the beneficiary, or by one or more natural persons or legal entities intending to establish or support that beneficiary.

2. A single award decision shall cover and provide funding for all forms of Union contribution provided under EIC blended finance.

3. Proposals shall be evaluated on their individual merit by independent experts and selected in the context of an annual open call with cut-off dates, based on Articles 24 to 26, subject to paragraph 4.

4. Award criteria shall be:

— excellence;
— impact;
— the level risk of the action and the need for Union support.

Amendment

Article 43

The Accelerator

1. The beneficiary of the EIC Accelerator shall be a legal entity qualifying as a start-up, scale-up, SME or as a mid-cap, established in a Member State or associated country. The proposal may be submitted by the beneficiary, or by one or more natural persons or legal entities intending to establish or support that beneficiary.

2. A single award decision shall cover and provide funding for all forms of Union contribution provided under EIC blended finance.

3. Proposals shall be evaluated on their individual merit by independent experts and selected in the context of an annual open call with cut-off dates, based on Articles 24 to 26, subject to paragraph 4.

4. Award criteria shall be:

— excellence;
— impact and EU added value;
— the level risk of the action and the need for Union support.
5. With the agreement of applicants concerned, the Commission or funding bodies implementing Horizon Europe may directly submit for evaluation under the last evaluation criterion a proposal for an innovation and market deployment action which already fulfils the first two criteria, subject to the following cumulative conditions:

— the proposal shall stem from any other action funded by Horizon 2020 or this Programme, or from a national programme similar to the EIC’s Pathfinder and acknowledged as such by the Commission;

— be based on a previous project review assessing the excellence and the impact of the proposal and subject to conditions and processes further detailed in the work programme.

6. A Seal of Excellence may be awarded subject to the following cumulative conditions:

— the beneficiary is a start-up or an SME,

— the proposal was eligible and has passed applicable thresholds for the first two award criteria referred to in paragraph 4,

— for those activities that would be eligible under an innovation action.

7. For a proposal having passed the evaluation, independent experts shall propose a corresponding EIC blended finance, based on the risk incurred and the resources and time necessary to bring and deploy the innovation to the market.

The Commission may reject a proposal retained by independent experts for justified reasons, including compliance with the objectives of Union policies.

8. The grant or the reimbursable advance component of the blended finance shall not exceed 70% of the costs of the selected innovation action.
9. Implementation modalities of the equity and repayable support components of the EIC blended finance shall be detailed in Decision [Specific programme].

10. The contract for the selected action shall establish specific milestones and the corresponding pre-financing and payments by instalments of the EIC blended finance.

Activities corresponding to an innovation action may be launched and first pre-financing of the grant or the reimbursable advance paid, prior to the implementation of other components of the awarded EIC blended finance. The implementation of those components shall be subject to the achievement of specific milestones established in the contract.

11. In accordance with the contract, the action shall be suspended, amended or terminated if milestones are not met. It may also be terminated where the expected market deployment cannot be met.

The Commission may decide to increase the EIC blended finance subject to a project review by external independent experts.

Amendment 103
Proposal for a regulation
Article 43 a (new)

In addition to the instruments under the EIC, an SME specific instrument for incremental innovation shall be managed and implemented centrally, supporting mono-beneficiary grants for R&I activities in all clusters, in a bottom-up manner through a continuously open call tailored to the needs of SMEs.
Amendment 104
Proposal for a regulation

Article 44

Appointment of external experts

1. By derogation from Article 237(3) of the Financial Regulation, external experts may be selected without a call for expressions of interest, if justified and the selection is carried out in a transparent manner.

2. In accordance with Article 237(2) and 237(3) of the Financial Regulation, external experts shall be remunerated based on standard conditions. If justified, an appropriate level of remuneration beyond the standard conditions based on relevant market standards, especially for specific high level experts, may be granted.

3. In addition to paragraphs 2 and 3 of Article 38 of the Financial Regulation, the names of external experts evaluating grant applications, who are appointed in a personal capacity shall be published, together with their area of expertise, at least once a year on the internet site of the Commission or the funding body. Such information shall be collected, processed and published in accordance with the EU data protection rules.

3 a. The Commission or the relevant funding body shall ensure that an expert faced with a conflict of interest in relation to a matter on which the expert is required to provide an opinion does not evaluate, advise or assist on the specific matter in question.

3 b. An adequate number of independent experts shall be ensured for each call in order to guarantee the quality of the evaluation.

Appointment of independent external experts

1. By derogation from Article 237(3) of the Financial Regulation, independent external experts may exceptionally be selected without a call for expressions of interest, only if a call for expressions of interest has not identified suitable external experts. Any selection of external experts without a call for expressions of interest shall be duly justified and the selection shall be carried out in a transparent manner. Such experts shall need to prove their independence and capacity to support Horizon Europe objectives.

1 a. Independent external experts shall be chosen on the basis of their skills, experience and knowledge appropriate for carrying out the task assigned to them. When appointing independent external experts the Commission or the Union funding body shall seek balanced representation and composition within the expert group and evaluation panels in terms of specialisation, geographical background, gender and type of organisation they represent.

2. In accordance with Article 237(2) and 237(3) of the Financial Regulation, independent external experts shall be remunerated based on standard conditions.

2. In accordance with Article 237(2) and 237(3) of the Financial Regulation, independent external experts shall be remunerated based on standard conditions.

3. In addition to paragraphs 2 and 3 of Article 38 of the Financial Regulation, the names of independent external experts evaluating grant applications, who are appointed in a personal capacity shall be published, together with their area of expertise, at least once a year on the internet site of the Commission or the funding body. Such information shall be collected, processed and published in accordance with the EU data protection rules.
3 c. The level of remuneration of all independent and external experts shall be reported annually to the European Parliament and the Council. It shall be covered by the administrative expenses of the Programme.

Amendment 105
Proposal for a regulation
Article 45

1. The Commission shall monitor on an annual basis the implementation of Horizon Europe, its specific programme and the activities of the EIT. The annual monitoring reports shall include:

(i) the indicators towards the achievement of the objectives established in Article 3 and set in Annex V along impact pathways;

(ii) information on the implementation of the principles of funding and cross-cutting issues established in particular in Article 6a, such as the level of mainstreaming social sciences and humanities, the ratio between lower and higher TRLs in collaborative research, widening countries participation, the list of widening countries updated in the work programmes, the progress on reducing the RDI divide, the geographical coverage in collaborative projects, researchers salaries, the use of two stage submission and evaluation procedure, the use of the evaluation review and the level of complaints, the level of climate mainstreaming and related expenditures, SME participation, including comparing with national similar SME specific instruments, private sector participation, progress on gender equality, the Seals of Excellence, the private-public partnerships as well as the leverage effect on additional private and public funding, the complementary and cumulative funding from other Union funds, in particular synergies with programmes referred to in Annex IV, the use of research infrastructures supported by other Union funding programmes, the fast-track to research and innovation, the level and impact of international cooperation also as regards the reciprocity principle, engagement of citizens' and civil society participation both at national and Union level;
2. The Commission is empowered to adopt delegated acts in accordance with Article 50 concerning amendments to Annex V to supplement or amend the impact pathway indicators, where considered necessary, and set baselines and targets.

3. The performance reporting system shall ensure that data for monitoring programme implementation and results are collected efficiently, effectively and in a timely manner. To that end, proportionate reporting requirements shall be imposed on recipients of Union funds and (where relevant) Member States.

3a. Qualitative analysis from the Commission and Union or national funding bodies shall complement as much as possible quantitative data.

Amendment 106
Proposal for a regulation

Article 46

Text proposed by the Commission

Article 46

Information, communication, publicity and dissemination and exploitation

1. The recipients of Union funding shall acknowledge the origin and ensure the visibility of the Union funding (in particular when promoting the actions and their results) by providing coherent, effective and proportionate targeted information to multiple audiences, including the media and the public.

Amendment

Article 46

Information, communication, publicity and dissemination and exploitation

1. The recipients of Union funding shall acknowledge the origin and ensure the visibility of the Union funding (in particular when promoting the actions and their results, including for prizes) by providing coherent, effective and proportionate targeted information to multiple audiences, including the media and the public.
2. The Commission shall implement information and communication actions relating to the Programme, and its actions and results. Financial resources allocated to the Programme shall also contribute to the corporate communication of the political priorities of the Union, as far as they are related to the objectives referred to in Article 3.

3. The Commission shall also establish a dissemination and exploitation strategy for increasing the availability and diffusion of the Programme’s research and innovation results and knowledge to accelerate exploitation towards market uptake and boost the impact of the Programme. Financial resources allocated to the Programme shall also contribute to the corporate communication of the political priorities of the Union as well as information, communication, publicity, dissemination and exploitation activities as far as they are related to the objectives referred to in Article 3.

Amendment 107
Proposal for a regulation
Article 47

1. Programme evaluations shall be carried out in a timely manner to feed into the decision-making process on the programme, its successor and other initiatives relevant to research and innovation.

1 a. Missions shall be fully evaluated by 31 December 2022 before any decision is taken on creating new missions or on redirection, termination, continuation of missions or on an increase of their budget. The results of the evaluation of missions shall be made public and shall include, but not limited to, the analysis of their selection process and of their governance, focus and performance.
2. The interim evaluation of the Programme shall be carried out once there is sufficient information available about the implementation of the Programme, but no later than four years after the start of the programme implementation. It shall include an assessment of the long-term impact of previous Framework Programmes and shall form the basis to adjust programme implementation, as appropriate.

3. At the end of the implementation of the Programme, but no later than four years after the end of the period specified in Article 1, a final evaluation of the Programme shall be completed by the Commission. It shall include an assessment of the long-term impact of previous Framework Programmes.

4. The Commission shall communicate the conclusions of the evaluations accompanied by its observations, to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

Amendment

2. The interim evaluation of the Programme shall be carried out once there is sufficient information available about the implementation of the Programme, but no later than three years after the start of the programme implementation. It shall include a portfolio analysis and an assessment of the long-term impact of previous Framework Programmes and shall form the basis to adjust programme implementation and/or review the programme, as appropriate. It shall assess the Programme’s effectiveness, efficiency, relevance, coherence, leverage effect, complementarity with other Union and national RDI funding programmes and Union added value. In particular, the impact of transferred funds from other Union programmes shall be assessed.

3. At the end of the implementation of the Programme, but no later than three years after the end of the period specified in Article 1, a final evaluation of the Programme shall be completed by the Commission. It shall include an assessment of the long-term impact of previous Framework Programmes.

4. The Commission shall publish and disseminate the results and conclusions of the evaluations accompanied by its observations and shall present them to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

Amendment 108
Proposal for a regulation
Article 48

Text proposed by the Commission

Article 48

Audits

1. The control system for the Programme shall ensure an appropriate balance between trust and control, taking into account administrative and other costs of controls at all levels, especially for beneficiaries.

2. The audit strategy for the Programme shall be based on the financial audit of a representative sample of expenditure across the Programme as a whole. The representative sample shall be complemented by a selection based on an assessment of the risks related to expenditure. Actions that receive joint funding from different Union programmes shall be audited only once, covering all involved programmes and their respective applicable rules.

Amendment

Article 48

Audits

1. The control system for the Programme shall ensure an appropriate balance between trust and control, taking into account administrative and other costs of controls at all levels, especially for beneficiaries. Audit rules shall be clear, consistent and coherent throughout the Programme.

2. The audit strategy for the Programme shall be based on the financial audit of a representative sample of expenditure across the Programme as a whole. The representative sample shall be complemented by a selection based on an assessment of the risks related to expenditure. Actions that receive joint funding from different Union programmes shall be audited only once, covering all involved programmes and their respective applicable rules.
3. In addition, the Commission or funding body may rely on combined systems reviews at beneficiary level. These combined reviews shall be optional for certain types of beneficiaries and shall consist in a systems and process audit, complemented by an audit of transactions, carried out by a competent independent auditor qualified to carry out statutory audits of accounting documents in accordance with Directive 2006/43/EC (34). They may be used by the Commission or funding body to determine overall assurance on the sound financial management of expenditure and for reconsideration of the level of ex-post audits and certificates on financial statements.

4. In accordance with Article 127 of the Financial Regulation, the Commission or funding body may rely on audits on the use of Union contributions carried out by other persons or entities, including by other than those mandated by the Union Institutions or bodies.

5. Audits may be carried out up to two years after the payment of the balance.

5 a. The Commission shall publish audit guidelines elaborated in cooperation with the European Court of Auditors. Auditors shall ensure the transparency of the audit they have conducted, as well as a reliable and uniform interpretation of audit rules throughout the duration of the Programme, in order to ensure legal certainty.


Amendment 109
Proposal for a regulation
Annex I — point 1 — introductory part

Text proposed by the Commission

(1) Pillar I ‘Open Science’

Amendment

(1) Pillar I ‘Excellent and Open Science’
Amendment 110
Proposal for a regulation
Annex I — point 1 — paragraph 1 — point a — introductory part

Text proposed by the Commission

(a) European Research Council: Providing attractive and flexible funding to enable talented and creative individual researchers and their teams to pursue the most promising avenues at the frontier of science, on the basis of Union-wide competition.

Amendment

(a) European Research Council: Providing attractive and flexible funding to enable talented and creative individual researchers, with an emphasis on young researchers, and their teams to pursue the most promising avenues at the frontier of science, on the basis of Union-wide competition.

Amendment 111
Proposal for a regulation
Annex I — point 1 — paragraph 1 — point b — introductory part

Text proposed by the Commission

(b) Marie Skłodowska-Curie Actions: Equipping researchers with new knowledge and skills through mobility and exposure across borders, sectors and disciplines, as well as structuring and improving institutional and national recruitment, training and career development systems; in so doing, the Marie Skłodowska-Curie Actions help to lay the foundations of Europe’s excellent research landscape, contributing to boosting jobs, growth, and investment, and solving current and future societal challenges.

Amendment

(b) Marie Skłodowska-Curie Actions: Equipping researchers with new knowledge and skills through mobility and exposure across borders, sectors and disciplines, as well as structuring and improving institutional and national recruitment, training and career development systems; in so doing, the Marie Skłodowska-Curie Actions help to lay the foundations of Europe’s excellent research landscape across the whole Europe, contributing to boosting jobs, growth, and investment, and solving current and future societal challenges.

Amendment 112
Proposal for a regulation
Annex I — point 1 — paragraph 1 — point b — paragraph 1

Text proposed by the Commission

Areas of intervention: Nurturing excellence through mobility of researchers across borders, sectors and disciplines; fostering new skills through excellent training of researchers; strengthening human capital and skills development across the European Research Area; improving and facilitating synergies; promoting public outreach.

Amendment

Areas of intervention: Nurturing excellence through mobility of researchers across borders, sectors and disciplines; fostering new skills through excellent training of researchers; strengthening human resources and skills development across the European Research Area; improving and facilitating synergies; promoting public outreach.
### Amendment 113

**Proposal for a regulation**  
**Annex I — point 2 — introductory part**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(2) Pillar II 'Global Challenges <em>and industrial competitiveness</em>'</td>
<td>(2) Pillar II 'Global Challenges <em>and European industrial competitiveness</em>'</td>
</tr>
</tbody>
</table>

### Amendment 114

**Proposal for a regulation**  
**Annex I — point 2 — paragraph 2**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>To maximise impact flexibility and synergies, research and innovation activities will be organised in <em>five</em> clusters, which individually and together will incentivise interdisciplinary, cross-sectoral, cross-policy, cross-border and international cooperation.</td>
<td>To maximise impact flexibility and synergies, research and innovation activities will be organised in <em>six</em> clusters, <em>inter-connected through pan-European research infrastructures</em>, which individually and together will incentivise interdisciplinary, cross-sectoral, cross-policy, cross-border and international cooperation. <em>The six clusters will also support innovation of individual SMEs in a bottom-up manner through grants.</em></td>
</tr>
</tbody>
</table>

### Amendment 115

**Proposal for a regulation**  
**Annex I — point 2 — paragraph 4 — point a — introductory part**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Cluster ‘Health’: Improving and protecting the health of citizens at all ages, by developing innovative solutions to prevent, diagnose, monitor, treat and cure diseases; mitigating health risks, protecting populations and promoting good health; making public health systems more cost-effective, equitable and sustainable; and supporting and enabling patients’ participation and self-management.</td>
<td>(a) Cluster ‘Health’: Improving and protecting the health of citizens at all ages, by developing innovative solutions to prevent, diagnose, monitor, treat and cure diseases <em>and developing health technologies</em>; mitigating health risks, protecting populations and promoting good health; making public health systems more cost-effective, equitable and sustainable; and supporting and enabling patients’ participation and self-management.</td>
</tr>
</tbody>
</table>
Amendment 116
Proposal for a regulation
Annex I — point 2 — paragraph 4 — point b — introductory part

Text proposed by the Commission

(b) Cluster ‘Inclusive and secure society’: Strengthening European democratic values, including rule of law and fundamental rights, safeguarding our cultural heritage, and promoting socio-economic transformations that contribute to inclusion and growth, while responding to the challenges arising from persistent security threats, including cybercrime, as well as natural and man-made disasters.

Amendment

(b) Cluster ‘Inclusive and creative society’: Strengthening European democratic values, including rule of law and fundamental rights, safeguarding our cultural heritage, exploring the potential of cultural and creative sectors, and promoting socio-economic transformations that contribute to inclusion and growth, including migration management and integration of migrants.

Amendment 117
Proposal for a regulation
Annex I — point 2 — paragraph 4 — point b — paragraph 1

Text proposed by the Commission

Areas of intervention: Democracy; Cultural heritage; Social and economic transformations; Disaster-resilient societies; Protection and Security; Cybersecurity

Amendment

Areas of intervention: Democracy; Culture and creativity; Social, cultural and economic transformations; social sciences and humanities.

Amendment 118
Proposal for a regulation
Annex I — point 2 — paragraph 4 — point c — paragraph 1

Text proposed by the Commission

Areas of intervention: Manufacturing technologies; Digital technologies; Advanced materials; Artificial intelligence and robotics; Next generation internet; High performance computing and Big Data; Circular industries; Low carbon and clean industry; Space

Amendment

Areas of intervention: Manufacturing technologies; Digital technologies; Advanced materials; Artificial intelligence and robotics; Next generation internet; Quantum technologies; High performance computing and Big Data; Circular industries; Low carbon and clean industry; Space
### Amendment 119

**Proposal for a regulation**

**Annex I — point 2 — paragraph 4 — point c a (new)**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
</table>
| **(c a) Cluster ‘Secure Society’: responding to the challenges arising from persistent security threats, including cybercrime, as well as natural and man-made disasters.** | (c a) Cluster ‘Secure Society’: responding to the challenges arising from persistent security threats, including cybercrime, as well as natural and man-made disasters.  
**Areas of intervention:** Organised crime; terrorism, extremism, radicalisation and ideologically motivated violence; Border protection management; Cyber-Security, privacy, data protection; Protecting critical infrastructures and improving disaster response; Piracy and counterfeits of products; Supporting the Union’s external security policies, including through conflict prevention and peace-building; Promoting coordination, cooperation and synergies. |

### Amendment 120

**Proposal for a regulation**

**Annex I — point 2 — paragraph 4 — point d — introductory part**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(d) Cluster ‘Climate, Energy and Mobility’: Fighting climate change by better understanding its causes, evolution, risks, impacts and opportunities, and by making the energy and transport sectors more climate and environment-friendly, more efficient and competitive, smarter, safer and more resilient.</strong></td>
<td>(d) Cluster ‘Climate, Energy and Mobility’: Fighting climate change by better understanding its causes, evolution, risks, impacts and opportunities, and by making the energy and transport sectors more climate and environment-friendly, more efficient and competitive, smarter, safer and more resilient; promote the use of renewable energy sources and behavioural change.</td>
</tr>
</tbody>
</table>

### Amendment 121

**Proposal for a regulation**

**Annex I — point 2 — paragraph 4 — point d — paragraph 1**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Areas of intervention: Climate science and solutions; Energy supply; Energy systems and grids; Buildings <strong>and</strong> industrial facilities in energy transition; Communities and cities; Industrial competitiveness in transport; Clean transport and mobility; Smart mobility; Energy storage.</td>
<td>Areas of intervention: Climate science and solutions; Energy supply; Energy systems and grids; Buildings in energy transition; Industrial facilities in the energy transition; Coal regions in transition; Communities and cities; Industrial competitiveness in transport; Clean transport and mobility; Smart mobility; Energy storage,</td>
</tr>
</tbody>
</table>
### Amendment 122

**Proposal for a regulation**

**Annex I — point 2 — paragraph 4 — point e — introductory part**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(e) Cluster ‘Food and natural resources’: Protecting, restoring, sustainably managing and using natural and biological resources from land and sea to address food and nutrition security and the transition to a low carbon, resource efficient circular economy.</td>
<td>(e) Cluster ‘Food, Natural Resources and Agriculture’: Protecting, restoring, sustainably managing and using natural and biological resources from land, <strong>inland waters and</strong> sea to address food and nutrition security and the transition to a low carbon, resource efficient circular economy.</td>
</tr>
</tbody>
</table>

### Amendment 123

**Proposal for a regulation**

**Annex I — point 2 — paragraph 4 — point e — paragraph 1**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Areas of intervention: Environmental observation; Biodiversity and natural capital; Agriculture, forestry and rural areas; <strong>Sea and</strong> oceans; Food systems; Bio-based innovation systems; Circular systems</td>
<td>Areas of intervention: Environmental observation; Biodiversity and natural capital; Agriculture, forestry and rural areas; <strong>Seas</strong>, oceans, <strong>inland waters and the Blue Economy</strong>: Food systems; Bio-based innovation systems; Circular systems</td>
</tr>
</tbody>
</table>

### Amendment 124

**Proposal for a regulation**

**Annex I — point 2 — paragraph 4 — point f — paragraph 1**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Areas of intervention: Health, <strong>resilience and security</strong>: digital and industry; climate, energy and mobility; food and natural resources; support to the functioning of the internal market and the economic governance of the Union; support to Member States with implementation of legislation and development of smart specialisation strategies; analytical tools and methods for policy making; knowledge management; knowledge and technology transfer; support to science for policy platforms.</td>
<td>Areas of intervention: Health; <strong>Inclusive and creative society</strong>; <strong>Secure society</strong>: digital, industry <strong>and space</strong>; climate, energy and mobility; food and natural resources; support to the functioning of the internal market and the economic governance of the Union; support to Member States with implementation of legislation and development of smart specialisation strategies; analytical tools and methods for policy making; knowledge management; knowledge and technology transfer; support to science for policy platforms.</td>
</tr>
</tbody>
</table>
Amendment 125
Proposal for a regulation
Annex I — point 3 — introductory part

Text proposed by the Commission
(3) Pillar III 'Open Innovation'

Amendment
(3) Pillar III 'Innovative Europe'

Amendment 126
Proposal for a regulation
Annex I — point 3 — paragraph 1 — introductory part

Text proposed by the Commission
Through the following activities, this pillar will, in line with Article 4, foster all forms of innovation, including breakthrough innovation, and strengthen market deployment of innovative solutions. It will also contribute to the Programme’s other specific objectives as described in Article 3.

Amendment
Through the following activities, this pillar will, in line with Article 4, foster all forms of innovation, including breakthrough technological and social innovation, and strengthen market deployment of innovative solutions, in particular by start-ups and SMEs working together with research institutions. It will also contribute to the Programme’s other specific objectives as described in Article 3.

Amendment 127
Proposal for a regulation
Annex I — point 4 — paragraph 1

Text proposed by the Commission
Through the following activities, this part will, in line with Article 4, optimise the Programme's delivery for increased impact within a strengthened European Research Area. It will also support the Programme’s other specific objectives as described in Article 3. While underpinning the entire Programme, this part will support activities that contribute to a more knowledge-based and innovative and gender-equal Europe, at the front edge of global competition, thereby optimising national strengths and potential across Europe in a well-performing European Research Area (ERA), where knowledge and a highly skilled workforce circulate freely, where the outcomes of R&I are understood and trusted by informed citizens and benefit society as a whole, and where EU policy, notably R&I policy, is based on high quality scientific evidence.

Amendment
Through the following activities, this part will, in line with Article 4, optimise the Programme's delivery for increased impact and attractiveness within a strengthened European Research Area. It will also support the Programme’s other specific objectives as described in Article 3. While underpinning the entire Programme, this part will support activities that contribute to attract talent in the Union and tackle brain drain. It will also contribute to a more knowledge-based and innovative and gender-equal Europe, at the front edge of global competition, thereby optimising national strengths and potential across the whole of Europe in a well-performing European Research Area (ERA), where knowledge and a highly skilled workforce circulate freely in a balanced manner, where the outcomes of R&I are understood and trusted by informed citizens and benefit society as a whole, and where EU policy, notably R&I policy, is based on high quality scientific evidence.
Amendment 128
Proposal for a regulation
Annex I — point 4 — paragraph 2

Text proposed by the Commission

Areas of intervention: **Sharing Excellence**; Reforming and enhancing the European R&I system.

Amendment

Areas of intervention: **Spreading excellence and widening participation through teaming, twinning, ERA-Chairs initiatives, COST, Excellence initiatives and widening fellowships**; Reforming and enhancing the European R&I system.

Amendment 129
Proposal for a regulation
Annex II — paragraph 2 — indent 1

Text proposed by the Commission

— Research and innovation action: action primarily consisting of activities aiming to establish new knowledge and/or to explore the feasibility of a new or improved technology, product, process, service or solution. This may include basic and applied research, technology development and integration, testing and validation on a small-scale prototype in a laboratory or simulated environment;

Amendment

— Research and innovation action: action primarily consisting of activities aiming to establish new knowledge and/or to explore the feasibility of a new or improved technology, product, process, service or solution. This may include basic and applied research, technology development and integration, testing and validation on a small-scale prototype in a laboratory or simulated environment. **The Fast Track to Research and Innovation logic will be applied for a selected number of collaborative research and innovation actions**;

Amendment 130
Proposal for a regulation
Annex II — paragraph 2 — indent 6

Text proposed by the Commission

— Programme co-fund action: action to provide co-funding to a programme of activities established and/or implemented by entities managing and/or funding research and innovation programmes, other than Union funding bodies. Such a programme of activities may support networking and coordination, research, innovation, pilot actions, and innovation and market deployment actions, training and mobility actions, awareness raising and communication, dissemination and exploitation, or a combination thereof, directly implemented by those entities or by third parties to whom they may provide any relevant financial support such as grants, prizes, procurement, as well as Horizon Europe blended finance;

Amendment

— Programme co-fund action: action to provide co-funding to a programme of activities established and/or implemented by entities managing and/or funding research and innovation programmes, other than Union funding bodies. Such a programme of activities may support **interconnection**, networking and coordination, research, innovation, pilot actions, and innovation and market deployment actions, training and mobility actions, awareness raising and communication, dissemination and exploitation, or a combination thereof, directly implemented by those entities or by third parties to whom they may provide any relevant financial support such as grants, prizes, procurement, as well as Horizon Europe blended finance;
Amendment 131
Proposal for a regulation
Annex III — paragraph 1 — point 1 — point a — introductory part

Text proposed by the Commission

(a) Evidence that the European Partnership is more effective in achieving the related objectives of the Programme, in particular in delivering clear impacts for the EU and its citizens, notably in view of delivering on global challenges and research and innovation objectives, securing EU competitiveness and contributing to the strengthening of the European Research and Innovation Area and international commitments;

Amendment

(a) Evidence that the European Partnership is more effective in achieving the related objectives of the Programme, in particular in delivering clear impacts for throughout the Union and for its citizens, notably in view of delivering on global challenges and research and innovation objectives, securing EU competitiveness, sustainability and contributing to the strengthening of the European Research and Innovation Area and international commitments;

Amendment 132
Proposal for a regulation
Annex III — paragraph 1 — point 1 — point b

Text proposed by the Commission

(b) Coherence and synergies of the European Partnership within the EU research and innovation landscape;

Amendment

(b) Coherence and synergies of the European Partnerships within the EU research and innovation landscape, including national and regional strategies;

Amendment 133
Proposal for a regulation
Annex III — paragraph 1 — point 1 — point c

Text proposed by the Commission

(c) Transparency and openness of the European Partnership as regards the identification of priorities and objectives, and the involvement of partners and stakeholders from different sectors, including international ones when relevant;

Amendment

(c) Transparency and openness of the European Partnerships as regards the identification of priorities and objectives, as well as their governance, and the involvement of partners, and stakeholders from different sectors and backgrounds, including international ones when relevant.

Amendment 134
Proposal for a regulation
Annex III — paragraph 1 — point 1 — point d — indent 1

Text proposed by the Commission

— identification of measurable expected outcomes, deliverables and impacts within specific timeframes, including key economic value for Europe;

Amendment

— identification of measurable expected outcomes, deliverables and impacts within specific timeframes, including key economic value for the EU;
Amendment 135
Proposal for a regulation
Annex III — paragraph 1 — point 1 — point d — indent 2

Text proposed by the Commission
— demonstration of expected qualitative and quantitative leverage effects;

Amendment
— demonstration of strong expected qualitative and quantitative leverage effects;

Amendment 136
Proposal for a regulation
Annex III — paragraph 1 — point 1 — point d — indent 3

Text proposed by the Commission
— approaches to ensure flexibility of implementation and to adjust to changing policy or market needs, or scientific advances;

Amendment
— approaches to ensure flexibility of implementation and to adjust to changing policy, societal and/or market needs, or scientific advances;

Amendment 137
Proposal for a regulation
Annex III — paragraph 1 — point 1 — point e — paragraph 1

Text proposed by the Commission
In the case of institutionalised European Partnerships, the financial and/or in-kind, contributions from partners other than the Union, will at least be equal to 50% and may reach up to 75% of the aggregated European Partnership budgetary commitments. For each institutionalised European Partnership, a share of the contributions from partners other than the Union will be in the form of financial contributions.

Amendment
In the case of institutionalised European Partnerships, the financial and/or in-kind, contributions from partners other than the Union, will at least be equal to 50% in case of partnerships between the Union and private partners, and may reach up to 75%, in case of partnerships involving also Member States, of the aggregated European Partnership budgetary commitments.

Amendment 138
Proposal for a regulation
Annex III — paragraph 1 — point 1 — point e a (new)

Text proposed by the Commission
(e a) In agreement with regional authorities, ERDF shall be accepted as a partial national contribution for Programme co-funding of actions involving Member States.
Amendment 139
Proposal for a regulation
Annex III — paragraph 1 — point 2 — point c

Text proposed by the Commission

(c) Coordination and/or joint activities with other relevant research and innovation initiatives ensuring effective synergies;

Amendment

(c) Coordination and/or joint activities with other relevant research and innovation initiatives to secure optimum level of interconnections and ensure effective synergies;

Amendment 140
Proposal for a regulation
Annex III — paragraph 1 — point 2 — point d

Text proposed by the Commission

(d) Legally binding commitments, in particular for financial contributions, from each partner throughout the lifetime of the initiative;

Amendment

(d) Legally binding commitments, in particular for in kind and/or financial contributions, from each partner throughout the lifetime of the initiative;

Amendment 141
Proposal for a regulation
Annex III — paragraph 1 — point 3 — point a

Text proposed by the Commission

(a) A monitoring system in line with the requirements set out in Article 45 to track progress towards specific policy goals/objectives, deliverables and key performance indicators allowing for an assessment over time of achievements, impacts and potential needs for corrective measures;

Amendment

(a) A monitoring system in line with the requirements set out in Article 45 to track progress towards programme-specific policy goals/objectives, deliverables and key performance indicators allowing for an assessment over time of achievements, impacts and potential needs for corrective measures;

Amendment 142
Proposal for a regulation
Annex III — paragraph 1 — point 4 — point b

Text proposed by the Commission

(b) Appropriate measures ensuring phasing-out according to the agreed conditions and timeline, without prejudice to possible continued transnational funding by national or other Union programmes.

Amendment

(b) In the absence of renewal, appropriate measures ensuring phasing-out according to the agreed timeline and conditions agreed with the legally committed partners, without prejudice to possible continued transnational funding by national or other Union programmes, and without prejudice to private investment and ongoing projects.
Amendment 143
Proposal for a regulation
Annex IV — point 1 — point b

(b) the CAP makes the best use of research and innovation results and promotes the use, implementation and deployment of innovative solutions, including those stemming from projects funded by the Framework Programmes for research and innovation and from the European Innovation Partnership ‘agricultural productivity and sustainability’;

Amendment 144
Proposal for a regulation
Annex IV — point 2 — point b

(b) the EMFF supports the rolling out of novel technologies and innovative products, processes and services, in particular those resulting from the Programme in the fields of marine and maritime policy; the EMFF also promotes ground data collection and data processing and disseminates relevant actions supported under the Programme, which in turn contributes to the implementation of the Common Fisheries Policy, the EU Maritime Policy and International Ocean Governance.

Amendment 145
Proposal for a regulation
Annex IV — point 3 — point a

(a) arrangements for combined funding from ERDF and Programme are used to support activities providing a bridge between smart specialisations strategies and international excellence in research and innovation, including joint trans-regional/trans-national programmes and pan European Research Infrastructures, with the aim of strengthening the European Research Area;
Amendment 146
Proposal for a regulation
Annex IV — point 3 — point a a (new)

Text proposed by the Commission

(a a) ERDF funds can be transferred on a voluntary basis to support activities under the Programme, in particular the Seal of excellence;

Amendment 147
Proposal for a regulation
Annex IV — point 3 — point b a (new)

Text proposed by the Commission

(b a) existing regional ecosystems, platform networks and regional strategies are enhanced;

Amendment 148
Proposal for a regulation
Annex IV — point 4 — point b

Text proposed by the Commission

(b) arrangements for complementary funding from ESF+ can be used to support activities promoting human capital development in research and innovation with the aim of strengthening the European Research Area;

Amendment 149
Proposal for a regulation
Annex IV — point 6 — point b

Text proposed by the Commission

(b) research and innovation needs related to digital aspects are identified and established in the Programme’s strategic research and innovation plans; this includes research and innovation for High Performance Computing, Artificial Intelligence, Cybersecurity, combining digital with other enabling technologies and non-technological innovations; support for the scale-up of companies introducing breakthrough innovations (many of which will combine digital and physical technologies; the integration of digital across all the pillar ‘Global Challenges and Industrial Competitiveness’; and the support to digital research infrastructures;
Amendment 150
Proposal for a regulation
Annex IV — point 6 — point c

Text proposed by the Commission

(c) DEP focuses on large-scale digital capacity and infrastructure building in High Performance Computing, Artificial Intelligence, Cybersecurity and advanced digital skills aiming at wide uptake and deployment across Europe of critical existing or tested innovative digital solutions within an EU framework in areas of public interest (such as health, public administration, justice and education) or market failure (such as the digitisation of businesses, notably small and medium enterprises); DEP is mainly implemented through coordinated and strategic investments with Member States, notably through joint public procurement, in digital capacities to be shared across Europe and in EU-wide actions that support interoperability and standardisation as part of developing a Digital Single Market;

Amendment

(c) DEP focuses on large-scale digital capacity and infrastructure building in High Performance Computing, Artificial Intelligence, Distributed Ledger Technologies, Quantum Technologies and advanced digital skills aiming at wide uptake and deployment across Europe of critical existing or tested innovative digital solutions within an EU framework in areas of public interest (such as health, public administration, justice and education) or market failure (such as the digitisation of businesses, notably small and medium enterprises); DEP is mainly implemented through coordinated and strategic investments with Member States, notably through joint public procurement, in digital capacities to be shared across Europe and in EU-wide actions that support interoperability and standardisation as part of developing a Digital Single Market;

Amendment 151
Proposal for a regulation
Annex IV — point 6 — point f

Text proposed by the Commission

(f) the Programme’s initiatives for the development of skills and competencies curricula, including those delivered at the co-location centres of the European Institute of Innovation and Technology’s KIC-Digital, are complemented by Digital Europe-supported capacity-building in advanced digital skills;

Amendment

(f) the Programme’s initiatives for the development of skills and competencies curricula, including those delivered at the co-location centres of the European Institute of Innovation and Technology Knowledge and Innovation Communities, are complemented by Digital Europe-supported capacity-building in advanced digital skills;

Amendment 152
Proposal for a regulation
Annex IV — point 7 — point a

Text proposed by the Commission

(a) the Single Market Programme addresses the market failures which affect all SMEs, and will promote entrepreneurship and the creation and growth of companies. Full complementarity exists between the Single Market Programme and the actions of the future European Innovation Council for innovative companies, as well as in the area of support services for SMEs, in particular where the market does not provide viable financing;

Amendment

(a) the Single Market Programme addresses the market failures which affect all SMEs, and will promote entrepreneurship and the creation and growth of companies. Full complementarity exists between the Single Market Programme and the actions of both the EIT and the future European Innovation Council for innovative companies, as well as in the area of support services for SMEs, in particular where the market does not provide viable financing;
Amendment 153
Proposal for a regulation
Annex IV — point 7 — point b

Text proposed by the Commission

(b) the Enterprise Europe Network may serve, as other existing SME support structures (e.g. National Contact Points, Innovation Agencies), to deliver support services under the European Innovation Council.

Amendment

(b) the Enterprise Europe Network may serve, as other existing SME support structures (e.g. National Contact Points, Innovation Agencies, DIH, Competence Centres, certified incubators), to deliver support services under the Horizon Europe programme, including the European Innovation Council.

Amendment 154
Proposal for a regulation
Annex IV — point 8 — paragraph 1

Text proposed by the Commission

Research and innovation needs to tackle environmental, climate and energy challenges within the EU are identified and established during the Programme's strategic research and innovation planning process. LIFE will continue to act as a catalyst for implementing EU environment, climate and relevant energy policy and legislation, including by taking up and applying research and innovation results from the Programme and help deploying them at national and (inter-)regional scale where it can help address environmental, climate or clean energy transition issues. In particular LIFE will continue to incentivise synergies with the Programme through the award of a bonus during the evaluation for proposals which feature the uptake of results from the Programme. LIFE standard action projects will support the development, testing or demonstration of suitable technologies or methodologies for implementation of EU environment and climate policy, which can subsequently be deployed at large scale, funded by other sources, including by the Programme. The Programme's European Innovation Council can provide support to scale up and commercialise new breakthrough ideas that may result from the implementation of LIFE projects.

Amendment

Research and innovation needs to tackle environmental, climate and energy challenges within the EU are identified and established during the Programme's strategic research and innovation planning process. LIFE will continue to act as a catalyst for implementing EU environment, climate and relevant energy policy and legislation, including by taking up and applying research and innovation results from the Programme and help deploying them at national and (inter-)regional scale where it can help address environmental, climate or clean energy transition issues. In particular LIFE will continue to incentivise synergies with the Programme through the award of a bonus during the evaluation for proposals which feature the uptake of results from the Programme. LIFE standard action projects will support the development, testing or demonstration of suitable technologies or methodologies for implementation of EU environment and climate policy, which can subsequently be deployed at large scale, funded by other sources, including by the Programme. The Programme’s EIT as well as the future European Innovation Council can provide support to scale up and commercialise new breakthrough ideas that may result from the implementation of LIFE projects.
Amendment 155
Proposal for a regulation
Annex IV — point 9 — point a

Text proposed by the Commission

(a) combined resources from the Programme and the Erasmus Programme are used to support activities dedicated to strengthening and modernising European higher education institutions. The Programme will complement Erasmus programme support for the European Universities initiative, in particular its research dimension as part of developing new joint and integrated long term and sustainable strategies on education, research and innovation based on trans-disciplinary and cross-sectoral approaches to make the knowledge triangle a reality, providing impetus to economic growth;

Amendment

(a) combined resources from the Programme and the Erasmus Programme are used to support activities dedicated to strengthening and modernising European higher education institutions. The Programme will complement Erasmus programme support for the European Universities initiative, in particular its research dimension as part of developing new joint and integrated long term and sustainable strategies on education, research and innovation based on trans-disciplinary and cross-sectoral approaches to make the knowledge triangle a reality, providing impetus to economic growth; the EIT’s educational activities could be both inspirational to and interlinked with the European Universities initiative.

Amendment 156
Proposal for a regulation
Annex IV — point 13 — point b

Text proposed by the Commission

(b) financial instruments for research and innovation and SMEs are grouped together under the InvestEU Fund, in particular through a dedicated R&I thematic window, and through products deployed under the SME window targeting innovative companies, in this way also helping to deliver the objectives of the Programme.

Amendment

(b) financial instruments for research and innovation and SMEs are grouped together under the InvestEU Fund, in particular through a dedicated R&I thematic window, and through products deployed under the SME window targeting innovative companies, in this way also helping to deliver the objectives of the Programme. Strong complementary links will be established between InvestEU and Horizon Europe.

Amendment 157
Proposal for a regulation
Annex IV — point 14 — point a

Text proposed by the Commission

(a) the Innovation Fund will specifically target innovation in low-carbon technologies and processes, including environmentally safe carbon capture and utilisation that contributes substantially to mitigate climate change, as well as products substituting carbon intensive ones, and to help stimulate the construction and operation of projects that aim at the environmentally safe capture and geological storage of CO2 as well as innovative renewable energy and energy storage technologies;

Amendment

(a) the Innovation Fund will specifically target innovation in low-carbon technologies and processes, including environmentally safe carbon capture and utilisation that contributes substantially to mitigate climate change, as well as products substituting carbon intensive ones, and to help stimulate the construction and operation of projects that aim at the environmentally safe capture and geological storage of CO2 as well as innovative renewable energy and energy storage technologies: An appropriate framework will be created to enable and to incentivise ‘greener’ products with a sustainable added value for the customers/end-users.
Amendment 158
Proposal for a regulation
Annex IV — point 14 — point b

Text proposed by the Commission

(b) the Programme will fund the development and demonstration of technologies that can deliver on EU decarbonisation, energy and industrial transformation objectives, especially in its Pillar 2.

Amendment

(b) the Programme will fund the development, demonstration and implementation of technologies, including breakthrough solutions, that can deliver on a low-carbon economy and the Union’s decarbonisation, energy and industrial transformation objectives, especially in its Pillar 2 and through the EIT.

Amendment 159
Proposal for a regulation
Annex IV — point 14 — point c

Text proposed by the Commission

(c) the Innovation Fund may, subject to fulfilment of its selection and award criteria, support the demonstration phase of eligible projects that may have received the support from the Framework Programmes for research and innovation.

Amendment

(c) the Innovation Fund may, subject to fulfilment of its selection and award criteria, support the demonstration phase of eligible projects. Projects receiving support from the Innovation Fund may be eligible for support from the Framework Programmes for research and innovation and vice versa. To complement Horizon Europe, the Innovation Fund may concentrate on close-to-the-market innovations contributing to a significant and fast reduction of CO2 emissions. Strong complementary links will be established between the Innovation Fund and Horizon Europe.

Amendment 160
Proposal for a regulation
Annex IV — point 16

Text proposed by the Commission

16. Synergies with the European Defence Fund will benefit civil and defence research. Unnecessary duplication will be excluded.

Amendment

16. Potential synergies with the European Defence Fund will contribute to avoiding duplication.
Amendment 161
Proposal for a regulation
Annex IV — point 16 a (new)

Text proposed by the Commission

Amendment

16 a. Synergies with Creative Europe will support competitiveness and innovation, contributing to economic and social growth and promoting the effective use of public funds.

Amendment 162
Proposal for a regulation
Annex IV — point 16 b (new)

Text proposed by the Commission

Amendment

16 b. Synergies with any Important Projects of Common European Interest (IPCEI) may be envisaged.

Amendment 163
Proposal for a regulation
Annex V — paragraph 1

Text proposed by the Commission

Impact pathways, and related key impact pathway indicators, shall structure the monitoring of the Framework Programme's (FP) performance towards its objectives. The impact pathways are time-sensitive: **they distinguish** between the short, medium and long term. **Impact pathway indicators serve as proxies to report on the progress made towards each type of Research and Innovation (R&I) impact at the FP-level.** Individual Programme parts will contribute to these indicators to a different degree and through different mechanisms. Additional indicators may be used to monitor individual programme parts, where relevant.

Amendment

Impact pathways, and related key impact pathway indicators, shall structure the monitoring of the Framework Programme's (FP) performance towards its objectives as referred to in Article 3. The impact pathways are time-sensitive and reflect four complementary impact categories reflecting the non-linear nature of R&I investments: scientific, societal, economic and European Research Area. For each of these impact categories, proxy indicators will be used to track progress distinguishing between the short, medium and longer terms, with a relevant breakdown, and distinguishing between Member States and associated countries. Individual Programme parts will contribute to these indicators to a different degree and through different mechanisms. Additional indicators may be used to monitor individual programme parts, where relevant.
Amendment 164
Proposal for a regulation
Annex V — paragraph 2

Text proposed by the Commission
The micro-data behind the key impact pathway indicators will be collected for all parts of the Programme and all delivery mechanisms in a centrally managed and harmonised way and at the appropriate level of granularity with minimal reporting burden on the beneficiaries.

Amendment
The micro-data behind the key impact pathway indicators will be collected for all parts of the Programme and all delivery mechanisms in a centrally managed and harmonised way and at the appropriate level of granularity, with minimal reporting burden on the beneficiaries. Empirical evidence and indicators must be accompanied as much as possible by a qualitative analysis.

Amendment 165
Proposal for a regulation
Annex V — paragraph 4

Text proposed by the Commission
The Programme is expected to have societal impact by addressing EU policy priorities through R&I, delivering benefits and impact through R&I missions and strengthening the uptake of innovation in society. Progress towards this impact will be monitored through proxy indicators set along the following four key impact pathways.

Amendment
The Programme is expected to have societal impact by addressing the global challenges as identified in Pillar II including UN SDGs as well as EU policy priorities and commitments through R&I, delivering benefits and impact through R&I missions and strengthening the uptake of innovation in society ultimately contributing to people’s well-being. Progress towards this impact will be monitored through proxy indicators set along the following four key impact pathways.

Amendment 166
Proposal for a regulation
Annex V — table 2

Text proposed by the Commission

<table>
<thead>
<tr>
<th>Towards societal impact</th>
<th>Short-term</th>
<th>Medium-term</th>
<th>Longer-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Addressing EU policy priorities through R&amp;I</td>
<td>Outputs - Number and share of outputs aimed at addressing specific EU policy priorities</td>
<td>Solutions - Number and share of innovations and scientific results addressing specific EU policy priorities</td>
<td>Benefits - Aggregated estimated effects from use of FP-funded results, on tackling specific EU policy priorities, including contribution to the policy and law-making cycle</td>
</tr>
<tr>
<td>Towards societal impact</td>
<td>Short-term</td>
<td>Medium-term</td>
<td>Longer-term</td>
</tr>
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<td>---------------------------------------------------</td>
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</tr>
<tr>
<td>Delivering benefits and impact through R&amp;I missions</td>
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<td></td>
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<tr>
<td>R&amp;I mission outputs -</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Outputs in specific R&amp;I missions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R&amp;I mission results -</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Results in specific R&amp;I missions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R&amp;I mission targets met -</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Targets achieved in specific R&amp;I missions</td>
<td></td>
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</tr>
<tr>
<td>Strengthening the uptake of innovation in society</td>
<td></td>
<td></td>
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<tr>
<td>Co-creation -</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Number and share of FP projects where EU citizens and end-users contribute to the co-creation of R&amp;I content</td>
<td></td>
<td></td>
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<tr>
<td>Engagement -</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number and share of FP beneficiary entities with citizen and end-users engagement mechanisms after FP project</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Societal R&amp;I uptake</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uptake and outreach of FP co-created scientific results and innovative solutions</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Amendment**

<table>
<thead>
<tr>
<th>Towards societal impact</th>
<th>Short-term</th>
<th>Medium-term</th>
<th>Longer-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Addressing Horizon Europe objectives and EU policy priorities through R&amp;I</td>
<td>Outputs -</td>
<td>Solutions -</td>
<td>Benefits -</td>
</tr>
<tr>
<td>Number and share of outputs aimed at addressing specific Horizon Europe objectives and EU policy priorities</td>
<td>Number and share of innovations and scientific results addressing specific Horizon Europe objectives and EU policy priorities</td>
<td>Aggregated estimated effects from use of FP-funded results, on tackling specific Horizon Europe objectives and EU policy priorities, contribution to the policy and law-making cycle</td>
<td></td>
</tr>
<tr>
<td>Delivering benefits and impact through R&amp;I missions and Partnerships</td>
<td>R&amp;I mission outputs -</td>
<td>R&amp;I mission results -</td>
<td>R&amp;I mission targets met -</td>
</tr>
<tr>
<td>Outputs in specific R&amp;I missions and Partnerships</td>
<td>Results in specific R&amp;I missions and Partnerships</td>
<td>Targets achieved in specific R&amp;I missions and Partnerships</td>
<td></td>
</tr>
</tbody>
</table>
Towards societal impact

<table>
<thead>
<tr>
<th>Short-term</th>
<th>Medium-term</th>
<th>Longer-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects and outputs - Number and share of projects and outputs that are climate-relevant (by missions, partnerships and budget lines of the Programme)</td>
<td>Innovations from climate-relevant FP project - Number of innovations from FP projects that are climate-relevant, including from awarded IPRs</td>
<td>Societal and economic impact of climate-relevant projects - Aggregated estimated effects from use of FP-funded results, on delivering EU’s long term climate and energy commitments under the Paris Agreement</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Economic, societal and environmental costs and benefits of climate-relevant projects — Uptake of innovative climate mitigation and adaptation solutions deriving from FP projects — Aggregated estimated effects from the use of these solutions on jobs and company creation, economic growth, clean energy, health and well-being (including air, soil and water quality)</td>
</tr>
</tbody>
</table>

Strengthening the uptake of R&I in society, in MS

<table>
<thead>
<tr>
<th>Short-term</th>
<th>Medium-term</th>
<th>Longer-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-creation - Number and share of FP projects where EU citizens and end-users contribute to the co-creation of R&amp;I content</td>
<td>Engagement - Number and share of FP beneficiary entities with citizen and end-users engagement mechanisms after FP project</td>
<td>Societal R&amp;I uptake</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Access, uptake and outreach of FP scientific results and innovative solutions</td>
</tr>
</tbody>
</table>

Amendment 167

Proposal for a regulation

Annex V — paragraph 5

The Programme is expected to have economic/innovation impact by influencing the creation and growth of companies, creating direct and indirect jobs, and by leveraging investments for research and innovation. Progress towards this impact will be monitored through proxy indicators set along the following three key impact pathways.

Amendment

The Programme is expected to have economic/innovation impact especially within the Union by influencing the creation and growth of companies, especially SMEs, creating direct and indirect jobs especially within the Union, and by leveraging investments for research and innovation. Progress towards this impact will be monitored through proxy indicators set along the following three key impact pathways.
Amendment 168  
Proposal for a regulation  
Annex V — table 3

Text proposed by the Commission

<table>
<thead>
<tr>
<th>Towards economic / innovation impact</th>
<th>Short-term</th>
<th>Medium-term</th>
<th>Longer-term</th>
</tr>
</thead>
</table>
| Generating innovation-based growth | Innovative outputs -  
Number of innovative products, processes or methods from FP (by type of innovation) & Intellectual Property Rights (IPR) applications | Innovations -  
Number of innovations from FP projects (by type of innovation) including from awarded IPRs | Economic growth -  
Creation, growth & market shares of companies having developed FP innovations |
| Creating more and better jobs | Supported employment -  
Number of FTE jobs created, and jobs maintained in beneficiary entities for the FP project (by type of job) | Sustained employment -  
Increase of FTE jobs in beneficiary entities following FP project (by type of job) | Total employment  
Number of direct & indirect jobs created or maintained due to diffusion of FP results (by type of job) |
| Leveraging investments in R&I | Co-investment -  
Amount of public & private investment mobilised with the initial FP investment | Scaling-up -  
Amount of public & private investment mobilised to exploit or scale-up FP results | Contribution to ‘3 % target’ -  
EU progress towards 3 % GDP target due to FP |
<table>
<thead>
<tr>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Towards economic / innovation impact</strong></td>
</tr>
<tr>
<td><strong>Short-term</strong></td>
</tr>
<tr>
<td>Innovative outputs - Number of innovative products, processes or methods from FP (by type of innovation) &amp; Intellectual Property Rights (IPR) applications in all participating countries</td>
</tr>
<tr>
<td>Innovations - Number of innovations from FP projects (by type of innovation and by country) including from awarded IPRs</td>
</tr>
<tr>
<td>Economic growth - Creation, growth &amp; market shares of companies having developed FP innovations within and outside the Union</td>
</tr>
<tr>
<td><strong>Medium-term</strong></td>
</tr>
<tr>
<td><strong>Longer-term</strong></td>
</tr>
<tr>
<td><strong>Addressing the Union gap between R&amp;D activities and the market</strong></td>
</tr>
<tr>
<td><strong>Exploitation of RDI results</strong></td>
</tr>
<tr>
<td>Share of FP results leading to commercial exploitation within or outside the Union, depending on the sector concerned</td>
</tr>
<tr>
<td>Analysis of exploitation within or outside the Union</td>
</tr>
<tr>
<td>Reasons of (former) FP participants to exploit R&amp;D outside of the Union</td>
</tr>
<tr>
<td><strong>Creating more and better jobs</strong></td>
</tr>
<tr>
<td>Supported employment - <em>For each participating country, number</em> of FTE jobs created, and jobs maintained in beneficiary entities for the FP project (by type of job)</td>
</tr>
<tr>
<td>Sustained employment - <em>For each participating country, increase</em> of FTE jobs in beneficiary entities following FP project (by type of job)</td>
</tr>
<tr>
<td>Total employment - Number of direct &amp; indirect jobs created or maintained or transferred in the Union due to diffusion of FP results (by type of job)</td>
</tr>
<tr>
<td>— Number of direct and indirect jobs created in knowledge-intensive sectors per participating country</td>
</tr>
<tr>
<td><strong>Leveraging investments in R&amp;I</strong></td>
</tr>
<tr>
<td>Co-investment - Amount of public &amp; private investment mobilised with the initial FP investment</td>
</tr>
<tr>
<td>Scaling-up - Amount of public &amp; private investment mobilised to exploit or scale-up FP results</td>
</tr>
<tr>
<td>Contribution to ‘3 % target’ - EU progress towards 3 % GDP target due to FP</td>
</tr>
</tbody>
</table>
Amendment 169
Proposal for a regulation
Annex V — subheading 4 a (new)

Text proposed by the Commission

Impact pathway indicators for the European Research Area

Amendment 170
Proposal for a regulation
Annex V — table 3 a (new)

Text proposed by the Commission

<table>
<thead>
<tr>
<th>Towards impact for the ERA</th>
<th>Short-term</th>
<th>Medium-term</th>
<th>Longer-term</th>
</tr>
</thead>
</table>
| Attracting and retaining talents in the Union | FP-funded mobility
Incoming and outgoing mobilities or researchers and innovators, within and outside the Union, per country | FP funded internationalisation
— evolution and share foreign researchers and innovators based in all ERA countries
— Evolution of connectivity and networking activities of research institutions, including public-private connections | Attractive R&I systems
— Foreign investments in innovative activities in the Union
— Number of patents in participating countries
— Licences revenues from abroad |
| Spreading excellence and widening participation | Participation in FP
— Share of coordinators and participants from widening countries per part of the Programme and per instruments,
— Share of evaluators and governance boards’ members including from widening countries and low-performing R&I regions | Creation and modernisation of pockets of excellence
Excellent R&I ecosystems, including low-performing R&I regions becoming hubs and drivers of change within their own country |
<table>
<thead>
<tr>
<th>Towards impact for the ERA</th>
<th>Short-term</th>
<th>Medium-term</th>
<th>Longer-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>R&amp;I divide</td>
<td>Geographical concentration</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>— Success rates</td>
<td></td>
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<tr>
<td></td>
<td>— Utilisation of Union-funded research infrastructures in all ERA countries</td>
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<tr>
<td></td>
<td>Strategic planning of EU funding programmes</td>
<td></td>
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<td></td>
<td>Synergies and interactions between FP and Smart Specialisation Strategies</td>
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<td></td>
<td>Enhancing national R&amp;I systems</td>
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<td></td>
<td>— Increase of high-quality and independent competitive research funding and career evaluation systems</td>
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<tr>
<td></td>
<td>— Increase in private and in national public spending for R&amp;I</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
P8_TA(2018)0510

Programme implementing Horizon Europe


(Ordinary legislative procedure: first reading)

(2020/C 388/40)

Amendment 1
Proposal for a decision
Citation 5 a (new)

Text proposed by the Commission

Having regard to the European Parliament’s report on the assessment of Horizon 2020 implementation in view of its interim evaluation and the 9th Framework Programme proposal,

Amendment 2
Proposal for a decision
Recital 3

Text proposed by the Commission

(3) In order to ensure uniform conditions for the implementation of the Specific Programme, implementing powers should be conferred on the Commission to adopt work programmes for the implementation of the Specific Programme. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council (4).


(1) The matter was referred back for interinstitutional negotiations to the committee responsible, pursuant to Rule 59(4), fourth subparagraph (A8-0410/2018).
Amendment 3
Proposal for a decision
Recital 5

(5) Reflecting the importance of tackling climate change in line with the Union’s commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Specific Programme will contribute to mainstream climate actions and to the achievement of an overall target of 25% of the EU budget expenditures supporting climate objectives. Actions under this Specific Programme are expected to contribute at least 35% of the overall financial envelope of the Specific Programme to climate objectives. Relevant actions will be identified during the Specific Programme’s preparation and implementation, and reassessed in the context of the relevant evaluations and review processes.

Amendment 4
Proposal for a decision
Recital 6

(6) The Specific Programme’s actions should be used to reinforce, widen and extend the excellence of the Union’s scientific and technological base, tackle major global challenges, increase the Union’s industrial leadership, improve quality of life in the Union as well as boost investment, address market failures or sub-optimal investment situations, leveraging additional funding rather than crowding out private financing.
Amendment 5  
Proposal for a decision  
Recital 6 a (new)  

Text proposed by the Commission  

Amendment  

(6 a) Gender equality is an EU policy priority and a key societal challenge (UN SDG5). Furthermore, the goal of gender equality in society is a crucial driver for the social and industrial transformations required by other SDGs. Gender aspects thus should be appropriately integrated throughout the Programme and specific gender research should be also required to support the implementation and design of better EU gender equality policies.

Amendment 6  
Proposal for a decision  
Recital 6 b (new)  

Text proposed by the Commission  

Amendment  

(6b) The Specific Programme should be implemented in a transparent, participatory and strategic way seeking involvement of stakeholders and civil society. Stakeholder representation and civil society involvement should be balanced, representing various backgrounds.

Amendment 7  
Proposal for a decision  
Recital 7  

Text proposed by the Commission  

Amendment  

(7) Reflecting the important contribution that research and innovation should make to address challenges in food, agriculture, rural development and the bioeconomy, and to seize the corresponding research and innovation opportunities in close synergy with Common Agricultural Policy, relevant actions under the Specific Programme will be supported with EUR 10 billion for the cluster ‘Food and Natural Resources’ for the period 2021-2027.
Amendment 8
Proposal for a decision
Recital 7 a (new)

Text proposed by the Commission

(7 a) The European cultural and creative sectors build bridges between arts, culture, business and technology. Cultural heritage is an integral part of European cohesion and supports the link between tradition and innovation. Preserving cultural heritage and developing creative solutions, in particular in the field of digitalisation, will be a priority of Programme.

Amendment 9
Proposal for a decision
Recital 8

Text proposed by the Commission

(8) The completion of the Digital Single Market and the growing opportunities from the convergence of digital and physical technologies requires a stepping up of investments. Horizon Europe will contribute to these efforts with a substantial increase of spending in main digital research and innovation activities compared to the Research and Innovation Framework Programme Horizon 2020 (6). This should ensure that Europe remains at the forefront of global research and innovation in the digital field.


Amendment 10
Proposal for a decision
Recital 8 a (new)

Text proposed by the Commission

(8a) Reflecting the importance to communicate better and to a wider audience the added value and the impact of EU actions, the Commission should increase its efforts towards the visibility of Horizon Europe. Similarly, beneficiaries should ensure to give visibility to their achievements from EU funding.
Amendment 11
Proposal for a decision

Recital 9

Text proposed by the Commission

(9) The types of financing and the methods of implementation under this Decision shall be chosen on the basis of their ability to achieve the specific objectives of the actions and to deliver results, taking into account, in particular, the costs of controls, the administrative burden, and the expected risk of non-compliance. For grants, this shall include consideration of the use of lump sums, flat rates and scales of unit costs.

Amendment

deleted

Amendment 12
Proposal for a decision

Article 2

Text proposed by the Commission

1. The Specific Programme shall contribute to the general and specific objectives set out in Article 3 of Regulation … FP/RfP Regulation

2. The Specific Programme has the following operational objectives:

(a) reinforcing and spreading excellence;

(b) increasing collaboration across sectors and disciplines;

(c) connecting and developing research infrastructures across the European research area;

(d) strengthening international cooperation;

(e) attracting, training and retaining researchers and innovators in the European Research Area, including through mobility of researchers;

(f) fostering open science and ensuring visibility to the public and open access to results;

Amendment

1. The Specific Programme shall contribute to the general and specific objectives set out in Article 3 of Regulation … FP/RfP Regulation

2. The Specific Programme has the following operational objectives:

(a) strengthening and widening Europe’s scientific and technological base, reinforcing and spreading excellence;

(b) increasing collaboration across sectors and disciplines;

(c) connecting, developing and facilitating wide access, including virtually, to research infrastructures across the European Research Area;

(d) strengthening international cooperation in S&T to support the Union’s excellence;

(e) attracting, training and retaining EU and international researchers and innovators, including through mobility of researchers, with the aim of establishing the European Research Area as the world’s most excellent and competitive;

(f) fostering open science and open access to results;
(g) actively disseminating and exploiting results, in particular for policy development;

(h) supporting the implementation of Union policy priorities;

(i) reinforcing the link between research and innovation and other policies, including Sustainable Development Goals;

(j) delivering, through R&I missions, on ambitious goals within a set timeframe;

(k) involving citizens and end-users in co-design and co-creation processes;

(l) improving science communication.

(m) accelerating industrial transformation;

(n) improving skills for innovation;

(o) stimulating the creation and scale-up of innovative companies, in particular SMEs;

(p) improving access to risk finance, in particular where the market does not provide viable financing.

3. Within the objectives referred to in paragraph 2, account may be taken of new and unforeseen needs that arise during the period of implementation of the Specific Programme. That may, if duly justified, include responses to emerging opportunities, crises and threats, as well as responses to needs relating to the development of new Union policies.
### Amendment 13
Proposal for a decision

**Article 3**

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<th>Text proposed by the Commission</th>
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<tr>
<td><strong>Article 3</strong></td>
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<tr>
<td><strong>Structure</strong></td>
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<tr>
<td>1. In accordance with Article 4(1) of Regulation ... FP/RfP Regulation, the Specific Programme shall consist of the following parts:</td>
<td>1. In accordance with Article 4(1) of Regulation ... FP/RfP Regulation, the Specific Programme shall consist of the following parts:</td>
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<tr>
<td>(1) Pillar I ‘Open Science’ with the following components:</td>
<td>(1) Pillar I ‘Excellent and Open Science’ with the following components:</td>
</tr>
<tr>
<td>(a) the European Research Council (ERC), as described in Annex I, Pillar I, section 1;</td>
<td>(a) the European Research Council (ERC), as described in Annex I, Pillar I, section 1;</td>
</tr>
<tr>
<td>(b) Marie Skłodowska-Curie actions (MSCA), as described in Annex I, Pillar I, section 2;</td>
<td>(b) Marie Skłodowska-Curie actions (MSCA), as described in Annex I, Pillar I, section 2;</td>
</tr>
<tr>
<td>(c) research infrastructures, as described in Annex I, Pillar I, section 3;</td>
<td>(c) research infrastructures, as described in Annex I, Pillar I, section 3;</td>
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<tr>
<td>(2) Pillar II ‘Global Challenges and Industrial Competitiveness’ with the following components:</td>
<td>(2) Pillar II ‘Global Challenges and European Industrial Competitiveness’; including a monobeneficiary, grant-based SME instrument as described in Article 43a of the Regulation and Annex I of the Specific Programme:</td>
</tr>
<tr>
<td>(a) cluster ‘Health’, as described in Annex I, Pillar II, section 1;</td>
<td>(a) cluster ‘Health’, as described in Annex I, Pillar II, section 1;</td>
</tr>
<tr>
<td>(b) cluster ‘Inclusive and Secure Society’, as described in Annex I, Pillar II, section 2;</td>
<td>(b) cluster ‘Inclusive and Creative Society’, as described in Annex I, Pillar II, section 2;</td>
</tr>
<tr>
<td>(c) cluster ‘Digital and Industry’, as described in Annex I, Pillar II, section 3;</td>
<td>(c) cluster ‘Digital, Industry and Space’, as described in Annex I, Pillar II, section 3;</td>
</tr>
<tr>
<td>(d) cluster ‘Climate, Energy and Mobility’, as described in Annex I, Pillar II, section 4;</td>
<td>(d) cluster ‘Climate, Energy and Mobility’, as described in Annex I, Pillar II, section 4;</td>
</tr>
<tr>
<td>(e) cluster Food and Natural Resources, as described in Annex I, Pillar II, section 5;</td>
<td>(e) cluster Food, Natural Resources and Agriculture, as described in Annex I, Pillar II, section 5;</td>
</tr>
<tr>
<td>(f) non-nuclear direct actions of the Joint Research Centre (JRC), as described in Annex I, Pillar II, section 6;</td>
<td>(f) non-nuclear direct actions of the Joint Research Centre (JRC), as described in Annex I, Pillar II, section 6;</td>
</tr>
<tr>
<td>(3) Pillar III ‘Open Innovation’ with the following components:</td>
<td>(3) Pillar III ‘Innovative Europe’ with the following components:</td>
</tr>
<tr>
<td>(a) the European Innovation Council (EIC), as described in Annex I, Pillar III, section 1;</td>
<td>(a) the European Innovation Council (EIC), as described in Annex I, Pillar III, section 1;</td>
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</table>

*Including European innovation ecosystems, as described in Annex I, Pillar III, section 2;*
Text proposed by the Commission

(b) European innovation ecosystems, as described in Annex I, Pillar III, section 2;

delated

(c) the European Institute of Innovation and Technology (EIT), as described in Annex I, Pillar III, section 3.

Amendment

(b) the European Institute of Innovation and Technology (EIT), as described in Annex I, Pillar III, section 3;

(4) Part ‘Strengthening the European Research Area’ with the following components:

(a) spreading excellence and widening participation, as described in Annex I, Part ‘Strengthening the European Research Area’, section 1;

(b) reforming and enhancing the European R&I system, as described in Annex I, Part ‘Strengthening the European Research Area’, section 2.

2. The activities to be carried out under the parts referred to in paragraph 1 are set out in Annex I.

Budget

1. In accordance with Article 9(1) of Regulation … FP/R&I Regulation, the financial envelope for the implementation of the Specific Programme for the period 2021 to 2027 shall be EUR 120 000 000 000 in 2018 prices.

2. The amount referred to in paragraph 1 of this Article shall be distributed among the components set out in Article 3(1) of this Decision in accordance with Article 9(2) of Regulation … FP/R&I Regulation. The arrangements of Article 9(3) to (8) of Regulation … FP/R&I Regulation shall apply.

Amendment

1. In accordance with Article 9(1) of Regulation … FP/R&I Regulation, the financial envelope for the implementation of the Specific Programme for the period 2021 to 2027 shall be EUR 94 100 000 000 in current prices.

2. The amount referred to in paragraph 1 of this Article shall be distributed among the components set out in Article 3(1) of this Decision in accordance with Article 9(2) of Regulation … FP/R&I Regulation. The arrangements of Article 9(3) to (8) of Regulation … FP/R&I Regulation shall apply.
Amendment 15
Proposal for a decision

Article 5

Text proposed by the Commission

Missions

1. For each mission, a mission board may be established. It shall be composed of around 15 high level individuals including relevant end-users’ representatives. The mission board shall advise upon the following:

(a) content of work programmes and their revision as needed for achieving the mission objectives, in co-design with stakeholders and the public where relevant;

(b) adjustment actions, or termination if appropriate, based on implementation assessments of the mission;

(c) selection of expert evaluators, briefing of expert evaluators and evaluation criteria and their weighting;

(d) framework conditions which help achieve the objectives of the mission;

(e) communication.

2. Specific provisions to enable an efficient and flexible portfolio approach may be set out in the work programme provided for in Article 11.

Amendment

Missions

1. For each mission, a mission board shall be established for co-designing and steering implementation. It shall be composed of 15 to 20 independent high level individuals including R&I representatives from various sectors and disciplines, academia, research and technology organisations, industry of all sizes, national, regional authorities and civil society organisations. The members of the mission board shall be appointed by the Commission following an independent and transparent procedure, including an open call for expressions of interest. The mission board shall advise on the following:

(a) content of relevant work programmes and their revision as needed for achieving the mission objectives;

(b) adjustment actions, or termination if appropriate, based on implementation assessments of the mission;

(c) selection of expert evaluators, prevention of conflict of interest of expert evaluators, briefing of expert evaluators and evaluation criteria and their weighting in addition to the standard criteria, namely ‘excellence; impact; and quality and efficiency of the implementation’;

(d) framework conditions which help achieve the objectives of the mission in line with Union priorities;

(e) communication.

(e a) clear and measurable mission targets and possible outcomes;

(e b) evaluation of social impact and business potential of the mission;

2. Specific provisions to enable an efficient and flexible portfolio approach shall be set out in the work programme provided for in Article 11.

2 a. The content of the missions, details on the implementation, including their scope, indicators, measurable targets and milestones, estimated budget and synergies with other Union funds and links with European Partnerships shall be laid down in Strategic R&I Plans, as outlined in Annex I of this Decision.
Amendment 16
Proposal for a decision
Article 6

European Research Council

1. The Commission shall establish a European Research Council ('ERC'), for implementing the actions under Pillar I ‘Excellent and Open Science’ which relate to the ERC. The ERC shall succeed the ERC set up by Decision C(2013)1895 (7).

2. The ERC shall be composed of the independent Scientific Council provided for in Article 7 and the dedicated implementation structure provided for in Article 8.

3. The ERC shall have a President who shall be chosen from among senior and internationally respected scientists.

The President shall chair the Scientific Council and shall ensure its leadership and liaison with the dedicated implementation structure, and represent it in the world of science.

4. The ERC shall operate according to the principles of scientific excellence, autonomy, efficiency, effectiveness, transparency and accountability. It shall ensure continuity with ERC actions conducted under Decision …/EC.

5. The activities of the ERC shall support research carried out across all fields by individual and transnational teams in competition at the European level.

Support to innovation, i.e. via the Proof of Concept scheme, should continue in order to encourage faster translation of new discoveries into commercial or socially valuable products, processes, and services. To contribute to this, excellent ERC applicants who have passed the threshold but could not be funded due to lack of resources are eligible to the proof of concept.
5. A seal of excellence shall be awarded to a beneficiary of the ERC proof of concept, if the proposal is eligible, has passed applicable thresholds and could not be funded.

6. The Commission shall act as the guarantor of the autonomy and integrity of the ERC and shall ensure the proper execution of the tasks entrusted to it.

The Commission shall ensure that the implementation of the ERC actions is in accordance with the principles set out in paragraph 4 of this Article as well as with the overall strategy for the ERC, referred to in point (a) of Article 7(2), established by the Scientific Council.

Amendment 17
Proposal for a decision
Article 7

Text proposed by the Commission

Article 7

1. The Scientific Council shall be composed of scientists, engineers and scholars of the highest repute and appropriate expertise, of both women and men in different age groups, ensuring a diversity of research areas and acting in their personal capacity, independent of extraneous interests.

The members of the Scientific Council shall be appointed by the Commission, following an independent and transparent procedure for their identification agreed with the Scientific Council, including a consultation of the scientific community and a report to the European Parliament and the Council.

Their term of office shall be limited to four years, renewable once, on the basis of a rotating system which shall ensure the continuity of the work of the Scientific Council.

2. The Scientific Council shall establish:

(a) the overall strategy for the ERC;

(b) the work programme for the implementation of the ERC activities;

(c) the methods and procedures for peer review and proposal evaluation on the basis of which the proposals to be funded are determined;

Amendment

Article 7

1. The Scientific Council shall be composed of scientists, engineers and scholars of the highest repute and appropriate expertise ensuring a diversity of research areas and acting in their personal capacity, independent of extraneous interests.

The members of the Scientific Council shall be appointed by the Commission, following an independent and transparent procedure for their identification agreed with the Scientific Council, including a consultation of the scientific community and a report to the European Parliament and the Council.

Their term of office shall be limited to four years, renewable once, on the basis of a rotating system which shall ensure the continuity of the work of the Scientific Council.

2. The Scientific Council shall establish:

(a) the overall strategy for the ERC;

(b) the work programme for the implementation of the ERC activities;

(c) the methods and procedures for peer review and proposal evaluation on the basis of which the proposals to be funded are determined;
(d) its position on any matter which from a scientific perspective may enhance achievements and impact of the ERC and the quality of the research carried out;

(e) a code of conduct addressing, inter alia, the avoidance of conflict of interests.

The Commission shall depart from the positions established by the Scientific Council in accordance with points (a), (c), (d), and (e) of the first subparagraph only when it considers that the provisions of this Decision have not been respected. In that case, the Commission shall adopt measures to maintain continuity in the implementation of the specific programme and the achievements of its objectives, setting out the points of departure from the Scientific Council positions and duly motivating them.

3. The Scientific Council shall act in accordance with the mandate set out in Pillar I of Annex I, section 1.

4. The Scientific Council shall act exclusively in the interest of achieving the ERC, according to the principles set out in Article 6. It shall act with integrity and probity and carry out its work efficiently and with the greatest possible transparency.

Amendment 18
Proposal for a decision
Article 9

The European Innovation Council

1. The Commission shall establish a European Innovation Council (EIC) for implementing actions under Pillar III ‘Open Innovation’ which relate to the EIC. The EIC shall operate according to the following principles: focus on breakthrough and disruptive innovation, autonomy, ability to take risk, efficiency, effectiveness, transparency and accountability.

1 a. The EIC shall be built into two instruments, the Pathfinder and the Accelerator, as described in Annex I of this Decision. The EIC instruments shall be continuously evaluated in order to support innovation in a systematic way.

1 b. Where appropriate, the EIC objectives and actions shall be linked to other parts of the Programme as well as to other national and Union Funds, in particular the EIT and InvestEU.
2. The EIC shall include the High Level Board (‘EIC Board’) provided for in Article 10.

3. The Commission shall ensure that the implementation of the EIC is:

(a) in accordance with the principles set out in paragraph 1 of this Article, taking due account of the opinion of the EIC Board on the overall strategy for the EIC, referred to Article 10(1)(a); and

(b) does not lead to distortions of competition contrary to the common interest.

4. For the purpose of managing EIC blended finance, the Commission shall make use of indirect management, or where this is not possible, may establish a special purpose vehicle. The Commission shall seek to ensure the participation of other public and private investors. Where this is not possible at the initial set up, the special purpose vehicle will be structured in such a way that it can attract other public or private investors in order to increase the leverage effect of the Union contribution.

4 a. The Commission shall ensure cooperation between the EIC and EIT, especially through its KICs.

Amendment 19
Proposal for a decision
Article 10

The EIC Board

1. The EIC Board shall advise the Commission upon:

(a) the overall strategy for the EIC component under Pillar III ‘Open Innovation’;

(b) the work programme for the implementation of the EIC actions;

(c) the criteria for assessment of the innovativeness and risk profile of the proposals and the appropriate balance of grants, equity and other forms of financing for the EIC accelerator;

(d) the identification of strategic portfolio of projects;

(e) the profile of programme managers.

(e a) the systematic and continuous evaluation process of the EIC actions;
2. The EIC Board may upon request address recommendations to the Commission on:

(a) any matter which from an innovation perspective may enhance and foster innovation eco-systems across Europe, the achievements and impact of the objectives of the EIC component and the capacity of innovative firms to roll out their solutions;

(b) identify in cooperation with relevant Commission services possible regulatory barriers faced by entrepreneurs, in particular those awarded support under the EIC component;

(c) emerging technology trends from EIC’s portfolio, to inform the programming in other parts of the Specific Programme;

(d) identifying specific issues where advice from the EIC Board is needed.

The EIC Board shall act in the interest of achieving the objectives of the EIC component. It shall act with integrity and probity and carry out its work efficiently and with transparency.

The EIC Board shall act in accordance with its mandate set out in Pillar III of Annex I, section 1.

3. The EIC Board shall be composed of 15 to 20 high level individuals drawn from various parts of Europe’s innovation ecosystem, including entrepreneurs, corporate leaders, investors and researchers. It shall contribute to outreach actions, with EIC Board members striving to enhance the prestige of the EIC brand.

The members of the EIC Board shall be appointed by the Commission, following an open call for nominations or for expression of interests or both, whichever the Commission will find more appropriate, and taking into account the need for balance in expertise, gender, age and geographical distribution.

Their term of office shall be limited to two years, renewable twice, with a rolling appointments system (members appointed every two years).

Wednesday 12 December 2018

2. The EIC Board may upon request, and wherever appropriate in coordination with the EIT Governing Board, address recommendations to the Commission on:

(a) any matter which from an innovation perspective may enhance and foster innovation eco-systems across Europe, the achievements and impact of the objectives of the EIC component and the capacity of innovative firms to roll out their solutions;

(b) identify in cooperation with relevant Commission services and the EIT possible regulatory barriers faced by entrepreneurs, in particular those awarded support under the EIC component;

(c) emerging technology trends from EIC’s portfolio, to inform the programming in other parts of the Specific Programme;

(d) identifying specific issues where advice from the EIC Board is needed.

The EIC Board shall act in the interest of achieving the objectives of the EIC taking into account EU’s industrial strategy, its competitiveness and global challenges. It shall act with integrity and probity and carry out its work efficiently and with transparency and openness, avoiding distortion of competition in the internal market.

The EIC Board shall act in accordance with its mandate set out in Pillar III of Annex I, section 1.

3. The EIC Board shall be composed of 15 to 20 independent high level individuals drawn from various parts of Europe’s research and innovation ecosystem, including entrepreneurs from companies of all sizes, economists, investors, researchers and academic experts on innovation policy. It shall contribute to outreach actions, with EIC Board members striving to enhance the prestige of the EIC brand.

The members of the EIC Board shall be appointed by the Commission, following an open call for nominations or for expression of interests or both, whichever the Commission will find more appropriate and taking into account the need for balance in expertise, gender, age and geographical distribution.

Their term of office shall be limited to three years, renewable once, with a rolling appointments system (half of the members exchanged every two years).
4. The EIC Board shall have a President who shall be appointed by the Commission following a transparent recruitment process. The President shall be a high profile public figure linked to the innovation world.

The President shall be appointed for a term of office limited to four years, renewable once.

The President shall chair the EIC Board, prepare its meetings, assign tasks to members, and may establish dedicated subgroups, in particular to identify emerging technology trends from EIC’s portfolio. He or she shall promote the EIC, act as interlocutor with the Commission and represent the EIC in the world of innovation. The Commission may provide for administrative support for the President to undertake his or her duties.

5. A code of conduct addressing, inter alia, the avoidance of conflict of interests shall be established by the Commission. Members of the EIC Board are expected to accept the code of conduct upon assuming office.

5. A code of conduct addressing, inter alia, the avoidance of conflict of interests shall be established by the Commission. Members of the EIC Board must accept the code of conduct upon assuming office.

**Amendment 20**

Proposal for a decision

**Article 11**

Text proposed by the Commission

<table>
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<th>Work programmes</th>
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Amendment

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<th>Article 11</th>
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**Strategic Planning and** Work programmes

-1. The implementation of the specific programme shall be based on Specific R&I Plans defined every two years, through delegated acts in accordance with Article 6 of the Regulation and following a transparent, inclusive and strategic multi-annual planning process of research and innovation activities, in particular for the pillar ‘Global Challenges and European Industrial Competitiveness’. Mandatory multi-stakeholder consultations with national authorities, the European Parliament, and RDI stakeholders’ representatives, including civil society, about priorities and the suitable types of action and forms of implementation, including for missions and European partnerships, shall ensure the necessary inter-disciplinary and cross-sectoral perspectives and alignment with other relevant existing initiatives at Union, national and regional level. This will contribute to leveraging additional private and public funding and thereby strengthening the ERA, as described in Annex I of this Decision.
1. The Programme shall be implemented by work programmes referred to in Article 110 of Financial Regulation. They shall be prepared following a strategic planning process as described in Annex I to this Decision.

Work programmes shall set out, where applicable, the overall amount reserved for blending operations.

2. The Commission shall adopt separate work programmes, by means of implementing acts, for the implementation of actions under the following components, as set out in Article 3 (1) of this Decision:

(a) the ERC, where the work programme shall be established by the Scientific Council under point (b) of Article 7(2), in accordance with the advisory procedure referred to in Article 12(3). The Commission shall depart from the work programme established by the Scientific Council only when it considers that it is not in accordance with the provisions of this Decision. In that case, the Commission shall adopt the work programme by means of an implementing act in accordance with the examination procedure referred to in Article 12(4). The Commission shall duly motivate this measure;

(b) all clusters under the pillar ‘Global Challenges and Industrial Competitiveness’, MSCA, research infrastructures, support to innovation ecosystems, sharing excellence and reforming and enhancing the European R&I System, in accordance with the examination procedure referred to in Article 12(4);

(c) the EIC, where the work programme shall be prepared following the advice of the EIC Board under point (b) of Article 10(1), in accordance with the examination procedure referred to in Article 12(4);

(d) the JRC, where the multi-annual work programme shall take into account the opinion provided by the Board of Governors of the JRC referred to in Decision 96/282/Euratom.

3. In addition to requirement in Article 110 of the Financial Regulation, the work programmes referred to in paragraph 2 of this Article shall, as appropriate, contain:

(a) an indication of the amount allocated to each action and mission and an indicative implementation timetable;

(b) for grants the priorities, the selection and award criteria and the relative weight of the different award criteria and the maximum rate of funding of the total eligible costs;

(a) the ERC, where the work programme shall be established by the Scientific Council under point (b) of Article 7(2), in accordance with the advisory procedure referred to in Article 12(3). The Commission shall depart from the work programme established by the Scientific Council only when it considers that it is not in accordance with the provisions of this Decision. In that case, the Commission shall adopt the work programme by means of an implementing act in accordance with the examination procedure referred to in Article 12(4). The Commission shall duly motivate this measure;

(b) all clusters under the pillar ‘Global Challenges and European Industrial Competitiveness’, MSCA, research infrastructures, support to European innovation ecosystems, spreading excellence and widening participation, reforming and enhancing the European R&I System, in accordance with the examination procedure referred to in Article 12(4);

(c) the EIC, where the work programme shall be prepared following the advice of the EIC Board under point (b) of Article 10(1), in accordance with the examination procedure referred to in Article 12(4);

(d) the JRC, where the multi-annual work programme shall take into account the opinion provided by the Board of Governors of the JRC referred to in Decision 96/282/Euratom.

3. In addition to requirement in Article 110 of the Financial Regulation, the work programmes referred to in paragraph 2 of this Article shall, as appropriate, contain:

(a) an indication of the amount and budgetary share in relation to the Programme allocated to each action, mission and European Partnership and an indicative implementation timetable;

(b) for grants the priorities, the selection and award criteria and the relative weight of the different award criteria and the maximum rate of funding of the total eligible costs;
(c) the amount allocated to blended finance in accordance with Articles 41 to 43 of Regulation ..., FP/RfP Regulation:

(d) any additional obligations for beneficiaries, in accordance with Articles 35 and 37 of the FP/RfP Regulation.

Amendment 21
Proposal for a decision
Article 12 a (new)

Text proposed by the Commission

Article 12 a

Steering Board for Health

1. The Commission shall establish a Steering Board for Health for implementing the actions under Pillar II ‘Global Challenges and European Industrial Competitiveness’ which relates to ‘Health’.

2. The Steering Board for Health shall be composed of 15 to 20 high level individuals drawn from across disciplines and activities, in the fields of research, innovation, public health and wellbeing.

3. The Steering Board for Health shall focus on the following principles: coordination and synergies between EU and national health programmes, as well as between the Health cluster and other parts of Horizon Europe, including missions and partnerships. The Board shall promote patients and society engagement, providing scientific advice and recommendations. The actions should promote value-oriented health research, better health solutions and reduce health inequalities.

4. The Steering Board for Health shall contribute to:

(a) the strategy for the cluster ‘Health’,

(b) the blueprint for steering coordination and cooperation between the health programmes, the related pillars, such as the EIC, ERC, as well as within Strategic Partnerships and the EU structural funds. The blueprint shall ensure more visibility and coordination of the existing financial mechanisms allocated to health research, shall steer coordination and cooperation, and shall develop the work programmes and missions related to Health,

(c) the methods and procedures for designing, selecting and implementation of the health missions,
Text proposed by the Commission

- providing for citizens’ participation and engagement in a bottom-up decision making process,

- fostering sustainability in funding strategies and mechanisms allowing for long-term projects and ambitious missions,

- ensuring fruitful transnational research collaborations that maximize the European potential and translate results into health systems,

- increasing the use of multidisciplinary research between disease areas where commonalities exist and thereby decreasing duplication and isolated research,

- increasing visibility of Horizon Europe and its benefit for EU citizens, addressing fragmentation of responsibilities for science and research within the EU governing bodies, streamlining the existing funding mechanisms.

5. The Steering Board for Health shall provide a comprehensive research strategy and steering in developing the work programmes and missions related to Health in complementarity with the dedicated mission Board.

6. The Steering Board for Health shall be an independent science-led stakeholder group, composed of actors from biomedical research and innovation, other relevant sectors of research and industry and with strong participation of patient representatives and citizens.

7. The members of the Steering Board for Health shall be appointed by the Commission, following an open call for nominations or for expression of interests or both, as appropriate, and taking into account the need for balance in expertise, gender, age and geographical distribution. Their term of office shall be limited to two years, renewable twice, with a rolling appointments system (members appointed every two years).

8. The Steering Board for Health shall have a Chair who shall be appointed by the Commission following a transparent recruitment process. The President shall be a high profile public figure linked to the health research field.

9. The activities and outcome of the Board shall be reviewed and reported in the Programme’s interim evaluation, where measures to prolong, adapt or close the group according to the review shall be identified.
Amendment 22
Proposal for a decision
Annex I — Programme activities

Text proposed by the Commission

PROGRAMME ACTIVITIES

The following will be applied in the implementation of the Programme.

Strategic Planning

The implementation of Horizon Europe’s programme-level objectives in an integrated manner will be ensured by multiannual Strategic Planning. Such planning will provide the focus on impact for the Programme overall and coherence between its different pillars, as well as synergy with other EU programmes and support to and from other EU policies.

Amendment

PROGRAMME ACTIVITIES

The following will be applied in the implementation of the Programme.

Strategic Planning

The implementation of Horizon Europe shall be steered by an inclusive and transparent strategic planning process of the research and innovation activities funded by the Programme. The Strategic Planning process shall lead to the implementation of Horizon Europe’s programme objectives by defining the funding priorities. It will provide focus on impact for the Programme and coherence between its different pillars, as well as synergy with other EU programmes and support to other EU policies.

The strategic planning process and the adoption of the strategic R&I plan by means of a delegated act will increase ownership and understanding for the purpose of the Programme by a wider public and will allow the co-legislators, stakeholders and Member States to be fully informed on the envisaged initiatives. The Strategic Planning process will help to develop and implement policy for the relevant areas covered, at Union level as well as complementing policies in the Member States while ensuring that main European policy targets are reflected and supported by Horizon Europe with adequate resources. It will allow simplification of the funding landscape, avoid duplication and overlaps between funding possibilities while leveraging additional private and public funding and promote faster dissemination and uptake of research and innovation results.

A systemic, cross-disciplinary, cross-sectoral and cross-policy approach to research and innovation will ensure that societal and economic challenges can be tackled, knowledge is generated and where possible, give rise to new competitive and sustainable businesses and industries, social and technological innovation, fostering competition, stimulating private investments and preserving the level playing field in the internal market.
The Strategic Planning will promote strong engagement with citizens and civil society organisations at all stages of research and innovation, the co-creation of knowledge, effective promotion of gender equality, including the integration of the gender dimension in research and innovation content, and will ensure and promote the adherence to the highest ethics and integrity standards.

It will include extensive consultations and exchanges with Member States, the European Parliament as appropriate, and with various stakeholders about priorities, including missions, under the 'Global Challenges and Industrial Competitiveness' pillar, and the suitable types of action to use, in particular European partnerships.

In order to respond to those objectives, the Commission will launch an open consultation phase with Member States, the European Parliament, and a variety of stakeholders, including the scientific community, research and technology organisations, industry, civil society organisations, among others. The consultation will cover the Programme’s strategic priorities including missions under the Global Challenges and European Industrial Competitiveness pillar, and the suitable types of instruments, in particular the European partnerships. Results of the consultation will be published on a dedicated web page, which should also provide the details on the content and process defining the Strategic Planning.

As regards European partnerships, the Strategic R&I Plan will outline and give the rationale for the creation, merge and phasing out of the European partnerships. The positively reviewed Joint Technology Initiatives and Contractual Public Private Partnerships, should be considered for continuation beyond 2020 due to their added-value in delivering social and economic impact as well as leveraging private investment and their contribution to synergies of funds.

On-going and potential new KICs will be defined in the legislative proposal for a Decision of the European Parliament and the Council on the EIT Strategic Innovation Agenda, in line with the Strategic R&I Plan. Nevertheless, the creation of any new KIC should be subject to adequate funding, allowing the existing KICs to develop the ecosystems, build partnerships and pursue and implement efficiently their ambitious objectives.

‘FET Flagships’ supported under Horizon 2020 will continue to be supported under the Programme. As they present substantial analogies with missions, other ‘FET flagships’, may be supported under this Framework Programme as missions geared towards future and emerging technologies. The missions should strengthen the collaborative aspects of the Programme and complement existing European partnerships, which could work as supporting implementation pillars of the missions. The missions will have technological and societal elements and will also be defined in close cooperation with all relevant DGs. The Strategic Planning process will define the missions according to Article 7 of the Regulation and Article 5 of this Decision.
Based on such extensive consultations, the Strategic Planning will identify common objectives and common areas for activities such as partnership areas (the proposed legal basis sets out only the instruments and criteria that will guide their use) and mission areas.

The Strategic Planning will help to develop and realise the implementation of policy for the relevant areas covered, at EU level as well as complementing policy and policy approaches in the Member States. EU policy priorities will be taken into consideration during the Strategic Planning process to increase the contribution of research and innovation to the realisation of policy. It will also take into account foresight activities, studies and other scientific evidence and take account of relevant existing initiatives at EU and national level.

The Strategic Planning will promote synergies between Horizon Europe and other Union Programmes, including the Euratom programme, thus becoming a point of reference for research and innovation in all related programmes across the EU budget and non-funding instruments. This will also promote faster dissemination and uptake of research and innovation results and avoid duplication and overlaps between funding possibilities. It will provide the frame for linking the direct research actions of the Joint Research Centre and other actions supported under the Programme, including the use of results for support to policy.

A Strategic Plan will lay out a multiannual strategy for realising content in the work programme (as set out in Article 11), while retaining sufficient flexibility to respond rapidly to unexpected opportunities and crises. As Horizon Europe is a programme for 7 years, the economic, societal and policy context in which it will operate may change significantly during its life-time. Horizon Europe needs to be able to swiftly adapt to these changes. There will therefore be the possibility to include support for activities beyond the descriptions set out below, where this is duly justified, to address major developments or unforeseen events, policy needs, or crisis situations, for example in response to serious threats to health arising for example from epidemics.
In the implementation of Horizon Europe, particular attention will be paid to ensuring a balanced and broad approach to research and innovation, which is not only limited to the development of new products processes and services on the basis of scientific and technological knowledge and breakthroughs, but also incorporates the use of existing technologies in novel applications and continuous improvement and non-technological and social innovation. A systemic, cross-disciplinary, cross-sectoral and cross-policy approach to research innovation will ensure that challenges can be tackled while also giving rise to new competitive businesses and industries, fostering competition, stimulating private investments and preserving the level playing field in the internal market.

In the ‘Global Challenges and Industrial Competitiveness’ and the ‘Open Innovation’ Pillars, research and innovation will be complemented with activities which operate close to the end-users and the market, such as demonstration, piloting or proof-of-concept, excluding however commercialisation activities going beyond the research and innovation phase. This will also include support to demand-side activities that help accelerate the deployment and diffusion of a broad range of innovations. Emphasis will be put on non-prescriptive calls for proposals.

Under the ‘Global Challenges and Industrial Competitiveness’ pillar, building on experience in Horizon 2020, the social sciences and the humanities will be fully integrated across all clusters, including specific and dedicated activities. Likewise, activities involving marine and maritime research and innovation will be implemented in a strategic and integrated manner in line with the EU Integrated Maritime Policy, the Common Fisheries Policy Policies and international commitments.

‘FET Flagships’ supported under Horizon 2020 will continue to be supported under this Programme. As they present substantial analogies with missions, other ‘FET flagships’, if any, will be supported under this Framework Programme as missions geared towards future and emerging technologies.

Science and Technology Cooperation dialogues with the EU’s international partners and policy dialogues with the main world regions will make important contributions to the systematic identification of opportunities for cooperation which, when combined with differentiation by country/region, will support priority setting.
While the European Institute of Innovation and Technology’s (EIT) focus on innovation ecosystems makes it naturally fit within the Open Innovation pillar of Horizon Europe, the planning of the EIT Knowledge and Innovation Communities (KICs) will be aligned through the Strategic Planning process with the Global Challenges and Industrial Competitiveness pillar.

**Fast Track to Research and Innovation**

Horizon Europe will provide the possibility for beneficiaries to apply for funding in a faster manner, where provided for in the Work Programme’s of all clusters, EIC and ‘spreading excellence’, covering research and innovation activities. Building on the success of the existing Fast Track to Innovation instrument in Horizon 2020, this approach will have a bottom-up-driven logic on the basis of continuously open calls and ‘time to grant’ not exceeding six months. In the ‘spreading excellence’ part, this approach will support less developed EU countries to access funds in a faster and bottom-up manner. This modality will be applied to at least 15% of the Programme’s budget.

**Dissemination and Communication**

Horizon Europe will provide dedicated support for open access to scientific publications, to knowledge repositories and other data sources. Dissemination and knowledge diffusion actions will be supported, also from cooperation with other EU programmes, including clustering and packaging results and data in languages and formats for target audiences and networks for citizens, industry, public administrations, academia, civil society organisations, and policy makers. For this purpose, Horizon Europe may make use of advanced technologies and intelligence tools.

There will be appropriate support for mechanisms to communicate the programme to potential applicants (e.g. National Contact Points).

The Commission will also implement information and communication activities relating to Horizon Europe, to promote the fact that results were obtained with the support of EU funding. They will also seek to raise public awareness on the importance of research and innovation and the broader impact and relevance of EU funded research and innovation, by means of e.g. publications, media relations, events, knowledge repositories, databases, multi-channel platforms, websites or a targeted use of social media. Horizon Europe will also provide support to the beneficiaries to communicate their work and its impact to society at large.

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Exploitation and Market Uptake

The Commission will establish comprehensive measures for exploitation of Horizon Europe results and the knowledge produced. This will accelerate exploitation towards market uptake and boost the impact of the Programme.

The Commission will systematically identify and record the results of the research and innovation activities under the Programme and transfer or disseminate these results and knowledge produced in a non-discriminatory fashion to industry and enterprises of all sizes, public administrations, academia, civil society organisations and policy-makers, in order to maximise the European added value of the Programme.

International Cooperation

Greater impact will be obtained through aligning actions with other nations and regions of the world within an international cooperation effort of unprecedented scale. Based on mutual benefit, partners from across the world will be invited to join EU efforts as an integral part of initiatives in support of EU action for sustainability, reinforced research and innovation excellence, and competitiveness.

International joint action will ensure effective tackling of global societal challenges and Sustainable Development Goals, access to the world’s best talents, expertise and resources, and enhanced supply and demand of innovative solutions.

Working Methodologies for Evaluation

The use of high quality independent expertise in the evaluation process underpins the engagement of the programme across all stakeholders, communities and interests, and is a prerequisite for maintaining the excellence and relevance of the funded activities.
The Commission or funding body will ensure the impartiality of the process, and avoid conflicts of interest in line with Article 61 of the Financial Regulation.

Exceptionally, when justified by the requirement to appoint the best available experts and/or by the limited size of the pool of qualified experts, independent experts assisting or being members of the evaluation committee may evaluate specific proposals for which they declare a potential interest. In this case, the Commission or funding body shall take all necessary remedial measures to ensure the integrity of the evaluation process. The evaluation process will be managed accordingly, including a stage involving an interaction between diverse experts. The evaluation committee will take into account the particular circumstances when identifying proposals for funding.

When justified by the requirement to appoint the best available experts and/or by the limited size of the pool of qualified experts, independent experts assisting or being members of the evaluation committee may evaluate specific proposals for which they declare a potential interest. In this case, the Commission or funding body shall take all necessary remedial measures to ensure the integrity of the evaluation process, including in regards to conflicts of interests. The evaluation process will be managed accordingly, including a stage involving an interaction between diverse experts. The use of this process will be reported in the annual monitoring report of the Programme. The evaluation committee will take into account the particular circumstances when identifying proposals for funding.

Amendment 23
Proposal for a decision
Annex I — part I

Text proposed by the Commission

1 OPEN SCIENCE

The search for breakthroughs in understanding and the acquisition of knowledge; the world class facilities needed to achieve this including physical and knowledge infrastructures for research and innovation as well as the means to openly disseminate and share knowledge; and an adequate supply of excellent researchers; are at the very heart of economic, social and cultural progress in all its forms.

Open and excellent science is inextricably linked to the achievement of world leading innovation. Scientific and technological paradigm shifts have been identified as key drivers for productivity growth, competitiveness, wealth, sustainable development and social progress. Such paradigm shifts have historically tended to originate from the public-sector science base before going on to lay the foundations for whole new industries and sectors.

Amendment

Annex I — part I

1 EXCELLENT AND OPEN SCIENCE

The search for breakthroughs in understanding and the acquisition of knowledge; the world class facilities needed to achieve this including physical and e-infrastructures for research and innovation as well as the means to openly disseminate and share knowledge; and an adequate supply of excellent researchers and innovators; are at the very heart of economic, social and cultural progress in all its forms.

Open and excellent science is inextricably linked to the achievement of world leading innovation. Scientific and technological paradigm shifts have been identified as key drivers for productivity, sustainable and inclusive growth and development, competitiveness, wealth, and social progress. Such paradigm shifts have historically tended to originate from the public-sector science base before going on to lay the foundations for whole new industries and sectors.
Public investment in research, especially through universities and public research institutions (PRIs) and research facilities, often undertakes the longer-term, higher-risk research and complements the activities of the private sector. Besides this it creates **skills**, knowhow and experience, new scientific instruments and methodologies, as well creating the networks which transmit the latest knowledge.

European science and researchers have been and continue to be at the forefront in many areas. But this is not a position we can take for granted. There is ample evidence to show that as the pace of research continues to grow, so the number of countries competing to be the best is increasing as well. The traditional challenge from countries such as the United States is now being joined by economic giants such as China and India, from the newly industrialising parts of the world in particular, and from all countries where governments recognise the manifold and abundant returns which derive from investing in research.

The global research landscape is evolving dramatically and becoming increasingly multipolar as a result of a growing number of emerging countries, in particular China, expanding their scientific production. So whereas the EU and the United States accounted for nearly two-thirds of world expenditure on research and development in 2000, this share had fallen to less than half by 2013.

The EU remains the largest producer of scientific publications in the world. Compared with the US and now China to some degree, the EU **still tends to follow** a ‘distributed excellence model’ in which resources are spread across a larger number of researchers and research institutions. Another challenge is that in many EU countries the public sector **investment in research is below any acceptable threshold and thus** does not offer sufficiently attractive conditions for the best researchers. These factors compound Europe’s relative unattractiveness in the global competition for scientific talent.

The global research landscape is evolving dramatically and becoming increasingly multipolar as a result of a growing number of emerging countries, in particular China, expanding their scientific production. So whereas the EU and the United States accounted for nearly two-thirds of world expenditure on research and development in 2000, this share had fallen to less than half by 2013. **In addition, the European Innovation Scoreboard 2018 confirmed that public and private R& D expenditures across the EU remains below 2010 levels and falls short in meeting the long-standing objective to devote 3 % of GDP to R&D activities.**
The ERC supports the best researchers with flexible, long-term funding to pursue groundbreaking, high-gain/high-risk research. It operates autonomously led by an independent Scientific Council made up of scientists, engineers and scholars of the highest repute and appropriate expertise and diversity. The ERC is able to draw on a wider pool of talents and ideas than would be possible for any national scheme, reinforcing excellence through the way in which the best researchers and the best ideas compete against each other.

Frontier research funded by the ERC has a substantial direct impact in the form of advances at the frontiers of knowledge, opening the way to new and often unexpected scientific and technological results and new areas for research. In turn, this generates radically new ideas which drive innovation and business inventiveness and tackle societal challenges. The ERC also has a significant structural impact, driving up the quality of the European research system over and above the researchers and actions it funds directly. ERC-funded actions and researchers set an inspirational target for frontier research in Europe, raising its profile and making it more attractive for the best researchers worldwide as a place to work, and work with. The prestige of hosting ERC grant-holders creates competition between Europe’s universities and research organisations to offer the most attractive conditions for top researchers and can indirectly help them to assess their relative strengths and weaknesses and bring about reforms.

The gap between the research performance of the US and the EU countries has narrowed over the 10 years since the ERC was established. The ERC funds a relatively small percentage of all European research, but from this it achieves a disproportionally high scientific impact. The average citation impact of the research supported by the ERC is comparable to that of the world’s top elite research universities. The ERC’s research performance is extremely high when compared with the world’s largest research funders. The ERC funds a great deal of frontier research in many of the research areas that have received the highest numbers of citations, including those areas that are rapidly emerging. Although ERC funding is targeted to frontier research it has resulted in a substantial number of patents.
So there is clear evidence that the ERC attracts and funds excellent researchers through its calls and ERC actions are producing a substantial number of the most significant and high impact research findings worldwide in emerging areas leading to breakthroughs and major advances. The work of ERC grantees is also highly interdisciplinary and ERC grantees collaborate internationally and publish their results openly across all fields of research including the social sciences and humanities.

There is also already evidence of the longer term impacts of ERC grants on careers, on training highly skilled postdocs and PhDs, on raising the global visibility and prestige of European research and on national research systems through its strong benchmarking effect. This effect is particularly valuable in the EU’s distributed excellence model because ERC funded status can replace and serve as a more accurate indicator of research quality than recognition based on the status of institutions. This allows ambitious individuals, institutions, regions and countries to seize the initiative and scale up the research profiles in which they are particularly strong.

Amendment

Proposal for a decision
Annex I — part I — point 1 — point 1.2 — point 1.2.1

Research funded by the ERC is expected to lead to advances at the frontier of knowledge, with scientific publications of the highest quality, to research results with high societal and economic potential impact and with the ERC setting a clear and inspirational target for frontier research across the EU, Europe and internationally. Aiming to make the EU a more attractive environment for the world’s best scientists, the ERC will target a measurable improvement in the EU’s share of the world’s top 1 % most highly cited publications, and aim at a substantial increase in the number of excellent researchers from outside Europe which it funds. ERC funding shall be awarded in accordance with the following well-established principles. Scientific excellence shall be the sole criterion on which ERC grants are awarded. The ERC shall operate on a ‘bottom-up’ basis without predetermined priorities.

Amendment

Research funded by the ERC is expected to lead to advances at the frontier of knowledge, with scientific publications of the highest quality, to research results with potential high societal, economic and environmental impact and with the ERC setting a clear and inspirational target for frontier research across the EU, Europe and internationally. Aiming to make the EU a more attractive environment for the world’s best scientists, the ERC will target a measurable improvement in the EU’s share of the world’s top 1 % most highly cited publications, and aim at a substantial increase in the number of excellent researchers from outside Europe which it funds. ERC funding shall be awarded in accordance with the following well-established principles. Scientific excellence shall be the sole criterion on which ERC grants are awarded. The ERC shall operate on a ‘bottom-up’ basis without predetermined priorities.
### Broad Lines

- Long-term funding to support excellent investigators and their research teams to pursue ground-breaking, high-gain/high-risk research;
- Starting researchers with excellent ideas to make the transition to independence while consolidating their own research team or programme;
- New ways of working in the scientific world with the potential to create breakthrough results and facilitate commercial and social innovation potential of funded research;
- Sharing experience and best practices with regional and national research funding agencies to promote the support of excellent researchers;
- Raising the visibility of ERC programmes.

### Amendment

- Long-term funding to support excellent investigators and their research teams to pursue ground-breaking, high-gain/high-risk research;
- Starting researchers with excellent ideas to make the transition to independence while consolidating their own research team or programme;
- New ways of working in the scientific world with the potential to create breakthrough results and facilitate commercial and social innovation potential of funded research;
- Sharing experience and best practices with regional and national research funding agencies as well as other Union bodies to promote the support of excellent researchers;
- Raising the visibility of ERC programmes.

### Amendment 26

**Proposal for a decision**

Annex I — part I — point 1 — point 1.3 — point 1.3.1 — paragraph 2 — point 2 — indent 4

<table>
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<tr>
<th>Text proposed by the Commission</th>
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<td>review and <strong>assess</strong> the ERC’s achievements and the quality and impact of the research funded by the ERC and <strong>make</strong> recommendations for corrective or future actions;</td>
<td><strong>periodically submit to external</strong> review and <strong>assessment</strong> the ERC’s achievements and the quality and impact of the research funded by the ERC and <strong>accordingly, adopt</strong> recommendations and <strong>draw guidelines</strong> for corrective or future actions;</td>
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Europe needs a highly-skilled and resilient human capital base in research and innovation that can easily adapt to and find sustainable solutions for future challenges, such as major demographic changes in Europe. To ensure excellence, researchers need to be mobile, collaborate and diffuse knowledge across countries, sectors and disciplines, with the right combination of knowledge and skills to tackle societal challenges and support innovation.

Europe is a scientific powerhouse with around 1.8 million researchers working in thousands of universities, research centres and world-leading companies. However, it is estimated that the EU will need to train and employ at least one million new researchers by 2027 in order to achieve the targets being set for increased investment in research and innovation. This need is particularly acute in the non-academic sector. The EU must reinforce its efforts to entice more young women and men to a career in research, to attract researchers from third countries, retain its own researchers and reintegrate European researchers working elsewhere back to Europe. In addition, in order to more widely spread excellence, the conditions under which researchers perform must be further improved throughout the European Research Area (ERA). In this respect, stronger links are needed notably with the European Education Area (EEdA), the European Regional Development Fund (ERDF), and European Social Fund (ESF+).

To achieve these goals, attention should also be paid to schemes adding more flexibility for researchers of both sexes to ensure work-life balance.

Mobility programs should also ensure effective equal opportunities and include specific measures to remove obstacles to the mobility of researchers, in particular female ones.
These challenges can best be addressed at EU level due to their systemic nature and to the cross-country effort needed to solve them.

The Marie Skłodowska-Curie Actions (MSCA) focus on excellent research that is fully bottom-up, open to any field of research and innovation from basic research up to market take-up and innovation services. This includes research fields covered under the Treaty on the Functioning of the European Union and the Treaty establishing the European Atomic Energy Community (Euratom). If specific needs arise and additional funding sources become available, the MSCA may target certain activities in specific challenges (incl. identified missions), types of research and innovation institutions, or geographical locations in order to respond to the evolution of Europe’s requirements in terms of skills, research training, career development and knowledge sharing.

The MSCA are the main instrument at EU-level for attracting researchers from third countries to Europe, thus making a major contribution to global cooperation in research and innovation. Evidence shows that the MSCA not only have a positive impact on individuals, organisations, and at system level, but also yield high-impact and breakthrough research results while at the same time contributing significantly to societal as well as strategic challenges. Long-term investment in people pays off, as indicated by the number of Nobel Prize winners who have been either former MSCA fellows or supervisors.

Through global research competition between scientists and between host organisations from both the academic and non-academic sector, and through the creation and sharing of high-quality knowledge across countries, sectors and disciplines, the MSCA contribute notably to the goals of the ‘Jobs, growth and investment’ agenda, the EU Global Strategy and to the United Nations Sustainable Development Goals.

In addition, in order to ensure synergies and more widely spread excellence, the Seal of Excellence label will continue to be applied to calls under MSCA and the conditions under which researchers perform must be further improved throughout the European Research Area (ERA). In this respect, stronger links are needed notably with the European Education Area (EEdA), the European Regional Development Fund (ERDF), and European Social Fund (ESF+).

These challenges can best be addressed at EU level due to their systemic nature and to the cross-country effort needed to solve them.

The Marie Skłodowska-Curie Actions (MSCA) focus on excellent research that is fully bottom-up, open to any field of research and innovation from basic research up to market take-up and innovation services. This includes research fields covered under the Treaty on the Functioning of the European Union and the Treaty establishing the European Atomic Energy Community (Euratom). If specific needs arise and additional funding sources become available, the MSCA may target certain types of activities in specific challenges (incl. identified missions), and certain types of research and innovation institutions, or geographical locations in order to respond to the evolution of Europe’s requirements in terms of skills, research training, career development and knowledge sharing.

The MSCA, jointly with the ERC, are the main instruments at EU-level for attracting researchers from third countries to Europe, thus making a major contribution to global cooperation in research and innovation. Evidence shows that the MSCA not only have a positive impact on individuals, organisations, and at system level, but also yield high-impact and breakthrough research results while at the same time contributing significantly to societal as well as strategic challenges. Long-term investment in people pays off, as indicated by the number of Nobel Prize winners who have been either former MSCA fellows or supervisors.

Through global research competition between scientists and between host organisations from both the academic and non-academic sector, and through the creation and sharing of high-quality knowledge across countries, sectors and disciplines, the MSCA contribute notably to the goals of the ‘Jobs, growth and investment’ agenda, the EU Global Strategy and to the United Nations Sustainable Development Goals.
The MSCEA contribute to making the ERA more effective, competitive and attractive on a global scale. This can be achieved by focusing on a new generation of highly-skilled researchers and providing support for emerging talent from across the EU and beyond; by fostering the diffusion and application of new knowledge and ideas to European policies, the economy and society, inter alia through improved science communication and public outreach measures; by facilitating cooperation between research-performing organisations; and by having a pronounced structuring impact on the ERA, advocating an open labour market and setting standards for quality training, attractive employment conditions and open recruitment for all researchers.

The EU needs a strong, resilient and creative human resource base, with the right combination of skills to match the future needs of the labour market, to innovate and to convert knowledge and ideas into products and services for economic and social benefit. This can be achieved through training researchers to further develop their core research competences as well as enhance their transferable skills such as a creative and entrepreneurial mindset. This will allow them to face current and future global challenges, and improve their career prospects and innovation potential.
Amendment 29
Proposal for a decision
Annex I — part I — point 2 — point 2.2 — point 2.2.3

Text proposed by the Commission

2.2.3. Strengthening Human Capital and Skills Development across the European Research Area

In order to foster excellence, promote cooperation between research-performing organisations and create a positive structuring effect, high-quality training standards, good working conditions and effective career development of researchers need to be more widely spread across the ERA. This will help modernise or enhance research training programmes and systems as well as increasing institutions’ worldwide attractiveness.

Broad Lines
— Training programmes to foster excellence and spread best practices across institutions and research and innovation systems;
— Cooperation, production and diffusion of knowledge within the EU and with third countries.

Amendment

2.2.3. Strengthening Human Resources and Skills Development across the European Research Area

In order to foster excellence, promote cooperation between research-performing organisations and create a positive structuring effect, high-quality training standards, good working conditions and effective career development of researchers need to be more widely spread across the ERA. This will help modernise or enhance research training programmes and systems as well as increasing institutions’ worldwide attractiveness, developed in cooperation with other parts of Horizon Europe.

Broad Lines
— Training programmes to foster excellence and spread best practices across institutions and research and innovation systems;
— Cooperation, production and diffusion of knowledge within the EU and with third countries.

Amendment 30
Proposal for a decision
Annex I — part I — point 2 — point 2.2 — point 2.2.5

Text proposed by the Commission

2.2.5. Promoting Public Outreach

The awareness of the programme’s activities and the public recognition of researchers need to be enhanced across the EU and beyond, to raise the global profile of the MSCA and to develop a better understanding of the impact of researchers’ work on citizens’ daily lives, and to encourage young people to embark on research careers. This can be achieved through better dissemination, exploitation and diffusion of knowledge and practices.

Broad Lines
— Public outreach initiatives to stimulate interest in research careers, especially amongst young people;

Amendment

2.2.5. Promoting Public Outreach

The awareness of the programme’s activities and the public recognition of researchers need to be enhanced across the EU and beyond, to raise the global profile of the MSCA and to develop a better understanding of the impact of researchers’ work on citizens’ daily lives, and to encourage young people, in particular women, to embark on research careers. This can be achieved through better dissemination, exploitation and diffusion of knowledge and practices.

Broad Lines
— Public outreach initiatives to stimulate interest in research careers, especially amongst young people;
State of the art research infrastructures provide key services to research and innovation communities, playing an essential role in extending the frontiers of knowledge. Supporting research infrastructures at the EU level helps to mitigate what in many cases is the reality of scattered national research infrastructures and pockets of scientific excellence, as well as tackling the low circulation of knowledge across silos.

The overall aim is to endow Europe with world-class sustainable research infrastructures open and accessible to all researchers in Europe and beyond, which fully exploit their potential for scientific advance and innovation. Key objectives are to reduce the fragmentation of the research and innovation ecosystem, avoiding duplication of effort, and better coordinate the development and use of research infrastructures. It is crucial to support open access to research infrastructures for all European researchers as well as, through the European Open Science Cloud (hereafter ‘EOSC’), increased access to digital research resources, specifically tackling the currently sub-optimal embracement of open science and open data practices. Equally, the EU needs to tackle the rapid increase of global competition for talent by attracting third country researchers to work with European world-class research infrastructures. Increasing the competitiveness of European industry is also a major objective, supporting key technologies and services relevant for research infrastructures and their users, thus improving the conditions for supply of innovative solutions.

State of the art research infrastructures provide key services to research and innovation communities, playing an essential role in extending the frontiers of knowledge. Supporting all types of research infrastructures, including small and medium-sized ones and those financed from ERDF, at the EU level helps to mitigate what in many cases is the reality of scattered national and regional research infrastructures, complementing and upgrading pockets of scientific excellence, as well as increasing the circulation of knowledge across silos.

The overall aim is to endow Europe with world-class sustainable research infrastructures open and accessible to all researchers and innovators in Europe and beyond, which fully exploit their potential for scientific advance and innovation. Key objectives are to reduce the fragmentation of the research and innovation ecosystem, ensure continuous modernisation, avoiding duplication of effort, and better coordinate the development, use and accessibility of research infrastructures.
It is also crucial to support open access to research infrastructures for all European researchers as well as, through the European Open Science Cloud (hereafter EOSC), increased access to digital research resources, specifically tackling the currently sub-optimal embrace of open science and open data practises. Equally, the EU needs to tackle the rapid increase of global competition for talent by attracting third country researchers to work with European world-class research infrastructures. Increasing the competitiveness of European industry is also a major objective, supporting key technologies and services relevant for research infrastructures and their users, thus improving the conditions for supply and utilisation of innovative solutions.

Past framework programmes have made a significant contribution towards the more efficient and effective use of national infrastructures as well as developed with the European Strategy Forum on Research Infrastructures (ESFRI) a coherent and strategy-led approach to policy making on pan-European research infrastructures. This strategic approach has generated clear advantages, including reducing duplication of effort with more efficient overall use of resources, as well as standardising processes and procedures.

Past framework programmes have made a significant contribution towards the more efficient and effective use of national infrastructures and towards the removal of barriers for transnational access, as well as developed with the European Strategy Forum on Research Infrastructures (ESFRI) a coherent and strategy-led approach to policy making on pan-European research infrastructures. This strategic approach has generated clear advantages, including reducing duplication of effort with more efficient overall use of resources, as well as standardising and harmonising processes and procedures. Strengthening and opening existing excellent R&I networks as well as creating new ones where appropriate, will also be a priority under this heading.

EU supported activity will provide added value through: consolidating and optimised existing research infrastructures alongside efforts to develop new infrastructures; establishing the European Open Science Cloud (EOSC) as an effective scalable and sustainable environment for data-driven research; the interconnection of national and regional research and education networks, enhancing and securing high-capacity network infrastructure for massive amounts of data and access to digital resources across borders and domain boundaries; overcoming barriers preventing the best research teams from accessing the best research infrastructures services in the EU; fostering the innovation potential of research infrastructures, focused on technology development and co-innovation as well as increased use of research infrastructures by industry.

EU supported activity will provide added value through: consolidating and optimised existing research infrastructures, including e-infrastructures, alongside efforts to develop new infrastructures; establishing the European Open Science Cloud (EOSC) as effective scalable and sustainable environment for data-driven research, the interconnection of national and regional research and education networks, enhancing and securing high-capacity network infrastructure for massive amounts of data and access to digital resources across borders and domain boundaries; overcoming barriers preventing the best research teams from accessing the best research infrastructures services in the EU; fostering the innovation potential of research infrastructures, focused on technology development and co-innovation as well as increased use of research infrastructures by industry.

And the international dimension of EU research infrastructures must be reinforced, fostering stronger cooperation with international counterparts and international participation in European research infrastructures for mutual benefit.

And the international dimension of EU research infrastructures must be reinforced, fostering stronger cooperation, access and connectivity with international counterparts and international participation in European research infrastructures for mutual benefit.
Activities will contribute to different Sustainable Development Goals (SDGs) such as: SDG 3 — Good Health and Well-Being for People; SDG 7 — Affordable and Clean Energy; SDG 9 — Industry Innovation and Infrastructure; SDG 13 — Climate Action.

The establishment, operation and long-term sustainability of research infrastructures identified by ESFRI is essential for the EU to ensure a leading position in frontier research, the creation and use of knowledge and the competitiveness of its industries.

The European Open Science Cloud (EOSC) should become an effective and comprehensive delivery channel for research infrastructures services and should provide Europe's research communities with the next generation of data services for harvesting, storing, processing (e.g. analytics, simulation, visualisation services) and sharing big science data. The EOSC should also provide researchers in Europe with access to the majority of data generated and collected by research infrastructures as well as to HPC and exascale resources deployed under the European Data Infrastructure (EDI) (13).

The pan-European research and education network will link together and enable remote access to research infrastructures and research resources, by providing interconnectivity between universities, research institutes and research and innovation communities at EU level as well as international connections to other partner networks worldwide.
Broad Lines

— The life-cycle of pan European research infrastructures through the design of new research infrastructures; their preparatory and implementation phase, their early-phase operation in complementarity with other funding sources, as well as the consolidation and optimisation of the research infrastructure ecosystem by monitoring the ESFRI landmarks and facilitating service agreements, evolutions, mergers or decommissioning of pan-European research infrastructures;

— The European Open Science Cloud, including: scalability and sustainability of the access channel; effective federation of European, national, regional and institutional resources; its technical and policy evolution to cope with new research needs and requirements (e.g. usage of sensitive data sets, privacy by design); data inter-operability and compliance with the FAIR principles; and a wide user base;

— The pan-European research and education network underpinning the EOSC and EDI as well as enabling the delivery of HPC/data services in a cloud based environment capable of coping with extreme large data sets and computational processes.

(\textsuperscript{13}) The European Data Infrastructure will underpin the European Open Science cloud by providing world-class High Performance Computing capability, high speed connectivity and leading-edge data and software services.

Amendment 33
Proposal for a decision
Annex I — part I — point 3 — point 3.2 — point 3.2.2

The research landscape will be significantly enhanced through ensuring openness to key international, national and regional research infrastructures for all EU researchers and innovators and integrating their services when necessary so as to harmonise access conditions, improve and enlarge service provision and encourage common development strategy of high tech components and advanced services through innovation actions.

Broad Lines

— Networks that bring together national and regional funders of research infrastructures for the co-funding of transnational access of researchers;
Text proposed by the Commission

— Networks of pan EU, national and regional research infrastructures
  addressing global challenges for the provision of access to researchers as well as for the harmonisation
  and improvement of the infrastructures’ services;

— Integrated networks of research infrastructures for development and implementation of a common strategy/roadmap
  for technological development required to improve their services through partnership with industry; as well as
  high-tech components in areas such as scientific instrumentation; and for fostering the use of research infrastructures by
  industry, e.g. as experimental test facilities.

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  industry, e.g. as experimental test facilities.

Amendment

III GLOBAL CHALLENGES AND INDUSTRIAL COMPETITIVENESS

Many of the challenges which confront the EU are also global challenges. The scale and complexity of the problems are vast,
and need to be matched by the appropriate money, resources and effort in order to find solutions. These are precisely the areas
where the EU must work together; smart, flexible and joined-up for the benefit and well-being of our citizens.

Greater impact can be obtained through aligning actions with other nations and regions of the world within an unprecedented
international cooperation along the lines indicated by the Sustainable Development Goals and the Paris climate agreement.
Based on mutual benefit, partners from across the world will be invited to join EU efforts as an integral part of research and
innovation for sustainability.

Research and innovation are key drivers of sustainable growth and industrial competitiveness, and they will contribute to
finding solutions to today's problems, to reverse as quickly as possible, the negative and dangerous trend that currently links
economic development, the use of natural resources and social issues, and turn it into new business opportunities.

In an interconnected world, many of the challenges which confront the EU are also global. The scale and complexity of the
problems are vast, and need to be matched by the appropriate financial and human resources and effort in order to find
solutions. These are precisely the areas where the EU must work together; smart, flexible and joined-up for the benefit and
well-being of our citizens.

Greater impact can be obtained through aligning actions with other nations and regions of the world within an unprecedented
international cooperation as indicated by the Sustainable Development Goals and the Paris climate agreement. Based on
mutual benefit, partners from across the world will be invited to join EU efforts as an integral part of research and innovation for
sustainability.

Research and innovation are key drivers of sustainable development, including growth and industrial competitiveness,
and they will contribute to finding solutions to today's problems, to reverse as quickly as possible, the negative and dangerous
trend that currently links economic development, the use of natural resources and social issues, and turn it into jobs and
new business opportunities and economic, social and environmental development.
The EU will benefit as user and producer of knowledge, technologies and industries. It can showcase how modern industrialised, sustainable inclusive, open and democratic society and economy can function and develop. The growing economic-environmental-social examples of the sustainable industrial economy of the future will be fostered and boosted, be they for: health and well-being for all; or resilient inclusive and secure societies; or available clean energy and mobility; or a digitised economy and society; or a transdisciplinary and creative industry; or space marine or land-based solutions; or food and nutrition solutions; sustainable use of natural resources climate protection and mitigation, all generating wealth in Europe and offering higher quality jobs. Industrial transformation will be crucial.

Research and innovation under this pillar of Horizon Europe is grouped into integrated clusters of activities. Rather than addressing sectors, the investments aim at systemic changes for our society and economy along a sustainability vector. These will only be achieved if all actors, both private and public, engage in co-designing and co-creating research and innovation; bringing together end-users, scientists, technologists, producers, innovators, businesses, educators, citizens and civil society organisations. Therefore, none of the thematic clusters is intended for only one set of actors.

Clusters will support knowledge creation in all its stages of development, including early stage research activities, complemented by cross-cutting support to ambitious, long-term, large-scale research initiatives geared towards future and emerging technologies (FET Flagships) initiated under the previous framework programme: Human Brain Project, Graphene, Quantum Technologies and Future Battery Technologies.

Clusters will also develop and apply digital, key enabling and future emerging technologies as part of a common strategy to promote the EU’s industrial leadership. Where appropriate this will use EU space-enabled data and services.

There will be support to bring technology from lab to market and to develop applications including pilot lines and demonstrators, measures to stimulate market uptake and to boost private sector commitment. Synergies with other programmes will be maximised.

There will be support to bring technology from lab to market and to develop applications including pilot lines and demonstrators, measures to stimulate market uptake and to boost private sector commitment. Synergies with other parts of Horizon Europe, especially the EIT, as well as other programmes will be maximised.
The clusters will boost the quick introduction of first-of-its-kind innovation in the EU through a broad range of embedded activities, including communication, dissemination and exploitation, standardisation as well as support to non-technological innovation and innovative delivery mechanisms, helping create innovation friendly societal, regulatory and market conditions such as the innovation deals. Pipelines of innovative solutions originating from research and innovation actions will be established and targeted to public and private investors as well as other relevant EU and national programmes.

Support via the SME instrument will be provided in three phases, based on the model on Horizon Europe:

— **Phase 1: Concept and feasibility assessment:**

SMEs will receive funding to explore the scientific or technical feasibility and the commercial potential of a new idea (proof of concept) in order to develop an innovation project. A positive outcome of this assessment, in which the linkage between project-topic and potential user/buyer needs is an important issue, will allow for funding under the following phase(s).

— **Phase 2: R&D, demonstration, market replication:**

With due attention to the innovation voucher concept, research and development will be supported with a particular focus on demonstration activities (testing, prototype, scale-up studies, design, piloting innovative processes, products and services, validation, performance verification etc.) and market replication encouraging the involvement of end users or potential clients. Innovation Vouchers will promote the participation of young entrepreneurs.
Text proposed by the Commission

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Amendment

— Phase 3: Commercialisation:

This phase will not provide direct funding other than support activities, but aims to facilitate access to private capital and innovation enabling environments. Links with the EIC and InvestEU will be foreseen. SMEs will also benefit from support measures such as networking, training, coaching and advice. In addition, this phase may connect to measures promoting pre-commercial procurement and procurement of innovative solutions.

Amendment 35

Proposal for a decision

Annex I — part II — point 1 — point 1.1

Text proposed by the Commission

1.1. Rationale

The EU Pillar of Social Rights asserts that everyone has the right to timely access to affordable, preventive and curative health care of good quality. This underlines the EU’s commitment to the UN’s Sustainable Development Goals calling for universal health coverage for all at all ages by 2030, leaving no one behind, and ending preventable deaths.

A healthy population is vital for a stable, sustainable and inclusive society, and improvements in health are crucial in reducing poverty, in fostering social progress and prosperity, and in increasing economic growth. According to the OECD a 10% improvement in life expectancy is also associated with a rise in economic growth of 0.3-0.4% a year. Life expectancy in the EU increased by 12 years since its establishment as a result of tremendous improvements achieved in the quality of life, education, health and care of its people. In 2015, overall life expectancy at birth was 80.6 years in the EU compared to 71.4 years globally. In the past years, it increased in the EU on average by 3 months annually.

Amendment

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The EU Pillar of Social Rights asserts that everyone has the right to timely access to affordable, preventive and curative health care of good quality. This underlines the EU’s commitment to the UN’s Sustainable Development Goals calling for universal health coverage for all at all ages by 2030, leaving no one behind, and ending preventable deaths.

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Health research and innovation have played a significant part in this achievement but also in improving productivity and quality in the health and care industry. However, the EU continues to face novel, newly emerging or persisting challenges that are threatening its citizens and public health, the sustainability of its health care and social protection systems, as well as the competitiveness of its health and care industry.

Major health challenges in the EU include: the lack of effective health promotion and disease prevention; the rise of non-communicable diseases; the spread of antimicrobial drug resistance and the emergence of infectious epidemics; increased environmental pollution; the persistence of health inequalities among and within countries affecting disproportionately people that are disadvantaged or in vulnerable stages of life; the detection, understanding, control, prevention and mitigation of health risks in a rapidly changing social, urban and natural environment; the increasing costs for European health care systems and the progressive introduction of personalised medicine approaches and digitalisation in health and care; and the increasing pressure on the European health and care industry to remain competitive in and by developing health innovation vis-a-vis new and emerging global players.

However, the EU continues to face novel, newly emerging or persisting challenges that are threatening its citizens and public health, the sustainability of its health care and social protection systems, as well as the competitiveness of its health and care industry. Major health challenges in the EU include: the increased cases of cancer; the lack of effective health promotion and disease prevention; the rise of non-communicable diseases; the spread of antimicrobial drug resistance and the emergence of infectious epidemics; increased environmental pollution; the persistence of health inequalities among and within countries affecting disproportionately people that are disadvantaged or in vulnerable stages of life; the early detection, understanding, control, prevention and mitigation of health risks in a rapidly changing social, urban and natural environment; increasing the number of healthy life years; the high costs of some innovative health tools and technologies for end-users; the increasing costs for European health care systems and the progressive introduction of precision medicine approaches including the relevant research and digitalisation in health and care; and the increasing pressure on the European health and care industry to remain competitive in and by developing health innovation vis-a-vis new and emerging global players.
Digital health solutions have created many opportunities to solve the problems of care services and to address the other emerging issues of ageing society. Challenges also include taking full advantage of the progressive introduction of the opportunities that digitalisation in health and care provide without jeopardising the right to privacy and data protection. Digital devices and software have been developed to diagnose, treat and facilitate patients’ self-management of illness, including chronic diseases. Digital technologies are also increasingly used in medical training and education and for patients and other healthcare consumers to access, share and create health information.

These health challenges are complex, interlinked and global in nature and require multidisciplinary, cross-sectoral and transnational collaborations. Research and innovation activities will build close linkages between discovery, clinical, epidemiological, environmental and socio-economic research as well as with regulatory sciences. They will harness the combined skills of academia and industry and foster their collaboration with health services, patients, policy-makers and citizens in order to leverage on public funding and ensure the uptake of results in clinical practice as well as in health care systems. They will foster strategic collaboration at EU and international level in order to pool the expertise, capacities and resources needed to create economies of scale, scope and speed as well as to share the expected benefits and financial risks involved.

Today’s health challenges are complex, interlinked and global in nature and require multidisciplinary, cross-sectoral, translational and transnational collaborations, including with low-and middle-income countries. Research and innovation will build close linkages between clinical, epidemiological, ethical, environmental and socio-economic research as well as with regulatory sciences. They will harness the combined skills of academia and industry and foster their collaboration with health services, patients, policy-makers, civil society organisations and citizens in order to leverage on public funding and ensure the uptake of results in clinical practice as well as in health care systems. They will foster strategic collaboration at EU and international level in order to pool the expertise, capacities and resources needed to create economies of scale, scope and speed as well as to share the expected benefits and financial risks involved. Studies and research under this cluster shall take into account the gender perspective and differences.

The research and innovation activities of this global challenge will develop the knowledge base, build the research and innovation capacity and develop the solutions needed for a more effective promotion of health and the prevention, treatment and cure of diseases. Improving health outcomes will in turn result in increased life expectancy, healthy active lives and productivity of working age people, and sustainability of health and care systems.

The research and innovation activities of this global challenge will develop the human resources and knowledge base, build the research and innovation capacity and develop the solutions needed for a more effective promotion of health and the prevention, treatment and cure of diseases. Improving health outcomes will in turn result in increased life expectancy, generalised healthy and active lives and productivity of working age people, and sustainability of health and care systems. Innovation in the field of rapid diagnostic techniques and new antibiotics may prevent the development of antimicrobial resistance and will be promoted.
Addressing major health challenges will contribute to the EU’s policy goals and strategies, notably to the EU Pillar of Social Rights, the EU Digital Single Market, the EU Directive on cross-border healthcare, and the European One Health Action Plan against antimicrobial resistance (AMR), and to the implementation of the relevant EU regulatory frameworks. It will also support the EU’s commitment to the United Nation’s 2030 Agenda for Sustainable Development and those in the context of other UN organisations and international initiatives, including the global strategies and plans of action of the World Health Organization (WHO).

A High-Level group will support achieving these aims, namely, the Steering Board for Health. It shall ensure coordination with other EU and national research programmes as well as synergies between the health cluster and other parts of Horizon Europe, including missions and partnerships. It will be science-led and include all relevant stakeholders, with strong participation of society, citizens and patients. It will be taskasted to provide steering and advice in developing the work programme and missions related to health.

Activities will contribute directly to the following Sustainable Development Goal (SDGs) in particular: SDG 3 — Good Health and Well-Being for People; SDG13 — Climate Action. Activities will contribute directly to the following Sustainable Development Goal (SDGs) in particular: SDG 3 — Good Health and Well-Being for People; SDG13 — Climate Action; and indirectly to SDGs 1 — No poverty; SDG 5 — Gender equality; SDG 6 — Clean water and sanitation; SDG 10 — Reduced inequalities.

People in vulnerable stages of life (birth, infancy, childhood, adolescence, pregnancy, mature and late adulthood), including people with disabilities or injuries, have specific health needs that require better understanding and tailored solutions. This will allow reducing related health inequalities and improving health outcomes to the benefit of active and healthy ageing throughout the life course, in particular through a healthy start of life reducing the risk of mental and physical diseases later in life.

People in vulnerable stages of life (birth, infancy, childhood, adolescence, pregnancy, mature and late adulthood), including people with disabilities, special needs or injuries, have specific health needs that require better understanding and tailored solutions. This will allow reducing related health inequalities and improving health outcomes to the benefit of active and healthy ageing throughout the life course, in particular through a healthy start of life reducing the risk of mental and physical diseases later in life.
Text proposed by the Commission

Amendment

Broad Lines

— Early development and the aging process throughout the life course;

— Maternal, paternal, infant and child health as well as the role of parents;

— Health needs of adolescents;

— Health consequences of disabilities and injuries;

— Independent and active life for the elderly and/or disabled people;

— Health education and digital health literacy.

Amendments 37, 276 and 277
Proposal for a decision
Annex I — part II — point 1 — point 1.2 — point 1.2.2

1.2.2. Environmental and Social Health Determinants

Improved understanding of health drivers and risk factors determined by the social, economic and physical environment in people's everyday life and at the workplace, including the health impact of digitalisation, pollution, climate change and other environmental issues, will contribute to identify and mitigate health risks and threats; to reducing death and illness from exposure to chemicals and environmental pollution; to supporting environmental-friendly, healthy, resilient and sustainable living and working environments; to promoting healthy lifestyles and consumption behaviour; and to developing an equitable, inclusive and trusted society.

Improved understanding of health drivers and risk factors determined by the social, economic and physical environment in people's everyday life and at the workplace, including the health impact of digitalisation, pollution, rapid urbanisation, climate change and other national and transnational environmental issues, will contribute to identify, prevent and mitigate health risks and threats; to identifying and to reducing death and illness from exposure to chemicals and environmental pollution; to supporting safe environmental-friendly, healthy, resilient and sustainable living and working environments; to promoting healthy lifestyles and consumption behaviour; and to developing an equitable, inclusive and trusted society.
<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
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<tbody>
<tr>
<td>Broad Lines</td>
<td>Broad Lines</td>
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<tr>
<td>— Technologies for assessing hazards, exposures and health impact of chemicals, pollutants and other stressors, including climate-related and environmental stressors, and combined effects of several stressors;</td>
<td>— Safe and effective technologies and methodologies for assessing hazards, exposures and health impact of chemicals, pollutants and other stressors, including climate-related and environmental stressors, and combined effects of several stressors;</td>
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<tr>
<td>— Environmental, occupational, social and behavioural factors impacting physical and mental health and well-being of people and their interaction, with special attention to vulnerable and disadvantaged people;</td>
<td>— Environmental, including built environment (design and construction), occupational, economic, political, social and behavioural factors impacting physical and mental health and well-being of people and their interaction, with special attention to vulnerable and disadvantaged people as well as people with disabling or impairing conditions;</td>
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<td>— Risk assessment, management and communication, supported by improved tools for evidence-based decision-making, including alternatives to animal testing;</td>
<td>— Risk assessment, management and communication, including information sharing, supported by improved tools for evidence-based decision-making, including alternatives to animal testing;</td>
</tr>
<tr>
<td>— Capacity and infrastructures to collect, share and combine data on all health determinants, including exposure, health and diseases at EU and international level;</td>
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<td>— Health promotion and primary prevention interventions.</td>
<td>— Health promotion and primary prevention interventions.</td>
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<td>— Research on measures to plan, implement and monitor rehabilitation throughout the life course.</td>
<td>— Research on measures to plan and implement early individual rehabilitation programmes (EIRP) for children affected by disabling pathologies.</td>
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**Amendment**

1.2.3. Non-Communicable and Rare Diseases

Non-communicable diseases (NCDs), including rare diseases, pose a major health and societal challenge and call for more effective approaches in prevention, treatment and cure, including **personalised** medicine approaches.

Non-communicable diseases (NCDs), including rare diseases, pose a major health and societal challenge and call for more effective approaches in prevention, **diagnosis**, treatment and cure, including **precision** medicine approaches.
Text proposed by the Commission

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**Broad Lines**

- Diagnostics for earlier and more accurate diagnosis and for patient-adapted treatment;
- Infrastructure and capabilities to harness the potential of genomic medicine advances into standard clinical practice;
- Prevention and screening programmes;
- Integrated solutions for self-monitoring, health promotion, disease prevention, and management of chronic conditions and multi-morbidities;
- Treatments or cures, including both pharmacological and nonpharmacological treatments;
- Palliative care;
- Collaborative research on molecular, structural and cell biology, experimental therapies, genetics, genomics and environmental bases of human cancer;
- The genomic frontier, epidemiology, bioinformatics, pathology and challenges of precision medicine in rare diseases, neurodegenerative diseases and oncology;
- Areas of high-unmet clinical need, such as rare cancers including paediatric cancers;
- Assessment of comparative effectiveness of interventions and solutions;
- Implementation research to scale up health interventions and support their uptake in health policies and systems.

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**Amendment**

- Diagnostics for earlier and more accurate diagnosis and for timely patient-adapted treatment;
- Safe, effective and accessible treatments, cures or other therapeutic strategies, including both pharmacological and non-pharmacological treatments;
- Palliative care;
- Collaborative research on molecular, structural and cell biology, experimental therapies, genetics, genomics and environmental bases of human cancer;
- The genomic frontier, epidemiology, bioinformatics, pathology and challenges of precision medicine in rare diseases, neurodegenerative diseases and oncology;
- Areas of high-unmet clinical need, such as rare cancers including paediatric cancers;
- Assessment of comparative effectiveness of interventions and solutions;
- Implementation research to scale up health interventions and support their uptake in health policies and systems.
Amendment 39
Proposal for a decision
Annex I — part II — point 1 — point 1.2 — point 1.2.4

Text proposed by the Commission

1.2.4. Infectious Diseases

Protecting people against cross-border health threats is a major challenge for public health, calling for effective international cooperation at EU and global level. This will involve prevention, preparedness, early detection, treatment and cure of infectious diseases, and also tackling antimicrobial resistance (AMR) following a ‘One Health approach’.

Amendment

1.2.4. Infectious Diseases

Protecting people against communicable diseases and cross-border health threats is a major challenge for public health, calling for effective international cooperation at EU and global level. This will involve prevention, preparedness, early detection, treatment and cure of infectious diseases, and also tackling antimicrobial resistance (AMR) following a ‘One Health approach’. The continue spread of antimicrobial resistant bacteria, including super bacteria, will equally have significant detrimental impact on the economy and environment. Preventing their development and spread will also be one of the priorities under this heading. In addition, the World Health Organisation has defined a list of neglected diseases that lack private sector R&I investments due to limited commercial incentives. More ambitious public investments are needed to address the burden of such poverty-related and neglected diseases.

Broad Lines

— Drivers for the emergence or re-emergence of infectious diseases and their spread, including transmission from animals to humans (zoonosis), or from other parts of the environment (water, soil, plants, food) to humans;

— Prediction, early detection and surveillance of infectious diseases, including antimicrobial resistant pathogens, healthcare-associated infections and environmental related factors;

— Vaccines, diagnostics, treatments and cures for infectious diseases, including co-morbidities and co-infections;

— Effective health emergency preparedness, response and recovery measures and strategies, involving communities;

— Barriers to the implementation and uptake of medical interventions in clinical practice as well as in the health system;

— Suitable, safe and efficient diagnostics, medical technologies, treatments and vaccines for prevention and prophylaxis of infectious diseases, including research and discovery of novel vaccine, advance immunization technologies and regulatory sciences;

— Effective health emergency preparedness, response and recovery measures and strategies, involving communities;

— Barriers to the implementation and uptake of medical interventions in clinical practice as well as in the health system;
Trans-border aspects of infectious diseases and specific challenges in low- and middle-income countries (LMICs), such as tropical diseases, neglected tropical diseases, AIDS, tuberculosis and malaria. Development of new treatment methods for infectious diseases to counteract antimicrobial resistance.

1.2.5. Tools, Technologies and Digital Solutions for Health and Care

Health technologies and tools are vital for public health and contributed to a large extent to the important improvements achieved in the quality of life, health and care of people, in the EU. It is thus a key strategic challenge to design, develop, deliver and implement suitable, trustable, safe, and cost-effective tools and technologies for health and care, taking due account of the needs of people with disabilities and the aging society. These include artificial intelligence and other digital technologies, offering significant improvements over existing ones, as well as stimulating a competitive and sustainable health-related industry that creates high-value jobs. The European health-related industry is one of the critical economic sectors in the EU, accounting for 3% of GDP and 1.5 million employees.

Broad Lines

— Tools and technologies for applications across the health spectrum and any relevant medical indication, including functional impairment;

— Artificial intelligence and robotics for health technologies and tools;

— Integrated tools, technologies and digital solutions for human health, including mobile and telehealth;

— Personalised, digital health approaches based on ‘Digital Twins’, accurate data-driven computer models of key biological processes of the human body, allowing identification of the best therapy per individual, health prevention and maintenance measures;
— Piloting, large-scale deployment, optimisation, and innovation procurement of health and care technologies and tools in real-life settings including clinical trials and implementation research;

— Innovative processes and services for the development, manufacturing and rapid delivery of tools and technologies for health and care;

— The safety, efficacy and quality of tools and technologies for health and care as well as their ethical legal and social impact;

— Regulatory science for health technologies and tools.

— Tools, technologies and digital solutions to increase the safety of medical decisions.

Amendment 41
Proposal for a decision
Annex I — part II — point 1 — point 1.2 — point 1.2.6

1.2.6. Health Care Systems

Health systems are a key asset of the EU social systems, accounting for 24 million employees in the health and social work sector in 2017. It is a main priority to render health systems accessible, cost-effective, resilient, sustainable and trusted as well as to reduce inequalities, including by unleashing the potential of data-driven and digital innovation for better health and person-centred care building on open European data infrastructures. This will advance the digital transformation of health and care.

Broad Lines

— Reforms in public health systems and policies in Europe and beyond;

— New models and approaches for health and care and their transferability or adaptation from one country/region to another;
— Improving health technology assessment;

— Evolution of health inequality and effective policy response;

— Future health workforce and its needs;

— Developing schemes for specialised training of healthcare professionals, training and developing technical know-how and new ways of working meeting innovation in e-health;

— Improving timely health information and use of health data, including electronic health records, with due attention to security, privacy, interoperability, standards, comparability and integrity;

— Improving timeliness and quality of health information, as well as the infrastructure for the effective collection and use of health data, including electronic health records, with due attention to security, privacy, interoperability, standards, comparability and integrity: health information and use of health data, including electronic health records, with due attention to security, trust, privacy, interoperability, standards, comparability, integrity;

— Health systems resilience in absorbing the impact of crises and to accommodate disruptive innovation;

— Health systems resilience in absorbing the impact of crises and to accommodate disruptive innovation;

— Solutions for citizen and patient empowerment, self-monitoring, and interaction with health and social care professionals, for more integrated care and a user-centred approach;

— Solutions for citizen and patient empowerment, self-monitoring, and interaction with health and social care professionals, for more integrated care and a user-centred approach;

— Data, information, knowledge and best practice from health systems research at EU-level and globally.

— Data, information, knowledge and best practice from health systems research at EU-level and globally.

Amendment 42
Proposal for a decision
Annex I — part II — point 2 — introductory part

Text proposed by the Commission

2. CLUSTER ‘INCLUSIVE AND SECURE SOCIETY’

Amendment

2. CLUSTER ‘INCLUSIVE AND CREATIVE SOCIETY’
Amendment 43
Proposal for a decision
Annex I — part II — point 2 — point 2.1

Text proposed by the Commission

2.1. Rationale

The EU stands for a unique way of combining economic growth with social policies, with high levels of social inclusion, shared values embracing democracy, human rights, gender equality and the richness of diversity. This model is constantly evolving and needs to deal with the challenges from amongst other things, globalisation and technological change. Europe also has to respond to the challenges arising from persistent security threats. Terrorist attacks and radicalisation, as well as cyber-attacks and hybrid threats, raise major security concerns and put particular strain on societies.

The EU must promote a model of inclusive and sustainable growth while reaping the benefits of technological advancements, enhancing trust in and promoting innovation of democratic governance, combating inequalities, unemployment, marginalisation, discrimination and radicalisation, guaranteeing human rights, fostering cultural diversity and European cultural heritage and empowering citizens through social innovation. The management of migration and the integration of migrants will also continue to be priority issues. The role of research and innovation in the social sciences and the humanities in responding to these challenges and achieving the EU’s goals is fundamental.

The role of research and innovation in the social sciences and the humanities and in the cultural and creative sector, in responding to these challenges and achieving the EU’s goals is fundamental. Due to its broad spectrums, size, and impact in today’s digital transformation, these sectors contribute significantly to our economy. As interrelations between social and technological innovation are complex, and rarely linear, further research, including cross-sectoral and multidisciplinary research, is needed into the development of all types of innovation and activities funded to encourage its effective development into the future.

Amendment

2.1. Rationale

The EU stands for a unique way of combining prosperity, economic growth and sustainability with social policies, with high levels of social inclusion, shared values embracing democracy, human rights, gender equality and the richness of diversity. This model is constantly evolving and needs to deal with the challenges from amongst other things, digitalisation, globalisation, and technological evolution.

The EU must promote a model of inclusive and sustainable growth while reaping the benefits of technological advancements, enhancing trust in and promoting innovation of democratic governance, combating inequalities, unemployment, marginalisation, discrimination and radicalisation, guaranteeing human rights, fostering cultural diversity and European cultural heritage and empowering citizens through social innovation. The management of migration and the integration of migrants will also continue to be priority issues.

Due to its broad spectrums, size, and impact in today’s digital transformation, these sectors contribute significantly to our economy. As interrelations between social and technological innovation are complex, and rarely linear, further research, including cross-sectoral and multidisciplinary research, is needed into the development of all types of innovation and activities funded to encourage its effective development into the future.
European citizens, state institutions and the economy need to be protected from the continued threats of organised crime, including firearms trafficking, drug trafficking and trafficking in human beings. Strengthening protection and security through better border management is also key. Cybercrime is on the increase and related risks are diversifying as the economy and society digitalise. Europe needs to continue its efforts to improve cybersecurity, digital privacy, personal data protection and combat the spread of false and harmful information in order to safeguard democratic and economic stability. Lastly, further efforts are required to limit the effects on lives and livelihoods of extreme weather events which are intensifying due to climate change, such as floods, storms or droughts leading to forest fires, land degradation and other natural disasters, e.g. earthquakes. Disasters, whether natural or man-made, can put at risk important societal functions, such as health, energy supply and government.

The magnitude, complexity and trans-national character of the challenges call multi-layered EU action. Addressing such critical social, political, cultural and economic issues, as well as security challenges, only at national level would carry the danger of inefficient use of resources, fragmented approaches and dissimilar standards of knowledge and capacity.

Security research is part of the wider comprehensive EU response to security threats. It contributes to the capability development process by enabling the future availability of technologies and applications to fill capability gaps identified by policy-makers and practitioners. Already, funding to research through the EU’s framework programme has represented around 50% of total public funding for security research in the EU. Full use will be made of available instruments, including the European space programme (Galileo and EGNOS, Copernicus, Space Situational Awareness and Governmental Satellite Communications). Synergies are sought with the activities supported by EU-funded defence research and duplication of funding is avoided. Cross-border collaboration contributes to developing a European single security market and improving industrial performance, underpinning the EU’s autonomy.
Research and Innovation activities in this Global Challenge will be overall aligned with the Commission’s priorities on Democratic Change; Jobs, Growth and Investment; Justice and Fundamental Rights; Migration; A Deeper and Fairer European Monetary Union; Digital Single Market. It will respond to the commitment of the Rome Agenda to work towards: ‘a social Europe’ and ‘a Union which preserves our cultural heritage and promotes cultural diversity’. It will also support the European Pillar of Social Rights, and the Global Compact for safe, orderly and regular migration. Security research responds to the commitment of the Rome Agenda to work towards: ‘a safe and secure Europe’, contributing to a genuine and effective Security Union. Synergies with the Justice Programme and with the Rights and Values Programme, which support activities in the area of access to justice, victims’ rights, gender equality, non-discrimination, data protection and promotion of the European citizenship will be exploited.

Activities will contribute directly to the following Sustainable Development Goals (SDGs) in particular: SDG 1 — No Poverty; SDG 4 — Quality Education; SDG 5 — Gender equality; SDG 8 — Decent Work and Economic Growth; SDG 9 — Industry, Innovation and Infrastructure; SDG 10 — Reducing Inequalities; SDG 11 — Sustainable Cities and Communities; SDG 14 — Life below Water; SDG 15 — Life on Land; SDG 16 — Peace, Justice and Strong Institutions.

Amendment 44
Proposal for a decision
Annex I — part II — point 2 — point 2.2 — point 2.2.1 — paragraph 2

Text proposed by the Commission
Amendment

Broad Lines

— The history, evolution and efficacy of democracies, at different levels and in different forms; digitisation aspects and the effects of social network communication and the role of education and youth policies as cornerstones of democratic citizenship;

— The history, evolution and efficacy of democracies, at different levels and in different forms, such as movements for dialogue among cultures, cooperation among nations and peace among religions; digitisation aspects including media and digital literacy and the effects of social network communication and the role of education, youth policies and cultural participation as cornerstones of democratic citizenship;
Text proposed by the Commission

— Innovative approaches to support the transparency, responsiveness, accountability effectiveness and legitimacy of democratic governance in full respect of fundamental rights and of the rule of law;

— Innovative approaches to support the transparency, responsiveness, accountability effectiveness and legitimacy of democratic governance, including fight against corruption, in full respect of fundamental and human rights and of the rule of law;

— Impact of technologies on individual lifestyles and behaviours;

— Impact of technologies on individual lifestyles and behaviours;

— Strategies to address populism, extremism, radicalisation, terrorism and to include and engage disaffected and marginalised citizens;

— Strategies to address populism, extremism, radicalisation, discrimination and hate speeches, terrorism and to actively include, empower and engage disaffected, vulnerable and marginalised citizens;

— New approaches to deal with the link between immigration and xenophobia, and the causes of migration;

— New approaches to deal with the link between immigration and xenophobia, and the causes of migration;

— Better understand the role of journalistic standards and user-generated content in a hyper-connected society and develop tools to combat disinformation;

— Better understand the role of journalistic standards and user-generated content in a hyper-connected society and develop tools to combat disinformation;

— The role of multi-cultural citizenship and identities in relation to democratic citizenship and political engagement;

— The role of multi-cultural citizenship and identities in relation to democratic citizenship and political engagement;

— The role of multi-cultural citizenship and identities in relation to democratic citizenship and political engagement;

— The role of multi-cultural citizenship and identities in relation to democratic citizenship and political engagement;

— The impact of technological and scientific advancements, including big data, online social networks and artificial intelligence on democracy;

— The impact of technological and scientific advancements, including big data, online social networks and artificial intelligence on democracy;

— Deliberative and participatory democracy and active and inclusive citizenship, including the digital dimension;

— Deliberative and participatory democracy and active and inclusive citizenship, including the digital dimension;

— The impact of economic and social inequalities on political participation and democracies, demonstrating how reversing inequalities and combattting all forms of discrimination including gender, can sustain democracy.

— The impact of economic and social inequalities on political participation and democracies, demonstrating how reversing inequalities and combattting all forms of discrimination including gender, can sustain democracy;

— New approaches to science diplomacy.

Amendment 45
Proposal for a decision
Annex I — part II — point 2 — point 2.2 — point 2.2.2 — introductory part

Text proposed by the Commission

2.2.2. Cultural Heritage

2.2.2. Culture and Creativity
Cultural heritage is *the fabric of our lives, meaningful to communities, groups and societies, giving a sense of belonging. It is the bridge between the past and the future of our societies. It is a driving force of local economies and a powerful source of inspiration for creative and cultural industries*. Accessing, conserving, safeguarding and restoring, interpreting and harnessing the full potential of our cultural heritage are crucial challenges now and for future generations. Cultural heritage is the major input and inspiration for the arts, traditional craftsmanship, the cultural, *entrepreneurial and creative* sectors that are drivers of sustainable economic growth, new job creation and external trade.

Cultural heritage is *an integral part of the cultural and creative sectors. Cultural heritage represents traces and expressions from the past that gives attributed-meaning to and is used by communities, groups and societies, giving a sense of belonging. It is the bridge between the past and the future of our societies. It is a driving force of local economies and a powerful source of inspiration for the creative and cultural sector*. Accessing, conserving, safeguarding and restoring, interpreting and harnessing the full potential of our cultural heritage are crucial challenges now and for future generations. Cultural heritage is the major input and inspiration for the arts, traditional craftsmanship, the cultural, *the creative and the entrepreneurial* sectors that are drivers of sustainable economic growth, new job creation and external trade.

**Broad Lines**

— Heritage studies and sciences, with cutting edge technologies including digital ones;

— Access to and sharing of cultural heritage, with innovative patterns and uses and participatory management models;

— Connect cultural heritage with emerging creative sectors;

— The contribution of cultural heritage to sustainable development through conservation, safeguarding and regeneration of cultural landscapes, with the EU as a laboratory for heritage-based innovation and cultural tourism;

— Heritage studies and sciences, with cutting edge technologies including digital ones;

— Access to and sharing of cultural heritage *and related information*, with innovative patterns and uses and participatory management models;

— Connect cultural heritage with emerging creative sectors;

— The contribution of cultural heritage to sustainable development through conservation, safeguarding, *development* and regeneration of cultural landscapes, with the EU as a laboratory for heritage-based innovation and cultural tourism;
— Conservation, safeguarding, enhancement and restoration of cultural heritage and languages with the use of cutting edge technologies including digital;

— Influence of traditions, behavioural patterns, perceptions and beliefs on values and sense of belonging.

— Importance of pluralistic and diverse traditions, customs, perceptions and beliefs on values in the development of communities;

— Establish a ‘European Cultural Heritage Cloud’, a research and innovation collaboration space granting accessibility of cultural heritage through new technologies as well as encouraging and facilitating transmission of know-how and skills, providing the opportunity to set up individual workgroups and project structures, and constituting a European cultural counterpart to commercially driven cloud services. This will be preceded by an impact assessment.

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Amendment 47
Proposal for a decision
Annex I — part II — point 2 — point 2.2 — point 2.2.3

European societies are undergoing profound socio-economic transformations, especially as a result of globalisation and technological innovations. At the same time there has been an increase in income inequality in most European countries (14). Forward-looking policies are needed, with a view to promoting inclusive growth and reversing inequalities, boosting productivity (including advancements in its measurement) and human capital, responding to migration and integration challenges and supporting intergenerational solidarity and social mobility. Education and training systems are needed for a more equitable and prosperous future.

Broad Lines

— Knowledge base for advice on investments and policies especially education and training, for high value added skills, productivity, social mobility, growth, social innovation and job creation. The role of education and training to tackle inequalities;

European societies are undergoing profound socio-cultural-economic transformations, especially as a result of globalisation and technological innovations. At the same time there has been an increase in income inequality in most European countries (14). Forward-looking policies are needed, with a view to promoting inclusive growth and reversing inequalities, boosting productivity (including advancements in its measurement) and human capital, improving citizens living and working conditions, responding to migration and integration challenges and supporting intergenerational solidarity and social mobility and cultural integration. Accessible, inclusive, innovative and high-quality, education and training systems are needed for a more equitable and prosperous future.

Broad Lines

— Knowledge base for advice on investments and policies especially education and training, for high value added skills, productivity, social mobility, growth, social innovation and job creation. The role of education and training to tackle inequalities;
— Social sustainability beyond GDP only indicators especially new economic and business models and new financial technologies;

— Statistical and other economic tools for a better understanding of growth and innovation in a context of sluggish productivity gains;

— New types of work, the role of work, trends and changes in labour markets and income in contemporary societies, and their impacts on income distribution, non-discrimination including gender equality and social inclusion;

— Tax and benefits systems together with social security and social investment policies with a view to reversing inequalities and addressing the negative impacts of technology, demographics and diversity;

— Human mobility in the global and local contexts for better migration governance, integration of migrants including refugees; respect of international commitments and human rights; greater, improved access to quality education, training, support services, active and inclusive citizenship especially for the vulnerable;

— Education and training systems to foster and make the best use of the EU's digital transformation, also to manage the risks from global interconnectedness and technological innovations, especially emerging online risks, ethical concerns, socio-economic inequalities and radical changes in markets;

— Modernisation of public authorities to meet citizens’ expectation regarding service provision, transparency, accessibility, openness, accountability and user centricity.

— Efficiency of justice systems and improved access to justice based on judiciary independence and rule of law principles, with fair, efficient and transparent procedural methods both in civil and criminal matters.

— Cross-scientific research combining economic cultural and social impact of technological change;

— Social sustainability beyond GDP only indicators, especially new economic and business models, such as social economy and new financial technologies;

— Statistical and other economic and quantitative tools for a better understanding of growth and innovation in a context of sluggish productivity gains;

— New types of work, the role of work, trends and changes in labour markets and income in contemporary societies, and their impacts on income distribution, non-discrimination including gender equality and social inclusion;

— Tax and benefits systems together with social security and social investment policies, tax havens and tax justice with a view to reversing inequalities and addressing the negative impacts of technology, demographics and diversity;

— Strategies to address demographic change, urbanisation versus outward migration from rural areas, tackling socio-economic exclusion and enhancing quality of life in rural areas, including through the use of cutting edge technology and digital solutions;

— Human mobility in the global and local contexts for better migration governance, integration of migrants including refugees; respect of international commitments and human rights; greater, improved access to quality education, training, support services, active and inclusive citizenship especially for the vulnerable;

— Education and training systems to foster and make the best use of the EU's digital transformation, also to manage the risks from global interconnectedness and technological innovations, especially emerging online risks, ethical concerns, socio-economic inequalities and radical changes in markets;

— Modernisation of public authorities to meet citizens’ expectations and needs regarding service provision, transparency, accessibility, openness, accountability and user centricity;

— Efficiency of justice systems and improved access to justice based on judiciary independence and rule of law principles, with fair, efficient, accessible and transparent procedural methods both in civil and criminal matters.
Text proposed by the Commission

Amendment

2.2.4. Disaster-Resilient Societies

Disasters arise from multiple sources, whether natural or man-made, including those from terrorist attacks, climate-related and other extreme events (including from sea level rises), from forest fires, heat waves, floods, earthquakes, tsunamis and volcanic events, from water crises, from space weather events, from industrial and transport disasters, from CBRN events, as well as those from resulting cascading risks. The aim is to prevent and reduce the loss of life, harm to health and the environment, economic and material damage from disasters, ensure food security as well as to improve the understanding and reduction of disaster risks and post-disaster lesson learning.

Broad Lines

— Technologies and capabilities for first responders for emergency operations in crisis and disaster situations;

— The capacities of society to better manage and reduce disaster risk, including through nature-based solutions, by enhancing prevention, preparedness and response to existing and new risks

— Interoperability of equipment and procedures to facilitate cross-border operational cooperation and an integrated EU market.


Amendment 48
Proposal for a decision
Annex I — part II — point 2 — point 2.2 — point 2.2.4

Text proposed by the Commission

Amendment

2.2.4. Social sciences and humanities

Social sciences and humanities research shall be integrated into each of the priorities of Horizon Europe, contributing in particular to the evidence base for policymaking at international, Union, national, regional and local level. In addition to this integration, specific support shall be provided along the following broad lines, also support policy-making.

Broad Lines
<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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<tbody>
<tr>
<td>Analysis and development of social, economic and political inclusion and inter-cultural dynamics in Europe and with international partners;</td>
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<tr>
<td>Greater understanding of the societal changes in Europe and their impact;</td>
<td></td>
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<tr>
<td>Tackling of major challenges concerning European models for social cohesion, immigration, integration, demographic change, ageing, disability, education, poverty and social exclusion;</td>
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<tr>
<td>Support research to understand identity and belonging across communities, regions and nations.</td>
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</tbody>
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**Amendment 49**

Proposal for a decision

Annex I — part II — point 2 — point 2.2 — point 2.2.5

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<tr>
<th>Text proposed by the Commission</th>
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<td><strong>2.2.5. Protection and Security</strong></td>
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There is a need to protect citizens from and to respond to security threats from criminal including terrorist activities and hybrid threats; to protect people, public spaces and critical infrastructure, from both physical (including CBRN-E) attacks and cyber-attacks; to fight terrorism and radicalisation, including understanding and tackling terrorist ideas and beliefs; to prevent and fight serious crime, including cybercrime, and organised crime; to support victims; to trace criminal financial flows; to support the use of data for law enforcement and to ensure the protection of personal data in law enforcement activities; to support air, land and sea EU border management, for flows of people and goods. It is essential to maintain flexibility rapidly to address new security challenges that may arise.

**Broad Lines**

— Innovative approaches and technologies for security practitioners (such as police forces, border and coast guards, customs offices), public health practitioners, operators of infrastructure and those managing open spaces;

— Human and social dimensions of criminality and violent radicalisation, in relation to those engaged or potentially engaged in such behaviour as well as to those affected or potentially affected;
— The mind-set of citizens, public authorities and industry to prevent the creation of new security risks and to reduce existing risks, including those from new technologies such as Artificial Intelligence;

— Combatting disinformation and fake news with implications for security;

— Interoperability of equipment and procedures to facilitate cross-border and inter-agency operational cooperation and develop an integrated EU market.

— Ensuring the protection of personal data in law enforcement activities, in particular in view of rapid technological developments.

Amendment 50
Proposal for a decision
Annex I — part II — point 2 — point 2.2 — point 2.2.6

2.2.6. Cybersecurity

Malicious cyber activities not only threaten our economies but also the very functioning of our democracies, our freedoms and our values. Cyber threats are often criminal, motivated by profit, but they can also be political and strategic. Our future security and prosperity depend on improving our ability to protect the EU against cyber threats. The digital transformation requires improving cybersecurity substantially, to ensure the protection of the huge number of IoT devices expected to be connected to the internet, including those controlling power grids, cars and transport networks, hospitals, finances, public institutions, factories, homes. Europe must build resilience to cyber-attacks and create effective cyber deterrence.

Broad Lines

— Technologies across the digital value chain (from secure components to cryptography and self-healing software and networks);
Text proposed by the Commission

— Technologies to address current cybersecurity threats, anticipating future needs, and sustaining a competitive industry;

— A European cybersecurity competence network and competence centre.

Amendment 51
Proposal for a decision
Annex I — part II — point 2 a (new)

Text proposed by the Commission

2 a. CLUSTER ‘SECURE SOCIETY’

2a.1 Rationale

In a context of transformations and growing global interdependencies and threats, research and innovation to ensure Europe’s security is paramount.

Despite the fact that Europe is free from large-scale military aggressions, there is now the need to respond to the challenges arising from new security threats. Terrorist attacks of various kind, violent radicalisation, as well as cyber-attacks and hybrid threats, raise major security concerns and put particular strain on societies. EU has to tackle these challenges and ensure public safety while preserving individual freedom and fundamental rights.

Security research is part of the wider EU efforts to meet this and other challenges. It contributes to the capability development process by enabling future availability of technologies, solutions and applications to fill gaps identified by policymakers, and end-users, especially public authorities.

Such research and innovation responds to the commitment of the Rome Agenda to work towards ‘a safe and secure Europe’, contributing to the Security Union. Synergies with the Justice Programme and with the Rights and Values Programme, which support activities in the area of access to justice, victims’ rights, gender equality, non-discrimination, data protection and promotion of the European citizenship will be exploited.
Full use will be made of available instruments, including the European space programme (Galileo and EGNOS, Copernicus, Space Situational Awareness and Governmental Satellite Communications).

Europe needs to continue its research and innovation efforts to improve cybersecurity, digital privacy, personal data protection and combat the spread of false and harmful information in order to safeguard prosperity, democratic and economic stability. Terrorism, violent radicalisation, ideologically motivated violence, cultural goods trafficking, cyber-attacks, organised crime, taxes avoidance and environmental crime and disasters, are some examples of areas to be tackled under this cluster.

In order to anticipate, prevent and manage risks and threats, it is not only necessary to commit to research but furthermore to develop and apply innovative technologies, solutions, foresight tools and knowledge, stimulate cooperation between providers and public users, find solutions, prevent and combat the abuse of privacy and breaches of human rights, while ensuring European citizens’ individual rights and freedom.

To enhance complementarity in research and innovation, public security authorities shall be enforced in efforts of multi- and international exchange and cooperation. Public security authorities shall be invigorated to participate in EU research and innovation efforts to further their capabilities to cooperate and communicate on all appropriate levels, to exchange data, to benefit from common standards in technologies, procedures, equipment, and up-to-date results in crime related sciences, training, and supporting advantages of expert knowledge.

Furthermore, procurement shall be developed to support prototypes and facilitate the testing and acquisition of pre-market innovative solutions by public entities.

Activities will contribute directly to the following Sustainable Development Goals (SDGs) in particular: SDG 1 — No Poverty; SDG 4 — Quality Education; SDG — Decent Work and Economic Growth; SDG 9 — Industry, Innovation and Infrastructure; SDG 10 — Reducing Inequalities; SDG 11- Sustainable Cities and Communities; SDG 16 — Peace, Justice and Strong Institutions.
2a.2 Areas of Intervention

2a.2.1 Organised Crime; Terrorism, Extremism, Radicalisation and Ideologically Motivated Violence

Organised Crime, terrorism, extremism, violent radicalisation and ideologically motivated violence cause high risks to citizens as well as to Europe’s society, economy and democratic stability. The perpetrators range from individual actors to highly organised criminal structures, also operating internationally. Research and innovation, including in humanities and technologies are required to detect, prevent and counter their activities and their causes.

Broad Lines

— Human and social dimensions of criminality and violent radicalisation, in relation to those engaged or potentially engaged in such behaviour as well as to those affected or potentially affected;

— Innovative approaches and technologies for security end-users, especially public security authorities;

— Technologies and standards of operation for protecting infrastructure, open and public spaces;

— Prediction, detection, prevention, and protection against attempts and perpetrators of serious and organised crime, ideologically motivated radicalisation, violence and terrorism, including support to its victims;

2a.2.2 Border Protection Management

To advance safety and security within the EU requires research and innovation to strengthen the abilities of border protection and management. This includes area reconnaissance and surveillance (air, ground, sea), stable cooperation and data-exchange with foreign authorities, including interoperability capabilities with local, regional, national and international command-, control- and communication-centres as well as implementing solutions for border-protection, incident responding, risk-detection and crime-prevention. Further, to include is research on predictive policing and algorithm-based early warning applications, automated surveillance technologies using various kinds of sensors, while taking into account fundamental rights. While evaluating their impact and potential to enhance security efforts and solution, technologies and equipments should contribute to the integrity of those approaching external borders by especially land and sea.
Research should support the improvement of the integrated European border management, including through increased cooperation with candidate, potential candidate and EU Neighbourhood Policy countries. It will further assist EU efforts managing migration.

Broad Lines

— Identifying forged and otherwise manipulated documents;

— Detecting illegal transportation/ trafficking of persons and goods;

— Furthering response capabilities to border incidents;

— Modernisation of border areal reconnaissance and surveillance equipment;

— Improving direct cooperation of security authorities of both sides in the respective border area for cross-border measures to ensure continuous persecution of offenders and suspects.

2a.2.3 Cyber-Security, Privacy, Data Protection

Malicious and hostile cyber activities threaten our societies and citizens, the stable and secure functioning of public authorities and institutions, economies and also the very functioning of Europe’s democratic institutions, our freedoms and values. Incidents involving public institutions have occurred already and are likely to increase in the course of further integration of digital and cyber applications in administrative and economic procedures as well as in private and individual use.

Cybercrime is on the increase, related risks are diversifying as the economy and society digitalise further on. Europe needs to continue its efforts to improve cybersecurity, digital privacy, personal data protection and combat the spread of false and harmful information in order to safeguard democratic and economic stability.

Future security and prosperity depend on improving abilities to protect the EU against such threats, to prevent, detect and counter malicious cyber activities, often requiring close and rapid cross-border cooperation. Especially the digital transformation requires improving cybersecurity substantially, to ensure the protection of the huge number of IoT devices expected to be connected to the internet, Europe must keep up all efforts to enforce resilience to cyber-attacks and promote effective deterrence.
Broad Lines

— Combatting disinformation and fake news with implications for security, including the protection of electoral registration and evaluation/counting systems and communication (election security); developing capabilities to detect the sources of manipulation, while preserving freedom of speech and access to information.

— Expanding detection, prevention, defence and countering technologies;

— Strengthening abilities to decipher and decrypt cyber-attacks for public authorities;

— Technologies to detect and monitor illicit electronic way of payment and financial flows;

— Increase scientific and technological abilities of responsible authorities, especially European Police Office, European Cybercrime Centre and European Network and Information Security Agency;

— Ensuring the protection of personal data in law enforcement activities, particularly in view of rapid technological developments;

— Technologies across the digital value chain (from secure components to cryptography, distributed ledger technologies, behavioural based security and resilient and self-healing software and networks);

— Technologies, methods and best practices to address, prevent, mitigate and recover from cybersecurity threats, anticipating future needs, and sustaining a competitive industry with high availability, including improving knowledge and awareness concerning cybersecurity risks and consequences;

— Improving the protection of personal data by promoting easy-to-use solutions for devices used by citizens and consumers;

— Secure software and hardware development and test facilities for security testing of software and hardware.
Text proposed by the Commission

2a.2.4 Protecting Critical Infrastructures and Improving Disaster Response

New technologies, processes, methods and dedicated capabilities will help to protect critical infrastructures, including e-infrastructures, systems and services which are essential for the proper functioning of society and economy, including communications, transport, finance, health, food, water, energy, logistic and supply chain, and environment.

Disasters arise from multiple sources, whether natural, man-made or resulting from cascading risks. Efforts are required to limit the effects on lives and livelihoods. The aim is to prevent and reduce harm to health and the environment, economic and material damage, to ensure food and medicine supply, security and basic means of communication.

Broad Lines

— Technologies and capabilities for first responders for emergency operations in crisis and disaster situations including disaster response for victims and early warning systems;

— Capacities of society to better manage and reduce disaster risk, including through nature and community know-how based solutions, by enhancing prevention, preparedness and response to existing and new risks, improving the resilience of these various infrastructures, including through disaster-resilient institutional, political and governance structures;

— Enhancing moving capabilities for search and rescue equipment, vehicles, supply and forces;

— Technologies, equipment and procedures to prevent the outbreak of or to contain pandemics;

— Improving multi-layer public alert systems, especially considering vulnerable persons;

— Improvement of the availability of specialised air- and ground vehicles to fight large-scale and forest fires as well as improving its rapid deployment.

2a.2.5 Piracy and Counterfeit of Products

Countering piracy and counterfeit of products remain of serious concern for the European economy, cultural and creative sector and citizens alike. These illicit activities cause serious losses of taxes, revenues and personal income as well as putting employment in Europe at risk.
Deficient products imply risks for causing damage to persons and property. Such impacts need to be addressed and solutions be found to tackle piracy and counterfeit of products as well as to enforce appropriate public authorities to prevent, detect, investigate and counter these crimes and related illegal activities in cooperation.

To include are efforts to promote the protection of intellectual property.

**Broad Lines**

— Promoting techniques of identifying products;

— Enhancing protection of original parts and goods;

— Technologies to control transported products (real-time) and data-exchange between producers, transporters, custom-authorities and recipients.

**2a.2.6 Supporting the Union’s external security policies through conflict prevention and peace-building**

Research, new technologies, capabilities and solutions are required to support the Union’s external security policies in civilian tasks, ranging from civil protection to humanitarian relief, border management or peace-keeping and post-crisis stabilisation, including conflict prevention, peace-building and mediation.

**Broad Lines**

— Research on conflict resolution and restoration of peace and justice, on early identification of factors leading to conflict and on the impact of restorative justice processes;

— Promoting interoperability between civilian and military capabilities in civilian tasks ranging from civil protection to humanitarian relief, border management or peace-keeping.

— Technological development in the area of dual-use technologies to enhance interoperability between civil protection and military forces and amongst civil protection forces worldwide, as well as reliability, organisational, legal and ethical aspects, trade issues, protection of confidentiality and integrity of information and traceability of all transactions and processing.
— Developing of command and control capabilities for civil missions.

2a.2.7 Promoting Coordination, Cooperation and Synergies

To ensure the ability to deploy, manage, control and command inter-authority procedures up-to-date technology and standards are required. The aim ought to be to equip public authorities and other forces to be deployed with exchangeable equipment, to integrate EU-wide standard procedures of operation, responding, reporting and data-exchange.

An adequate budget should be allocated to agencies to further promote their ability to participate in as well as from EU research and innovation and in order to manage relevant projects, to exchange demands, results and ambitions as well as to cooperate and coordinate efforts with other agencies and certain non-EU authorities like Counter-Terrorism Group and Interpol. As for security related research and innovation these are especially European Policy College, European Aviation Safety Agency, European Centre for Disease Prevention and Control, European Monitoring Centre for Drugs and Drug Addiction, European Maritime Safety Agency, European Network and Information Security Agency, European Agency for the operational management of large-scale IT Systems in the area of freedom, security and justice, European Union Intellectual Property Office, European Police Office, European Border and Coast Guard Agency and European Union Satellite Centre.

To enhance synergies with EU-funded defence research, exchange and consultation mechanisms should be put in place with defence research associated authorities for civilian purposes.

Standards will play an important role as they ensure common development, production and implementation as well as abilities of exchange, interoperability and compatibility of services, procedures, technologies and equipment.

Broad Lines

— Technologies and equipment with basic operation requirements to be applicable by all Member States authorities of the same line (police, rescue, disaster management, communication etc.) equally;

— Interoperability of equipment and procedures to facilitate cross-border and inter-agency operational ability.
Amendment 52
Proposal for a decision
Annex I — part II — point 3 — introductory part

Text proposed by the Commission

3. CLUSTER 'DIGITAL AND INDUSTRY'

Amendment

3. CLUSTER 'DIGITAL, INDUSTRY AND SPACE'

Amendment 53
Proposal for a decision
Annex I — part II — point 3 — point 3.1

Text proposed by the Commission

3.1. Rationale

To ensure industrial competitiveness and the capacity to address the global challenges ahead, the EU must reinforce and maintain its technological and industrial capacities in the key areas that underpin the transformation of our economy and society.

EU industry provides one out of five jobs and two thirds of private sector R&D investments and generates 80% of EU exports. A new wave of innovation, involving a merging of physical and digital technologies, will trigger huge opportunities for EU industry and improve the quality of life for EU citizens.

Digitisation is a major driver. As it continues at a rapid pace across all sectors, investment in priority areas ranging from artificial intelligence to next generation internet, high performance computing, photonics and nano-electronics, becomes essential for the strength of our economy and the sustainability of our society. Investing, producing and using ICT provides a major boost to EU economic growth, amounting to an increase of 30% between 2001 and 2011 alone.

Key enabling technologies underpin the blending of the digital and the physical worlds, central to this new global wave of innovation. Investing in the development, demonstration and deployment of key enabling technologies, and ensuring a secure, sustainable and affordable supply of raw and advanced materials, will secure EU strategic autonomy and help EU industry to significantly reduce its carbon and environmental footprints.

Amendment

3.1. Rationale

To ensure industrial competitiveness and the capacity to address the global challenges ahead, the EU must reinforce and maintain its technological and industrial capacities in the key areas that underpin the transformation of our economy and society.

EU industry provides one out of five jobs and two thirds of private sector R&D investments and generates 80% of EU exports. A new wave of innovation, involving a merging of physical and digital technologies, will trigger huge opportunities for EU industry and improve the quality of life for EU citizens.

Digitisation is a major driver. As it continues at a rapid pace across all sectors, investment in priority areas ranging from artificial intelligence to next generation internet, high performance computing, photonics, quantum technologies, nano-electronics, smart data etc. becomes essential for the strength of our economy. Investing, producing and using ICT provides a major boost to EU economic growth, amounting to an increase of 30% between 2001 and 2011 alone.

Key enabling technologies underpin the blending of the digital and the physical worlds, central to this new global wave of innovation. Investing in the development, demonstration, deployment and standardisation of key enabling technologies, and ensuring a secure, sustainable and affordable sourcing, use and management of raw and advanced materials, will secure EU strategic autonomy and help EU industry to significantly reduce its carbon and environmental footprints and hence costs for society in terms of externalities.
Specific future and emerging technologies **may** also be pursued as **appropriate**.

Space is of strategic importance; around 10% of the EU's GDP depends on the use of space services. The EU has a world-class space sector, with a strong satellite manufacturing industry and a dynamic downstream services sector. Space provides important tools for communication, navigation, and surveillance and opens up many business opportunities especially in combination with digital technologies and other sources of data. The EU must make the most of these opportunities by fully exploiting the potential of its space programmes Copernicus, EGNOS and Galileo, and by protecting space and ground infrastructures against threats from **space**.

The EU has the unique chance of being a global leader and increase its share of world markets, by showcasing how digital transformation, leadership in key enabling and space technologies, the transition to a low-carbon, circular economy and competitiveness **can reinforce each other through scientific and technological excellence**.

To make the digitised, circular, low-carbon and low-emission economy a reality, action is needed at EU level because of the complexity of value chains, the systemic and multi-disciplinary nature of the technologies and their high development costs, and the cross-sectoral nature of the problems to be addressed. The EU must ensure that all industrial players, and society at large, can benefit from advanced and clean technologies and digitisation. Developing technologies alone will not suffice. Industrially-oriented infrastructures, including pilot lines, will help set up EU businesses and in particular SMEs deploy these technologies and improve their innovation performance.

A strong engagement of industry is essential in setting priorities and developing research and innovation agendas, increasing the leverage of public funding, and ensuring the uptake of results. Societal understanding and acceptance are key ingredients for success, as well as a new agenda for industry-relevant skills and standardisation.

---

Specific future and emerging technologies **should** also be pursued as the **grounds on which next breakthroughs innovations are based**.

Space is of strategic importance; around 10% of the EU's GDP depends on the use of space services. The EU has a world-class space sector, with a strong satellite manufacturing industry and a dynamic downstream services sector. Space provides important tools for communication, navigation, and surveillance and opens up many **research, innovation and business opportunities especially in combination with digital technologies and other sources of data**. The EU must make the most of these opportunities by fully exploiting the potential of its space programmes Copernicus, EGNOS and Galileo, **as well as encouraging amongst other the development of the downstream sector and the applications for the final users** and by protecting space and ground infrastructures against threats.

The EU has the unique chance of being a global leader and increase its share of world markets, by showcasing how digital transformation, leadership in key enabling and space technologies **unlocking scenarios for the transition towards net-zero GHG emissions economy including low-carbon technologies and strategies for decarbonisation, bio-based and circular economy, ensuring competitiveness and societal understanding of these technologies and evolutions**.

To make the digitised, circular, low-carbon and low-emission economy a reality, action is needed at EU level because of the complexity of value chains, the systemic and multi-disciplinary nature of the technologies and their high development costs, and the cross-sectoral nature of the problems to be addressed. The EU must ensure that all industrial players, and society at large, can benefit from advanced and clean technologies and digitisation. Developing technologies alone will not suffice. **New sustainable business models**, industrially-oriented infrastructures, including pilot lines, will help set up EU businesses and in particular SMEs deploy these technologies and improve their innovation performance. **In this context cultural and creative sector also play a major role as drivers of digital transformation and ICT-driven innovation in Europe**.

Therefore, a strong engagement of industry is essential in setting priorities and developing research and innovation agendas, increasing the leverage of **additional public and private** funding, and ensuring the uptake of results. Societal understanding and acceptance are key ingredients for success, as well as a new agenda for industry-relevant skills and standardisation.
Bringing together activities on digital, key enabling and space technologies, as well as a sustainable supply of raw materials, will allow for a more systemic approach, and a faster and more profound digital and industrial transformation. It will ensure that research and innovation in these areas feed into, and contribute to the implementation of, the EU's policies for industry, digitisation, environment, energy and climate, circular economy, raw and advanced materials and space.

Complementarity will be ensured with activities under the Digital Europe Programme, to respect the delineation between both Programmes and avoid any overlaps.

Activities will contribute directly to the following Sustainable Development Goals (SDGs) in particular: SDG 8 — Decent Work and Economic Growth; SDG 9 — Industry, Innovation and Infrastructure; SDG 12 — Responsible Consumption and Production; SDG-13 Climate Action.

Amendment 54
Proposal for a decision
Annex I — part II — point 3 — point 3.2 — point 3.2.1

3.2.1. Manufacturing Technologies

Manufacturing is a key driver of employment and prosperity in the EU, producing over three quarters of the EU’s global exports and providing over a 100 million direct and indirect jobs. The key challenge for EU manufacturing is to remain competitive at a global level with smarter and more customised products of high added value, produced at much lower energy costs. Creative and cultural inputs will be vital to help generate added value.

Broad Lines

— Breakthrough manufacturing technologies such as additive manufacturing, industrial robotics, human integrated manufacturing systems, also promoted via an EU network of industrially-oriented infrastructures;
— Breakthrough innovations using different enabling technologies (e.g. converging technologies, artificial intelligence, data analytics, industrial robotics, bio-manufacturing, advanced batteries technologies) across the value chain;

— Skills and workspaces fully adapted to the new technologies, in line with European social values;

— Flexible, high-precision, zero-defect and zero-waste cognitive plants and smart manufacturing systems meeting customer needs;

— Breakthrough innovations in techniques for exploring construction sites, for full automation for on-site assembly and prefabricated components.

Amendment 55
Proposal for a decision
Annex I — part II — point 3 — point 3.2 — point 3.2.2 — paragraph 1

Maintaining and autonomously developing strong design and production capacities in essential digital technologies such as micro- and nano-electronics, photonics, software and systems, and their integration as well as advanced materials for these applications will be essential for a competitive EU.

Amendment

— Nano-electronics design and processing concepts responding to the specific requirements of digital transformation and global challenges, in terms of functionality, energy consumption and integration;

Amendment 56
Proposal for a decision
Annex I — part II — point 3 — point 3.2 — point 3.2.2 — paragraph 2

Maintaining and autonomously developing strong design and production capacities in essential digital technologies such as micro- and nano-electronics, photonics, software and systems, and their integration and standardisation, as well as advanced materials for these applications will be essential for a competitive EU. Key enabling digital technologies are essential to fill the gap between cutting edge research and market creating innovations.

Amendment

— Nano-electronics design and processing concepts responding to the specific requirements of digital transformation and global challenges, in terms of performance, functionality, energy sharing and consumption and efficiency and integration;
<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>— Sensing technologies and their co-integration with computational units as the enabler of the Internet of Things, including innovative solutions on flexible and conformable materials for human-friendly interacting objects;</td>
<td>— Sensing technologies and their co-integration with computational units as the enabler of the Internet of Things, including innovative solutions on flexible and conformable materials for safe, secure, human- and environment-friendly interacting objects;</td>
</tr>
<tr>
<td>— Technologies as complements or alternatives to nano-electronics, such as neuromorphic computing powering artificial intelligence applications, or integrated quantum computing;</td>
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</tr>
<tr>
<td>— Computing architectures and low-power processors for a wide range of applications including edge computing, digitisation of industry, big data and cloud, smart energy and connected and automated driving;</td>
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</tr>
<tr>
<td>— Computing hardware designs delivering strong guarantees of trusted execution, with built-in privacy and security protection measures for input/output data as well as processing instructions;</td>
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</tr>
<tr>
<td>— Photonics technologies enabling applications with breakthrough advances in functionality and performance;</td>
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</tr>
<tr>
<td>— System engineering technologies to support fully autonomous systems for trustworthy applications interacting with the physical world, including in industrial and safety critical domains;</td>
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</tr>
<tr>
<td>— Software technologies enhancing software quality, security and reliability with improved service life, increasing development productivity, and introducing built-in artificial intelligence and resilience in software;</td>
<td>— Software and hardware technologies enhancing quality, security and reliability with improved service life, increasing development productivity and interoperability, and introducing built-in artificial intelligence and resilience in software;</td>
</tr>
<tr>
<td>— Emerging technologies expanding digital technologies and bridging the gap from proofs of concept in research to industrial feasibility for relevant markets.</td>
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</tr>
<tr>
<td>— Digital Technologies for cultural and creative industries, including audio-visual, archives and libraries, publishing, to develop new tools to create access, exploit and preserve digital content.</td>
<td></td>
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</table>
Amendment 57
Proposal for a decision
Annex I — part II — point 3 — point 3.2 — point 3.2.3 — paragraph 1

Text proposed by the Commission

The EU is a global leader in advanced materials and associated processes, which make up 20% of its industry base and form the root of nearly all value chains through the transformation of raw materials. To remain competitive and meet citizens’ needs for sustainable, safe and advanced materials, the EU must improve the recyclability of materials, reduce the carbon and environmental footprint, and drive cross-sectoral industrial innovation by supporting new applications in all industry sectors.

Amendment

— Development of novel eco-innovation business models and alternative resource and energy-efficient production approaches.

Amendment 58
Proposal for a decision
Annex I — part II — point 3 — point 3.2 — point 3.2.3 — paragraph 2

Text proposed by the Commission

— Materials (including plastic, bio-, nano-, two-dimensional, smart and multi-materials) designed with new properties and functionalisation and meeting regulatory requirements (while not leading to increased environmental pressures during their production, use or end-of-life);

— Integrated materials processes and production following a customer-oriented and ethical approach, including pre-normative activities and life-cycle assessment, sourcing and management of raw materials, durability, reusability and recyclability, safety, risk assessment and management;

— Materials enablers like characterisation (e.g. for quality assurance), modelling, piloting and upscaling;

Amendment

— Materials (including plastic, bioplastics, bio-, nano-, two-dimensional, smart and multi-materials) designed with new properties and functionalisation and meeting regulatory requirements (while not leading to increased environmental pressures and negative externalities during their production, use or end-of-life);

— Integrated materials processes and production following a customer-oriented and ethical approach, including pre-normative activities and life-cycle assessment, sustainable sourcing and management of raw materials, durability, reusability and recyclability, safety, risk assessment and management;

— Materials enablers like characterisation (e.g. for quality assurance), modelling, piloting and upscaling;
### Amendment 59

**Proposal for a decision**

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Making any object and device intelligent is one of the megatrends. Researchers and innovators developing Artificial Intelligence (AI) and offering applications in Robotics and other areas will be key drivers of future economic and productivity growth. Many sectors including health, manufacturing, construction, and farming will use and further develop this key enabling technology, in other parts of the Framework Programme. Developments must ensure the safety of AI-based applications, assess the risks and mitigate its potential for malicious use and unintended discrimination such as gender or racial bias. It must also be ensured that AI is developed within a framework which respects the EU’s values and the Charter of Fundamental Rights of the European Union.</td>
<td>Making any object and device intelligent is one of the megatrends. Researchers and innovators developing Artificial Intelligence (AI) and offering applications in Robotics and other areas will be key drivers of future economic and productivity growth. Many sectors including health, transport, manufacturing, construction, and farming will use and further develop this key enabling technology, in other parts of the Framework Programme. Developments must ensure the safety of AI-based applications, assess their risks and mitigate their potential for malicious use and unintended discrimination such as gender or racial bias. It must also be ensured that AI is developed within an ethical framework which respects the EU’s values and the Charter of Fundamental Rights of the European Union.</td>
</tr>
</tbody>
</table>
Amendment 60
Proposal for a decision
Annex I — part II — point 3 — point 3.2 — point 3.2.4 — paragraph 2 — indent 4

Text proposed by the Commission

— Developing and networking the research competences of AI competence centres across Europe;

Amendment

— Developing and networking the research and innovation competences of AI competence centres across Europe;

Amendment 61
Proposal for a decision
Annex I — part II — point 3 — point 3.2 — point 3.2.5 — paragraph 1

Text proposed by the Commission

The Internet has become a key enabler of the digital transformation of all sectors of our economy and society. The EU needs to take the lead in driving the next generation Internet towards a human-centric ecosystem in line with our social and ethical values. Investing in technologies and software for the Next Generation Internet will improve EU industrial competitiveness in the global economy. Optimising EU wide take up will require large-scale cooperation across stakeholders.

Amendment

The Internet has become a key enabler of the digital transformation of all sectors of our economy and society. The EU needs to take the lead in driving the next generation Internet towards a human-centric ecosystem and technical development towards accessible, secure and reliable network services, in line with our social and ethical values. Investing in technologies and software for the Next Generation Internet will improve EU competitiveness in the global economy. Optimising EU wide take up will require large-scale cooperation across stakeholders and the development of European and international standardisation.

Amendment 62
Proposal for a decision
Annex I — part II — point 3 — point 3.2 — point 3.2.5 — paragraph 2

Text proposed by the Commission

Broad Lines

— Technologies and systems for trusted and energy-efficient smart network and service infrastructures (connectivity beyond 5G, software defined infrastructures, Internet of things, cloud infrastructures, cognitive clouds), enabling real-time capabilities, virtualisation and decentralised management (ultrafast and flexible radio, edge computing, blockchains, shared contexts and knowledge);

Amendment

— Technologies and systems for trusted and energy-efficient smart network and service infrastructures (connectivity beyond 5G, software defined infrastructures, Internet of things, cloud infrastructures, cognitive clouds), enabling real-time capabilities, virtualisation and decentralised management (ultrafast and flexible radio, edge computing, cryptography based technologies, distributed ledgers, shared contexts and knowledge);
Text proposed by the Commission

— Next Generation Internet applications and services for consumers, industry and society building on trust, interoperability, better user control of data, transparent language access, new multi modal interaction concepts, inclusive and highly personalised access to objects, information and content, including immersive and trustworthy media, social media and social networking:

— Software-based middleware, including distributed ledger technologies, working in highly distributed environments, facilitating data mapping and data transfer across hybrid infrastructures with inherent data protection, embedding artificial intelligence, data analytics, security and control in Internet applications and services predicated on the free flow of data and knowledge.

Amendment

— Next Generation Internet applications and services for consumers, industry and society building on trust, interoperability, interconnectivity, better user control of data, transparent language access, new multi modal interaction concepts, inclusive and highly personalised access to objects, information and content, including immersive and trustworthy media, social media and social networking as well as solutions for secure transactions and services over shared infrastructures:

— Software-based middleware, including distributed ledger technologies, working in highly distributed environments, facilitating data mapping and data transfer across hybrid infrastructures with inherent data protection, embedding artificial intelligence, data analytics, security and control in Internet applications and services predicated on the free flow of data and knowledge:

— Technologies and tools for system of systems integration for societal and industrial applications to ensure scalable, efficient and reliable network performance suited for massive service deployment.

Amendment 63
Proposal for a decision
Annex I — part II — point 3 — point 3.2 — point 3.2.6 — paragraph 2

Text proposed by the Commission

Broad Lines

— High Performance Computing (HPC): next generation of key exascale and post-exascale technologies and systems (e.g. low-power microprocessors, software, system integration); algorithms, codes and applications, and analytic tools and test-beds; industrial pilot test-beds and services; supporting research and innovation for a world-class HPC infrastructure, including the first hybrid HPC/Quantum computing infrastructure in the EU;

— Big Data: Extreme-performance data analytics; ‘Privacy by design’ in the analysis of personal and confidential Big Data; technologies for full-scale data platforms for re-use of industrial, personal and open data; data management, interoperability and linking tools; data applications for global challenges;

Amendment

Broad Lines

— High Performance Computing (HPC): development of the next generation of key exascale and post-exascale technologies and systems (e.g. low-power microprocessors, software, system integration); dedicated hardware, algorithms, codes and applications, and analytic tools and test-beds; industrial pilot test-beds and services; supporting research and innovation for a world-class HPC infrastructure, including the first hybrid HPC/Quantum computing infrastructure in the EU;

— Big Data: Extreme-performance data analytics; secure and integrity-preserving ‘Privacy by design’ in the analysis of personal and confidential Big Data; technologies for full-scale data platforms for re-use of industrial, personal and open data; data management, interoperability and linking tools; data applications for global challenges;
— Reduced carbon footprint of ICT processes, covering hardware, software, sensors, networks, storage and data centres, and including standardised assessments.
Amendment 65
Proposal for a decision
Annex I — part II — point 3 — point 3.2 — point 3.2.7 — paragraph 2

Text proposed by the Commission
Primary raw materials will continue to play an important role in the circular economy and attention must be paid to their sustainable production. In addition, entirely new materials, products and processes should be designed for circularity. Building a circular industry will have several advantages for Europe: It will lead to a secure, sustainable and affordable supply of raw materials, which will in turn protect the industry against scarcity of resources and price volatility. It will also create new business opportunities and innovative, more efficient ways of producing.

Amendment
Primary raw materials will continue to play an important role in the circular economy and attention must be paid to their sustainable sourcing, usage and production. In addition, entirely new materials, products and processes should be designed for circularity. Building a circular industry will have several advantages for Europe: It will lead to a secure, sustainable and affordable supply of raw materials, which will in turn protect the industry against scarcity of resources and price volatility. It will also create new business opportunities and innovative, more efficient ways of producing.

Amendment 66
Proposal for a decision
Annex I — part II — point 3 — point 3.2 — point 3.2.7 — paragraph 3

Text proposed by the Commission
The objective is to develop affordable breakthrough innovations and deploy a combination of advanced technologies and processes so as to extract maximum value from all resources.

Amendment
The objective is to develop affordable breakthrough innovations and deploy a combination of advanced and digital technologies and processes so as to extract maximum value from all resources.

Amendment 67
Proposal for a decision
Annex I — part II — point 3 — point 3.2 — point 3.2.7 — paragraph 4

Text proposed by the Commission
Broad Lines
— Industrial symbiosis with resource flows between plants across sectors and urban communities; processes and materials, to transport, transform, re-use and store resources, combining the valorisation of by-products, waste and CO2;

— Valorisation and life-cycle assessment of materials and product streams with use of new alternative feedstocks, resource control, material tracking and sorting;

Amendment
Broad Lines
— Industrial symbiosis with resource flows between plants across sectors and urban communities; processes and materials, to transport, transform, re-use and store resources, combining the valorisation of by-products, waste and CO2;

— Valorisation and life-cycle assessment of materials and product streams with use of new alternative feedstocks, resource control, including new business models, automation and digital technologies for material tracking and sorting;
— Products for enhanced life-cycle performance, durability, upgradeability and ease of repair, dismantling and recycling;

— Recycling industry, maximising potential and safety of secondary materials and minimising pollution, quality downgrading, and quantity dropouts after treatment;

— Elimination of substances of concern in the production and end-of-life phases; safe substitutes, and safe and cost-efficient production technologies;

— Sustainable supply or substitution of raw materials, including critical raw materials, covering the whole value chain.

**Amendment 68**

Proposal for a decision

Annex I — part II — point 3 — point 3.2 — point 3.2.8 — paragraph 1

---

**Text proposed by the Commission**

Industrial sectors, including energy-intensive industries, contribute millions of jobs and their competitiveness is key for the prosperity of our societies. However, they account for 20% of the global greenhouse gas emissions and have a high environmental impact (particularly in terms of air, water and soil pollutants).

---

**Amendment**

Industrial sectors, including energy-intensive industries, contribute millions of jobs and their competitiveness is key for the prosperity of our societies. However, they account for 20% of the global greenhouse gas emissions and have a high environmental impact (particularly in terms of air, water and soil pollution). Therefore, industries, especially those that are energy-intensive, should further improve energy efficiency in order to gain in competitiveness and lower EU’s energy demand. An increased integration of renewable energy sources through the development of new power-driven industrial techniques and processes is of major importance for industrial transformation.

**Amendment 69**

Proposal for a decision

Annex I — part II — point 3 — point 3.2 — point 3.2.8 — paragraph 2

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**Text proposed by the Commission**

Breakthrough technologies to achieve significant reductions in greenhouse gases and pollutants, often combined with the technologies for circular industry above, will lead to strong industrial value chains, revolutionise manufacturing capacities and improve the global competitiveness of industry; and at the same time make key contributions to our targets for climate action and environmental quality.

---

**Amendment**

Large-scale breakthrough scientific and technological research to achieve significant energy reductions in greenhouse gases and pollutants, combined for example with technologies for circular economy and digital technologies, will lead to strong industrial value chains, revolutionise manufacturing capacities at the same time make key contributions to our targets for climate action and environmental quality.
Amendment 70
Proposal for a decision
Annex I — part II — point 3 — point 3.2 — point 3.2.8 — paragraph 3

Text proposed by the Commission

— Process technologies, including heating and cooling, digital tools and large-scale demonstrations for process performance and efficiency; substantial reductions or avoidance of industrial emissions of greenhouse gases and pollutants, including particulate matter;

— Industrial CO2 valorisation;

— Electrification and use of unconventional energy sources within industrial plants, and energy and resource exchanges between industrial plants (for instance via industrial symbiosis);

— Industrial products that require low or zero carbon emissions production processes through the life cycle.

Amendment

— Process technologies, including heating and cooling, process agents and digital tools, especially in the form of large-scale demonstrations for process performance and efficiency; substantial reductions or avoidance of industrial emissions of greenhouse gases and pollutants, including particulate matter;

— Industrial CO2 valorisation, including technologies and solutions to reduce GHG emissions from fossil fuel-based power generation, via CO2 capture and utilisation;

— Carbon direct avoidance through the application of renewable based electrolytical hydrogen and renewable electrical power.

— Electrification and use of clean energy sources within industrial plants, in order to reduce fossil energy carriers, in particular for energy intensive industrial processes.

— Industrial products and materials that require low or zero carbon emissions production processes.

Amendment 71
Proposal for a decision
Annex I — part II — point 3 — point 3.2 — point 3.2.9 — paragraph 2

Text proposed by the Commission

The EU will support synergies between space and key enabling technologies (big data, advanced manufacturing, robotics and artificial intelligence); foster a thriving and entrepreneurial and competitive space sector; and help secure non-dependence in accessing and using space in a safe and secure manner. Activities will be roadmap-based, taking account of the ESA harmonisation process and relevant Member States initiatives, and will be implemented with ESA, as appropriate.

Amendment

The EU will support synergies between space and key enabling technologies (big data, advanced manufacturing, quantum technologies, robotics and artificial intelligence); will foster a thriving and entrepreneurial and competitive space sector; and will help to secure non-dependence in accessing and using space in a safe and secure manner. Upstream activities will be roadmap-based, taking account of the ESA harmonisation process and relevant Member States initiatives, and will be implemented with ESA, as appropriate. Downstream activities will be market driven and respond to user needs and will be implemented with the Agency for the Space Programme.
Amendment 72

Proposal for a decision

Annex I — part II — point 3 — point 3.2 — point 3.2.9 — paragraph 3 — indent 1

Text proposed by the Commission

— European Global Navigation Satellite Systems (Galileo and EGNOS): innovative applications, global uptake including international partners, solutions improving robustness, authentication, integrity of services, development of fundamental elements such as chipsets, receivers and antennas, sustainability of supply chains, new technologies (e.g. quantum technologies, optical links, reprogrammable payloads), towards sustained exploitation of services for impact on societal challenges. Next generation systems development for new challenges such as security or autonomous driving;

— Copernicus: innovative applications, global uptake and international partners, robustness and evolution of services, sustainability of supply chains, sensors, systems and mission concepts (e.g. High Altitude Platforms, drones, light satellites); calibration and validation; sustained exploitation of services and impact on societal challenges; Earth observation data techniques, big data, computing resources and algorithmic tools. Next generation systems development for new challenges such as climate change, and security;

— Space Situational Awareness: robust EU capacity to monitor and forecast state of the space environment e.g. space weather, space debris and near Earth objects, and new service concepts, such as space traffic management, applications and services to secure critical infrastructure in space and on Earth;

— Secure Satellite Communications for EU governmental actors: solutions for the widest possible range of governmental users and associated user equipment in architectural, technological and system solutions for space infrastructure, supporting the EU’s autonomy;

— End-to-end satellite Communications for citizens and businesses: cost-effective, advanced satellite communications to connect assets and people in underserved areas, as part of 5G-enabled ubiquitous connectivity and development of the Internet of Things (IoT), and contributing to the Next Generation Internet (NGI) infrastructure. Enhanced ground segment and user equipment, standardisation and interoperability to ensure EU industrial leadership;

Amendment

— European Global Navigation Satellite Systems (Galileo and EGNOS): innovative applications, global uptake including international partners, solutions improving robustness, authentication, integrity of services, development of fundamental elements such as chipsets, receivers and antennas, sustainability of supply chains, new technologies (e.g. quantum technologies, optical links, reprogrammable payloads), improved accessibility and increased diversity of applications towards sustained exploitation of services for impact on societal challenges. Next generation systems development for new challenges such as natural disaster risk reduction, security or autonomous driving;

— Copernicus: innovative applications, global uptake and international partners, robustness and evolution of services, sustainability of supply chains, sensors, systems and mission concepts (e.g. High Altitude Platforms, drones, light satellites); calibration and validation; sustained exploitation of services and impact on societal challenges; Earth observation data techniques, big data, computing resources and algorithmic tools. Next generation systems development for new challenges such as disaster risk reduction, climate change, and security;

— Space Situational Awareness: robust EU capacity to monitor and forecast state of the space environment e.g. space weather, space debris and near Earth objects, sensors, and new service concepts, such as space traffic management, applications and services to secure critical infrastructure in space and on Earth;

— Secure, quantum-safe satellite communications for EU governmental actors: solutions for the widest possible range of governmental users and associated user equipment in architectural, technological and system solutions for space infrastructure, supporting the EU’s autonomy;

— End-to-end satellite Communications for citizens and businesses: cost-effective, advanced satellite communications to connect assets and people in underserved areas, as part of 5G-enabled ubiquitous connectivity and development of the Internet of Things (IoT), and contributing to the Next Generation Internet (NGI) infrastructure. Enhanced ground segment and user equipment, standardisation and interoperability to ensure EU industrial leadership;
— Non-dependence and sustainability of the supply chain: increased technology readiness levels in satellites and launchers; associated space and ground segments, and production and testing facilities. To secure EU technological leadership and autonomy, improved supply chain sustainability, reduced dependence on non-EU critical space technologies and improved knowledge of how space technologies can offer solutions to other industrial sectors;

— Space ecosystem: in-orbit validation and demonstration services, including rideshare services for light satellites; space demonstrators in areas such as hybrid, smart or reconfigurable satellites, in-orbit manufacturing and assembly, launcher reusability, in-orbit servicing and micro-launchers; breakthrough innovations, and technology transfer, in areas such as recycling, green space, artificial intelligence, robotics, digitisation, cost-efficiency, miniaturisation;

— Space science: exploitation of scientific data delivered by scientific and exploration missions, combined with the development of innovative instruments in an international environment; contribution to precursor scientific missions for the evolution of the Space Programme.

— Space AI and robotics: novel solutions for space missions e. g. space assembly, space manipulation, cognitive space systems, robot-human collaboration in space.

Amendment 73
Proposal for a decision
Annex I — part II — point 4 — point 4.1

The intersection of research and innovation on climate, energy and mobility will address in a highly integrated and effective way, one of the most important global challenges for the sustainability and future of our environment and way of life.
To meet the objectives of the Paris Agreement the EU will need to transition to low-carbon, resource-efficient and resilient economies and societies. This will be based on profound changes in technology and services, to the ways in which businesses and consumers behave, as well as involving new forms of governance. Limiting the increase of global average temperature to well below 2 °C, and pursuing efforts to limit the temperature increase to 1.5 °C, requires rapid progress in decarbonising the energy system and substantially reducing greenhouse-gas (GHG) emissions from the transport sector (17). It will also need new impetus to accelerate the pace of developing next-generation breakthroughs as well as demonstrating and deploying innovative technologies and solutions, using also the opportunities provided by digital and space technologies. This will be pursued through an integrated approach encompassing decarbonisation, resource efficiency, reduction of air pollution, access to raw materials and circular economy.

Limiting the increase of global average temperature to well below 2 °C, and pursuing efforts to limit the temperature increase to 1.5 °C, requires reductions in greenhouse-gas (GHG) emissions through decarbonization, energy savings, and the deployment of renewable energy sources and the electrification of industrial processes which encompass both the energy and the transport sectors (17). Currently, the transport sector represents almost a quarter of the Union’s GHG emissions.

New impetus is needed to accelerate the pace of developing next-generation breakthroughs as well as demonstrating and deploying innovative technologies and solutions, using also the opportunities provided by key enabling technologies, digital technologies and space technologies. This will be pursued through an integrated approach encompassing decarbonisation, renewable energy resource and energy efficiency, reduction of air pollution, access to raw materials, including critical raw materials, and the circular economy. Particular attention should be paid to sector coupling (i.e. of electricity, heating and cooling, industry and transport sector) in all intervention areas, which is important for a successful energy and transport transition.

To achieve this, the Union will also foster participatory approaches to research and innovation, including the multi-actor approach and develop knowledge and innovation systems at local, regional, national and European levels. Insights from social sciences and humanities, social innovation with citizens’ engagement will be crucial to encourage new governance models, production and consumption patterns.
Progress in **these** sectors — **but** also across the spectrum of EU industry including agriculture, buildings, industrial processes and **product use**, and waste management — will require continued efforts to better understand the mechanisms of climate change and the associated impacts across the economy and society, exploiting synergies with national activities, other EU types of actions and international cooperation.

Over the past decade, considerable advances have been made in climate science, in particular in observations and data assimilation and climate modelling. However, the complexity of the climate-system and the need to support implementation of the Paris Agreement, the Sustainable Development Goals and EU policies necessitate a reinforced effort to fill the remaining knowledge gaps.

The EU has established a comprehensive policy framework in the Energy Union strategy, with binding targets, legislative acts and research and innovation activities aiming to lead in developing and deploying efficient energy production systems based on renewables.

Transport ensures the mobility of people and goods necessary for an integrated European single market, territorial cohesion and an open and inclusive society. At the same time, transport has significant negative effects on human health, congestion, land, air quality and noise, as well as safety resulting in numerous premature deaths and increased socio-economic costs. Therefore, **sustainable** mobility and transport networks need to become clean, safe, smart, secure, silent, reliable and affordable, offering a seamless integrated door-to-door service.

The issues faced by the transport and energy sectors go however beyond the need for emission reduction. There are several challenges to be tackled, including the increasing penetration of digital and space-based technologies, changes in user behaviour and mobility patterns, new market entrants and disruptive business models, globalisation, increasing international competition and an older, more urban and increasingly diverse, population.

Progress in **the energy and transport** sectors — **and** also across the spectrum of EU industry including agriculture, buildings, industrial processes and **product-use**, and waste management **and recycling** — will require continued **and reinforced** efforts to better understand the mechanisms of climate change and the associated impacts across the economy and society, exploiting synergies with national activities, other Union types of actions and international cooperation.

Over the past decade, considerable advances have been made in climate science, in particular in observations and data assimilation and climate modelling. However, the complexity of the climate-system and the need to support implementation of the Paris Agreement, the Sustainable Development Goals and EU policies necessitate a reinforced effort to fill the remaining knowledge gaps.

The EU has established a comprehensive policy framework in the Energy Union strategy, with binding targets, legislative acts and research and innovation activities aiming to lead to a highly energy efficient and renewables based energy system.

Transport ensures the mobility of people and goods necessary for an integrated European single market, territorial cohesion and an open and inclusive society. At the same time, transport has significant negative effects on human health, congestion, land, air quality and noise, as well as safety resulting in numerous premature deaths and increased socio-economic costs. Therefore, mobility and transport networks, in particular in urban areas, need to become clean, efficient, environmentally- and economically-sustainable, safe, smart, innovative, secure, silent, reliable and affordable, offering a seamless integrated door-to-door service.

The issues faced by the transport and energy sectors go, however, beyond the need for emission reduction. There are several challenges to be tackled, including renewable energy, sustainable fuels, energy storage and security of supply, the increasing penetration of digital, automated, and space-based technologies, changes in user behaviour and mobility patterns, new market entrants and disruptive business models, globalisation, increasing international competition and an older, more urban and increasingly diverse, population.
Both sectors are major drivers of Europe's economic competitiveness and growth. The EU has upwards of 1.6 million people working in the field of renewables and energy efficiency. Transportation and the storage sectors employ more than 11 million in the EU, accounting for around 5% of GDP and 20% of exports. The EU is a world leader in vehicle, aircraft and vessel design and manufacturing, while patenting of innovative clean energy technologies places the EU in second place worldwide.

Finding new ways to accelerate the deployment of clean technologies and solutions for the decarbonisation of the European economy requires also increased demand for innovation. This can be stimulated through the empowerment of citizens as well as socio-economic and public sector innovation and will lead to approaches broader than technology-driven innovation. Socio-economic research covering inter alia user needs and patterns, foresight activities, environmental, economic, social and behavioural aspects, business cases and models and pre-normative research for standard setting, will also facilitate actions fostering regulatory, financing and social innovation, skills, as well as engagement and empowerment of market players and consumers.

Activities under this Cluster contribute in particular to the goals of the Energy Union, as well as to those of the Digital Single Market, the Jobs, Growth and Investment agenda, the strengthening of the EU as a global actor, the new EU Industrial Policy Strategy, the Circular Economy, the Raw Materials Initiative, the Security Union and the Urban Agenda, as well as the Common Agricultural Policy of the EU as well as EU legal provisions to reduce noise and air pollution.

Finding new ways to accelerate the deployment of renewable-based and energy-efficient technologies and other non-technological solutions for the decarbonisation of the European economy requires also increased demand for innovation. This can be stimulated through the empowerment of citizens as well as socio-economic and public sector innovation and public procurement and will lead to approaches broader than technology-driven innovation. Socio-economic research covering inter alia user needs and patterns, foresight activities, environmental, economic, social and behavioural aspects, business cases and models and pre-normative research for standard setting, will also facilitate actions fostering regulatory, financing and social innovation, skills, as well as engagement and empowerment of all market players and consumers. Technologies that advance sector coupling also have the potential to strengthen the domestic manufacturing industry. In the transport sector, the role of applied research and trials aiming at market deployment of innovations is crucial.

Activities under this Cluster contribute in particular to the goals of the Energy Union, the Paris Agreement commitments, as well as to those of the Digital Single Market, the Jobs, Growth and Investment agenda, the strengthening of the Union as a global actor, the new Union Industrial Policy Strategy, the Circular Economy Action Plan, the European Battery Alliance Initiative, the Raw Materials Initiative, the EU Bioeconomy Strategy, the Security Union and the Urban Agenda, the Common Agricultural Policy of the Union, as well as Union legal provisions to reduce noise and air pollution. They also contribute to helping Member States achieve the national emission reduction targets. Complementarity and synergies with activities under other Union Programmes should be ensured.

Given the number of European Technology and Innovation Platforms (ETPs) in this field, calls within this cluster should take into account their recommendations.
Activities will contribute directly to the following Sustainable Development Goals (SDGs) in particular: SDG 7 — Affordable and Clean Energy; SDG 9 — Industry, Innovation and Infrastructure; SDG 11 — Sustainable Cities and Communities; SDG 13 — Climate Action.

(*) Substantial decarbonisation of other sectors is addressed in other areas of the Horizon Europe Global Challenges and Industrial Competitiveness pillar.

Amendment 74
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.1 — paragraph 1

Text proposed by the Commission
Effective implementation of the Paris Agreement has to be based on science, requiring continuously updating of our knowledge on the climate-earth system, as well as the mitigation and adaptations options available, allowing for a systemic and comprehensive picture of challenges and opportunities for the EU's economy. On this basis, science-based solutions for a cost-effective transition to a low-carbon, climate-resilient and resource-efficient society will be developed.

Amendment
Effective implementation of the Paris Agreement has to be based on science, requiring continuously updating of our knowledge on the climate-earth system, as well as the mitigation and adaptations options available, allowing for a systemic and comprehensive picture of challenges and opportunities for the Union's economy. On this basis, science-based solutions for a cost-effective transition towards a low carbon or net-zero GHG emission economy will be developed.

Amendment 75
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.1 — paragraph 2 — indent - 1 (new)

Text proposed by the Commission

—— Identifying key processes in the polar regions for a better development of management options that minimise the negative impacts on ecosystems and improve insight into global climate;
Amendment 76
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.1 — paragraph 2 — indent 2

— Decarbonisation pathways, mitigation actions and policies covering all sectors of the economy, compatible with the Paris Agreement and the United Nations Sustainable Development Goals;

Amendment

— GHG emission reduction pathways, mitigation actions and policies covering all sectors of the economy, compatible with the Paris Agreement and the United Nations Sustainable Development Goals;

Amendment 77
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.1 — paragraph 2 — indent 4

— Adaptation pathways and policies for vulnerable ecosystems, critical economic sectors and infrastructure in the EU (local/regional/national), including improved risk assessment tools.

Amendment

— Adaptation pathways and policies, including improved risk assessment and reduction tools, for vulnerable ecosystems, critical economic sectors, critical infrastructure and urban environments at local, regional, national and Union levels;

Amendment 78
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.1 — paragraph 2 — indent 4 a (new)

— Models for strengthening climate diplomacy as a driver for international cooperation.
Amendment 79
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.2 — paragraph 1

Text proposed by the Commission
The EU aims to be the world leader in affordable, secure, sustainable and renewable energy technologies, thus improving its competitiveness in global value chains and its position in growth markets. Diverse climatic, geographical, environmental and socio-economic conditions in the EU as well as the need to ensure energy security and access to raw materials, dictate a broad portfolio of energy solutions, including of non-technical nature. As regards renewable energy technologies, costs need to decrease further, performance must improve, integration into the energy system must be improved and breakthrough technologies need to be developed. As regards fossil fuels, decarbonising their usage will be essential to meet the climate objectives.

Amendment
The EU aims to be the world leader in affordable, secure, sustainable and renewable energy technologies, thus improving its competitiveness in global value chains and its position in growth markets. Diverse climatic, geographical, environmental and socio-economic conditions in the EU as well as the need to ensure the reduction of energy consumption, energy efficiency, security energy supply and access to raw materials, especially critical ones, dictate a broad portfolio of energy solutions, including those of non-technical nature. The energy transition will challenge the EU to lead in developing solutions for an upgraded market design while system integration needs to be significantly improved. As regards renewable energy technologies, costs need to decrease further and performance must improve. This requires support for incremental and disruptive research in advanced technologies. In addition, new breakthrough technologies need to be developed and deployed, while established technologies need to be improved. As regards fossil fuels and feedstock, reducing their usage will be essential to meet the climate objectives.

Amendment 80
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.2 — paragraph 2 — indent 1

Text proposed by the Commission
— Renewable energy technologies and solutions for power generation, heating and cooling, sustainable transport fuels and intermediate carriers, at various scales and development stages, adapted to geographic conditions and markets, both within the EU and worldwide;

Amendment
— Renewable energy technologies, including marine energy generation and its different sub-sectors, such as wind, current and wave power, heating and cooling, fuels, intermediate carriers, such as power-to-gas and hydrogen, at various scales and development stages, adapted to geographic conditions and markets, both within the Union and worldwide;
Amendment 81
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.2 — paragraph 2 — indent 1 a (new)

Text proposed by the Commission

Amendment

— Highly energy efficient low-carbon or decarbonised solutions for power generation;

Amendment 82
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.2 — paragraph 2 — indent 2

Text proposed by the Commission

Amendment

— Disruptive renewable energy technologies for new applications and breakthrough solutions;

— Disruptive renewable energy technologies for both new, established or highly-enhanced applications and breakthrough solutions;

Amendment 83
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.2 — paragraph 2 — indent 2 a (new)

Text proposed by the Commission

Amendment

— Next generation technology solutions, including the development of new materials, manufacturing processes and operations methods to increase industrial competitiveness in clean energy technology;

Amendment 84
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.2 — paragraph 2 — indent 2 b (new)

Text proposed by the Commission

Amendment

— Research and development of new business models, solutions and services for creating favourable market conditions at the regulatory, administrative and financing levels for renewables, end-user energy efficient technologies and solutions.
The expected growth of variable electricity production and shift towards more electric heating, cooling and transport dictates the need for new approaches to manage energy grids. Next to decarbonisation, the goal is to ensure energy affordability, security and stability of supply, achieved through investments in innovative network infrastructure technologies and innovative system management. Energy storage in different forms will play a key role in providing services to the grid, also improving and reinforcing network capacities. Exploiting synergies between different networks (e.g. electricity grids, heating and cooling networks, gas networks, transport recharging and refuelling infrastructure, hydrogen, and telecom networks) and actors (e.g. industrial sites, data centres, self-producers) will be crucial for enabling the smart, integrated operation of the relevant infrastructures.

The expected growth of variable electricity production and the shift towards more electric heating, cooling and transport needs new approaches towards the management of energy grids and the deployment of decentralised energy solutions. In addition, gas infrastructures also plays an important role in integrating renewable and low-carbon gases.

In addition to the reduction of GHG emissions, the goal is to ensure energy affordability, energy savings, security and stability of supply. This can be achieved through investments in sector coupling and related innovative network infrastructure and technologies, increased flexibility of dispatchable power generation, notably from flexible renewable sources, innovative system management, as well as by facilitating actions fostering regulatory and social innovation, skills, and engaging and empowering market players, consumers and communities. Energy storage in different forms will play a key role in providing services to the grid, and in improving and reinforcing network capacities. Exploiting synergies between different networks (e.g. electricity grids, heating and cooling networks, gas networks & storage, transport recharging and refuelling infrastructure, hydrogen infrastructure, and telecom networks) and actors (e.g. industrial sites, network operators, data centres, self-producers and consumers, renewable energy communities), as well as increasing demand-response and developing and integrating European and international standards, will be crucial to enable the smart, integrated operation of the relevant infrastructures.
Amendment 86
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.3 — paragraph 2 — indent 1

Text proposed by the Commission

— Technologies and tools for electricity networks to integrate renewables and new loads such as electro-mobility and heat pumps;

Amendment

— Technologies and tools for existing networks to integrate renewables and new loads such as electro-mobility, electrolyzers, fuel cells, heat pumps, industrial hydrolysis, electricity storage and decentralized renewable energy, as key-elements for a cost-efficient, secure, highly energy efficient and renewables based energy system.

Amendment 87
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.3 — paragraph 2 — indent 2 a (new)

Text proposed by the Commission

— Demonstration of stable and reliable energy systems and grids on local and regional level, driven by variable and flexible renewable energy;

Amendment

— Integrated approaches to match renewable energy production and consumption at local level including on islands, based on new services and community initiatives;

Amendment 88
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.3 — paragraph 2 — indent 3

Text proposed by the Commission

— Integrated approaches to increase, improve and match renewable energy production and consumption at local level including on islands, based on new services and technologies (including peer-to-peer, distributed ledger technologies, virtual net metering arrangements) as well as community initiatives (including active consumers and renewable energy self-consumers, acting individually or jointly, renewable energy communities and local energy communities);

Amendment

— Integrated approaches to match renewable energy production and consumption at local level including on islands, based on new services and community initiatives (including active consumers and renewable energy self-consumers, acting individually or jointly, renewable energy communities and local energy communities);
Amendment 89  
Proposal for a decision  
Annex I — part II — point 4 — point 4.2 — point 4.2.3 — paragraph 2 — indent 3 a (new)  
Text proposed by the Commission  
— Systemic impact analysis of new energy technologies, like flexible renewable generation, renewable based hydrogen and synthetic gas for energy storage; research and integrated approaches to convert natural gas grids into green hydrogen grids or grids transporting bio-methane or synthetic methane;

Amendment 90  
Proposal for a decision  
Annex I — part II — point 4 — point 4.2 — point 4.2.3 — paragraph 2 — indent 4  
Text proposed by the Commission  
— Network flexibility and synergies between the different energy sources, networks, infrastructures and actors;  
— Network and generation flexibility and supply reliability, including demand-response, and synergies between the different energy sources, networks, infrastructures (including existing ones) and actors: sector-coupling technologies in order to facilitate storage and harness the transportation potential of energy;

Amendment 91  
Proposal for a decision  
Annex I — part II — point 4 — point 4.2 — point 4.2.3 — paragraph 2 — indent 4 a (new)  
Text proposed by the Commission  
— Clean solutions that can deliver on system reliability, complementing and going beyond renewables and electrification-based storage.

Amendment 92  
Proposal for a decision  
Annex I — part II — point 4 — point 4.2 — point 4.2.4 — introductory part  
Text proposed by the Commission  
4.2.4. Buildings and Industrial Facilities in Energy Transition  
4.2.4. Buildings in Energy Transition
Amendment 93
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.4 — paragraph 1

Text proposed by the Commission
Buildings and industry installations play an increasingly active role in their interaction with the energy system. Therefore, they are crucial elements in the transition to renewable energy.

Amendment
Buildings play an increasingly active role in their interaction with the energy system. Therefore, they are crucial elements in the transition towards renewable energy sources and higher energy efficiency.

Amendment 94
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.4 — paragraph 2

Text proposed by the Commission
Buildings are an important factor for quality of life of citizens. Integrating different technologies, appliances and systems and linking various energy uses, buildings as well as their inhabitants and users represent a very high potential for energy generation, storage and efficiency improvements.

Amendment
Buildings are an important factor for the quality of life of citizens. Integrating different technologies, appliances, systems and standards and linking various energy uses, buildings as well as their inhabitants and users represent a very high potential for climate change mitigation, energy generation, energy savings and storage and efficiency improvements.

Amendment 95
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.4 — paragraph 3

Text proposed by the Commission
Industries, and especially those that are energy-intensive, could further improve energy efficiency, and favour the integration of renewable energy sources.

Amendment
deleted

Amendment 96
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.4 — paragraph 4 — indent 1

Text proposed by the Commission
— Electricity and heat between an industrial plant and an energy system operator;

Amendment
— Electricity and heat exchanges between buildings, industrial plant and an energy system operator;
### Amendment 97
Proposal for a decision

**Annex I — part II — point 4 — point 4.2 — point 4.2.4 — paragraph 4 — indent 3**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relevant processes, design and materials;</td>
<td>Optimisation and sustainability of relevant processes, design and materials;</td>
</tr>
</tbody>
</table>

### Amendment 98
Proposal for a decision

**Annex I — part II — point 4 — point 4.2 — point 4.2.4 — paragraph 4 — indent 4**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smart buildings and large mobility hubs (ports, airports, logistic centres) as active elements of wider energy networks and of innovative mobility solutions;</td>
<td>Smart buildings and large mobility hubs (ports, airports, railway stations and logistic centres) as active elements of wider energy networks and of innovative mobility solutions;</td>
</tr>
</tbody>
</table>

### Amendment 99
Proposal for a decision

**Annex I — part II — point 4 — point 4.2 — point 4.2.4 — paragraph 4 — indent 5**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings life-cycle design, construction, operation and dismantling, taking into account circularity and environmental performance, for energy and resource efficiency, climate resilience, and recycling;</td>
<td>New modalities, including smart tools and appliances, for life-cycle design, construction (including using light-weight and renewable materials), operation and dismantling of buildings, taking into account circularity, environmental performance, sustainability and economic efficiency for energy and resource efficiency, climate resilience, impact in terms of GHG emissions and recycling;</td>
</tr>
</tbody>
</table>
Amendment 100
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.4 — paragraph 4 — indent 6

Text proposed by the Commission
— New business models, approaches and services for renovation financing, enhancement of construction skills, engagement of buildings occupants and other market actors;

Amendment
— New business models, approaches and services for renovation financing, such as prefinancing schemes with on-bill repayment, enhancement of construction skills, engagement of buildings occupants and other market actors, such as local authorities or renewable energy communities;

Amendment 101
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.4 — paragraph 4 — indent 7

Text proposed by the Commission
— Energy performance of buildings monitoring and optimisation;

Amendment

Amendment 102
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.4 — paragraph 4 — indent 8

Text proposed by the Commission
— Tools and smart appliances for energy efficiency gains in buildings;

Amendment
deleted

Amendment 103
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.4 — paragraph 4 — indent 9

Text proposed by the Commission
— Renovation processes of existing buildings towards ‘Nearly Zero Energy Buildings’;

Amendment
— Renovation processes of existing buildings towards ‘Nearly Zero Energy Buildings’ and innovative technologies;
Amendment 104
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.4 — paragraph 4 — indent 9 a (new)

Text proposed by the Commission

Amendment

— Flexible energy production, demand-response, optimisation of energy storage.

Amendment 105
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.4 a (new)

Text proposed by the Commission

Amendment

4.2.4 a. Industrial facilities in the Energy Transition

Industries, and especially those that are energy-intensive, should further improve energy efficiency and reduce their energy consumption, and favour the integration of renewable energy sources. Industrial facilities’ role in the energy system is changing, due to the need to reduce emissions, based on direct or indirect electrification, also a source of materials for production processes (e.g. hydrogen). Industrial and manufacturing complexes where many different processes take place near to each other can optimise the exchange of flows of energy and other resources (raw materials) between them.

Broad lines

— Conversion technologies for the sustainable utilization of carbon sources to increase resource efficiency and reduce emissions, including hybrid energy systems for the industry and energy sector with a decarbonisation potential;

— Demonstration of direct and indirect electrification of energy intensive industrial processes;

— Tools and infrastructure for process control of production plants to optimise energy flows and materials in interaction with other production plants and the energy system;

— Flexibility and efficiency of electricity, feedstock and heat in industrial plants and the energy system;

— Improved or new processes, design and materials to efficiently use or produce heat, cold, energy storage;

— Improved material efficiency, which reduces the demand for energy intensive bulk materials.
Amendment 106
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.4 b (new)

Text proposed by the Commission

Amendment

4.2.4 b. Coal regions in transition

Nearly half of the Member States are challenged to prepare coherent strategies focusing on regions facing the challenges of phasing out lignite, coal and other fossil fuel-based energy generation. This priority will seek complementarities with other EU instruments and programmes.

Broad lines

— Support the development of inclusive and just transitions strategies; addressing societal, socio-economic and environmental impacts along with reconversion of sites;

— Technologies and models to unlocking the potential of these regions; including how to best attract alternative innovative business;

— Research on how to revitalise these regions in terms of sustainable employment and growth perspectives, including research on reskilling of workers.

Amendment 107
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.5 — paragraph 1

Text proposed by the Commission

Amendment

It is estimated that by 2050, more than 80 % of the EU’s population will live in urban areas, consuming the lion’s share of available resources, including energy, and being areas particularly vulnerable to the adverse meteorological change impacts worsen by climate change and natural disasters already now and increasingly in the future. A key challenge is to significantly increase the overall energy and resource efficiency as well as climate-resilience of Europe’s cities in a holistic fashion, targeting the building stock, energy systems, mobility, climate change, as well as water, soil, air quality, waste and noise. Synergies with ERDF-funded urban policy and actions should be investigated and exploited.
Amendment 108
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.5 — paragraph 2 — indent 1

Text proposed by the Commission

— City/district energy/mobility systems towards the EU-wide deployment of low-carbon, Positive Energy Districts and zero-emission mobility and logistics by 2050, boosting the global competitiveness of integrated EU solutions;

Amendment

— City/district/rural energy/mobility systems towards the Union-wide deployment of low-carbon, Positive Energy Districts and zero-emission mobility and logistics by 2050, boosting the global competitiveness of integrated EU solutions;

Amendment 109
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.5 — paragraph 2 — indent 2

Text proposed by the Commission

— Urban planning, infrastructures and systems including mutual interfaces and interoperability, nature-based solutions and the use of digital technologies and space based services and data, taking into account the effects of projected climate change and integrate climate resilience;

Amendment

— Urban and rural planning, infrastructures and systems including mutual interfaces and interoperability, standardisation, nature-based solutions, and the use of secure digital technologies and space based services and data, taking into account the effects of projected climate change and integrate climate change mitigation;

Amendment 110
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.5 — paragraph 2 — indent 3

Text proposed by the Commission

— Quality of life for the citizens, safe mobility, urban social innovation, cities’ circular and regenerative capacity, reduced environmental footprint and pollution;

Amendment

— Quality of life for the citizens, safe and multi-modal mobility including walking and cycling, urban and rural social innovation, cities’ circular and regenerative capacity, reduced environmental impact and pollution;
Amendment 111
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.6 — paragraph 1

Text proposed by the Commission

The shift towards clean technologies, connectivity and automation will depend on the timely design and manufacture of aircraft, vehicles and vessels integrating different technologies and accelerating their introduction. Increasing comfort, efficiency, affordability, while minimising lifecycle impact on the environment, human health and on energy use remain objectives of paramount importance. Innovative, highly capable transport infrastructure is essential for the proper functioning of all transport modes in view of increased mobility demand and rapidly changing technology regimes. An integrated approach to infrastructure and vehicle/vessel/aircraft development deserves particular attention also in order to minimise energy and environmental impact.

Amendment

The shift towards clean technologies, connectivity and automation will depend on the timely design and manufacture of aircraft, vehicles and vessels integrating different technologies and accelerating their introduction. Increasing comfort, efficiency, affordability, while minimising lifecycle impact on the climate, on the environment, human health and on energy use remain objectives of paramount importance. Innovative, highly capable transport infrastructure is essential for the proper functioning of all transport modes in view of increased mobility demand and rapidly changing technology regimes. An integrated approach to infrastructure and vehicle/vessel/aircraft development deserves particular attention also in order to minimise energy and environmental impact.

Amendment 112
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.6 — paragraph 2 — indent 2

Text proposed by the Commission

— Vehicle/vessel/aircraft concepts and designs, including their spare parts, using improved materials and structures, efficiency, energy storage and recovery, safety and security features with less environment and health impact.

Amendment

— Vehicle/vessel/aircraft concepts and designs, including their spare parts, module elements, using improved advanced materials and structures, software solutions and updates, advanced security systems against piracy, efficiency, energy storage and recovery, safety and security features with minimised environment and health impact.
For the EU to reach its air quality, climate, and energy goals, including a 60% reduction in greenhouse gas emissions by 2050 as well as noise reduction, will require rethinking the whole mobility system including users, vehicles, fuels and infrastructures. It will also require the deployment of low-emission alternative energies and market uptake of zero-emission vehicles/vessels/aircrafts. In addition to the harmful effects of greenhouse gas emissions, transport contributes significantly to poor air quality and noise in Europe with negative consequences for the health of citizens (18). Building on progress with electrification and the use of fuel cells for cars, buses and light duty vehicles it is essential to accelerate research and innovation solutions for other sectors such as aviation, maritime and inland navigation and lorries.

(18) Around one-third of EU citizens live in urban areas with concentration levels of pollutants above legal thresholds.

— Electrification of all transport modes (e.g. batteries, fuel cells, hybridisation, etc.) including new technologies for vehicle/vessel/aircraft powertrains, fast charging/refuelling, energy harvesting and user-friendly and accessible interfaces with the charging infrastructure, ensuring interoperability and seamless services provision; development and deployment of competitive, safe, high-performing and sustainable batteries for low and zero-emission vehicles;

— Decarbonisation of all transport modes, including through electro mobility (e.g. recyclable batteries, fuel cells, all types of hybridisation, etc.) and new technologies for vehicle/vessel/aircraft powertrains, fast charging/refuelling, energy harvesting and user-friendly and accessible interfaces with the re-fuelling and charging infrastructure, ensuring interoperability and a seamless services provision; development and deployment of competitive, safe, high-performing, recyclable and sustainable batteries for low and zero-emission vehicles;
### Amendment 115

**Proposal for a decision**

**Annex I — part II — point 4 — point 4.2 — point 4.2.7 — paragraph 2 — indent 2**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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</thead>
<tbody>
<tr>
<td>— Sustainable new fuels and new smart vehicles/vessels/aircraft for existing and future mobility patterns and supporting infrastructure; technologies and user-based solutions for interoperability and seamless services provision;</td>
<td>— Sustainable new fuels and new smart vehicles/vessels/aircraft for existing and future mobility patterns and supporting infrastructure; technologies and user-based solutions for interoperability and seamless services provision; <strong>quieter and more environmentally friendly aircraft</strong>;</td>
</tr>
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### Amendment 116

**Proposal for a decision**

**Annex I — part II — point 4 — point 4.2 — point 4.2.7 — paragraph 2 — indent 3**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
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<tbody>
<tr>
<td>— <em>Reducing</em> the impact of mobility on the environment and human health.</td>
<td>— <em>Minimising</em> the impact of mobility on the environment and human health, <em>including by exploring the potential of a new generation of remote sensors to measure pollution in the mobility sector</em>;</td>
</tr>
</tbody>
</table>

### Amendment 117

**Proposal for a decision**

**Annex I — part II — point 4 — point 4.2 — point 4.2.8 — paragraph 1**

<table>
<thead>
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<tbody>
<tr>
<td>Smart mobility will help ensure the efficiency, safety and resilience of door-to-door mobility and all its components, in particular by using digital technologies, advanced satellite navigation (EGNOS/Galileo), and artificial intelligence. New technologies will help to optimise the use and efficiency of transport infrastructure and networks, improving multi-modality and connectivity, optimising traffic management and enable innovative transport solutions and services, thus reducing congestion and negative environmental impacts, providing better mobility and logistics services for citizens and businesses. Connected and automated mobility together with the enabling infrastructure will improve efficiency and safety in all transport modes.</td>
<td>Smart mobility will help ensure the efficiency, safety and resilience of door-to-door mobility and all its components, in particular by using new digital technologies, advanced satellite navigation (EGNOS/Galileo), and artificial intelligence. New technologies, <strong>including system of systems</strong>, will help to optimise the use and efficiency of transport infrastructure and networks, improving multi-modality and connectivity, optimising traffic management, enable innovative transport solutions, <strong>standards</strong> and services, thus reducing congestion and negative environmental impacts, providing better mobility and logistics services for citizens and businesses. Connected and automated mobility together with the enabling infrastructure will improve efficiency and safety in all transport modes.</td>
</tr>
</tbody>
</table>
Amendment 118
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.8 — paragraph 2 — indent 1

Text proposed by the Commission

— Digital network-and traffic management: advanced decision support systems; next generation traffic management (including multi-modal network and traffic management); contributing to seamless, multimodal and interconnected mobility for passengers and freight; use and limitations of big data; use of innovative satellite positioning/navigation (EGNOS/Galileo);

Amendment

— Digital network, traffic, space use and management: advanced decision support systems; next generation traffic management (including multi-modal network and traffic management); contributing to seamless, multimodal and interconnected mobility for passengers and freight; use and limitations of big data; use of innovative satellite positioning/navigation (EGNOS/Galileo) understanding new behaviour related to changing mobility;

Amendment 119
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.8 — paragraph 2 — indent 3

Text proposed by the Commission

— Rail technologies and operations for a high-capacity, silent, interoperable, and automated railway system;

Amendment

— Rail technologies and operations for a high-capacity, attractive, silent, fully connected, interoperable, cross-border and automated railway system for passenger as well as freight transport requirements;

Amendment 120
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.8 — paragraph 2 — indent 4

Text proposed by the Commission

— Connected, cooperative and automated mobility systems and services, including technological solutions and non-technological issues.

Amendment

— Connected, cooperative interoperable and automated mobility systems and services, including technological solutions and non-technological issues such as changes in user behaviour and mobility patterns;

Amendment 121
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.8 — paragraph 2 — indent 4 a (new)

Text proposed by the Commission

— New or improved services and business models through which the user interacts with the different smart modalities;
Amendment 122
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.8 — paragraph 2 — indent 4 b (new)

Text proposed by the Commission

Amendment
— Concept, development, consequences, design, research, validation and methods as part of safe automated vehicle driving in mixed traffic;

Amendment 123
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.8 — paragraph 2 — indent 4 c (new)

Text proposed by the Commission

Amendment
— Smart shipping solutions for safer, more efficient waterborne operations;

Amendment 124
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.8 — paragraph 2 — indent 4 d (new)

Text proposed by the Commission

Amendment
— New systems and technologies for port management and connection.

Amendment 125
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.9 — paragraph 1

Text proposed by the Commission

Massive, concentrated and decentralised storage solutions (comprising chemical, electrochemical, electrical, mechanical and thermal) for the energy system will increase efficiency, flexibility, technology independence and accessibility as well as the security of supply. Low-emission, decarbonised transport will require a growing share of electrical and/or other alternatively fuelled vehicles, with better-performing and cheaper, recyclable and reusable batteries, as well as local provision of synthetic/renewable fuels such as hydrogen and innovative solutions for on-site storage.

Massive, concentrated and decentralised storage solutions (comprising chemical, electrochemical, electrical, mechanical and thermal) for the energy system will increase efficiency, flexibility, technology independence and accessibility as well as the security of supply. Low-emission, decarbonised transport will require a growing share of electrical and/or other alternatively fuelled vehicles, with better-performing and cheaper, highly recyclable and reusable batteries with a low environmental impact, as well as the local provision of low carbon fuels such as low-carbon or renewables based hydrogen and innovative solutions for on-site storage.
Amendment 126
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.9 — paragraph 2 — indent 1

Text proposed by the Commission
— Technologies including liquid and gaseous renewable fuels and their associated value chains, for daily to seasonal energy storage needs;

Amendment
— Technologies including liquid and gaseous low carbon fuels and their associated value chains, for daily to seasonal energy storage needs, including their impacts on the environment and climate;

Amendment 127
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.9 — paragraph 2 — indent 2

Text proposed by the Commission
— Batteries and the EU value chain, including design, large-scale battery cell production technologies, reuse and recycling methods;

Amendment
— Batteries and the EU value chain, including design, large-scale battery cell production technologies, high power and high energy density, fast charging rates, low environmental impact, reuse and high recyclability, advanced materials solutions for energy storage methods as well as standardisation needs;

Amendment 128
Proposal for a decision
Annex I — part II — point 4 — point 4.2 — point 4.2.9 — paragraph 2 — indent 3

Text proposed by the Commission
— Low zero-carbon hydrogen including fuel cells, and the EU value chain from design to end use across various applications.

Amendment
— Renewables-based, electrolyzes fuel cells, across the EU value chain from design to end use across various applications.
**Amendment 129**
Proposal for a decision
Annex I — part II — point 5 — introductory part

**Text proposed by the Commission**

5. CLUSTER ‘FOOD AND NATURAL RESOURCES’

**Amendment**

5. CLUSTER ‘FOOD, NATURAL RESOURCES AND AGRICULTURE’

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**Amendment 130**
Proposal for a decision
Annex I — part II — point 5 — point 5.1 — paragraph 1

**Text proposed by the Commission**

Human activities are exerting increasing pressure on soils, seas and oceans, water, air, biodiversity and other natural resources. Nourishing the planet’s growing population is directly dependent on the health of natural systems and resources. However, combined with climate change, humanity’s growing demand for natural resources creates environmental pressures that go far beyond sustainable levels, affecting ecosystems and their capacity to provide services for human well-being. The concepts of the circular economy, the bioeconomy and the blue economy provide an opportunity to balance environmental, social and economic goals and to set human activities on a path to sustainability.

**Amendment**

Human activities are exerting increasing pressure on soils, seas and oceans, water, air, biodiversity and other natural resources. Nourishing the planet’s growing population is directly dependent on the health of natural systems and resources. However, combined with climate change, humanity’s growing demand for natural resources creates environmental pressures that go far beyond sustainable levels, affecting ecosystems and their capacity to provide services maintaining human well-being in the long term. Growth in food production is not matching growth in the global population and therefore we require breakthroughs in intensification of sustainable food production. At the same time, we must ensure that nutrition and health are central to our food production systems.

The concepts of the circular economy, agroecology, sustainable agriculture, bioeconomy and the blue economy provide an opportunity to balance environmental, social and economic goals and to set human activities on a path to sustainability.
Meeting the goals of sustainable development, guaranteeing the production and consumption of safe and healthy food, promoting sustainable practices in agriculture, aquaculture, fisheries and forestry, ensuring access to clean water, soil and air for all, cleaning up the seas and oceans, preserving and restoring the planet’s vital natural systems and environment requires that we harness the potential of research and innovation. But the pathways for the transition to sustainability and ways to overcome resilient barriers are hardly understood. Making the transition to sustainable consumption and production and restoring planetary health requires investing in technologies, new business models, and social and environmental innovation. This creates new opportunities for a sustainable, resilient, innovative and responsible European economy, boosting resource efficiency, productivity and competitiveness, and generating jobs and growth.

Meeting the goals of sustainable development, and greenhouse gas (GHG) emission reduction, guaranteeing the production and consumption of safe and healthy food, promoting sustainable practices in agriculture, livestock, aquaculture, fisheries and forestry, ensuring access to clean water, soil and air for all, cleaning up the seas and oceans and inland waters, preserving and restoring the planet’s vital natural systems and environment requires that we harness the potential of research and innovation. But the pathways for the transition to sustainability and ways to overcome resilient barriers are hardly understood. Making the transition to sustainable production, consumption and restoring ecosystems and natural resources, as well strengthening and nourishing the resource base upon which agriculture depends require investment in scientific and technological research, standardisation and new business models that support social and environmental innovation, including internalizing costs to the environment in our economies, gathering more and better quality data on the impact of different policies. This creates new opportunities for a sustainable, resilient, innovative and responsible European economy, boosting resource efficiency, the capacity and status of natural resources, long-term productivity and competitiveness, rural viability, as well as high-quality jobs and sustainable economic and social growth.
Amendment 132
Proposal for a decision
Annex I — part II — point 5 — point 5.1 — paragraph 3

Text proposed by the Commission

Activities will build a knowledge base and deliver solutions to: sustainably manage and use natural resources from land and sea — and enhance the role of terrestrial and aquatic systems as carbon sinks: ensure food and nutrition security, providing safe, healthy and nutritious diets; accelerate the transition from a fossil-based linear economy to a resource efficient, resilient, low emission, low-carbon circular economy, and supporting the development of a sustainable bio-based economy and the blue economy; and develop resilient and vibrant rural, coastal and urban areas.

Amendment

Multi- and trans-disciplinary approaches utilising the expertise and experience of actors along value chains will help build a knowledge base and deliver solutions to: protect, sustainably manage and use natural resources from land and water; enhance the sustainable growth of terrestrial and aquatic systems; increase carbon sequestration; ensure sufficient food and nutrition security, avoid waste and overproduction and provide safe, healthy and nutritious diets; accelerate the transition towards sustainable approaches in all forms of agriculture, including conventional and organic agriculture; accelerate the transition from a fossil-based linear economy to a resource efficient, resilient, low emission, low-carbon circular economy, and supporting the development of a sustainable bio-based economy and the blue economy; and develop resilient and vibrant rural, coastal and urban areas.

Amendment 133
Proposal for a decision
Annex I — part II — point 5 — point 5.1 — paragraph 4

Text proposed by the Commission

They will help to maintain and enhance the provision of biodiversity and secure the long-term provision of ecosystem services, climate adaptation and carbon sequestration (both on land and sea). They will help reduce greenhouse gas (GHG) and other emissions, waste and pollution from primary production (both terrestrial and aquatic), processing, consumption and other human activities. They will trigger investments, supporting the shift towards a circular economy, bioeconomy and blue economy, whilst protecting environmental health and integrity.

Amendment

Furthermore, meeting these goals will help to maintain and enhance the provision of biodiversity, both wild and cultivated, and to secure the long-term provision of ecosystem services, climate change mitigation and adaptation and carbon sequestration (both on land and water). They will help maintain biodiversity and secure the long-term provision of ecosystem services as well as reduce GHG and other emissions, waste and pollution from primary production (both terrestrial and aquatic), processing, consumption and other human activities. They will trigger investments, supporting the shift towards a circular economy, sustainable agriculture, bioeconomy and blue economy, whilst protecting environmental health, sustainability and integrity. This priority will also aim to improving the knowledge base on the state of biodiversity by developing, validating and standardising comparable Union-wide methodologies.
Amendment 134
Proposal for a decision
Annex I — part II — point 5 — point 5.1 — paragraph 5

Text proposed by the Commission

They will also foster participatory approaches to research and innovation, including the multi-actor approach and develop knowledge and innovation systems at local, regional, national and European levels. Social innovation with citizens' engagement and trust in innovation will be crucial to encourage new governance, production and consumption patterns.

Amendment

They will also foster participatory approaches to research and innovation, including the multi-actor approach and develop knowledge and innovation systems at local, regional, national and European levels. Including all actors along the agri-food supply chain in the co-creation and sharing of knowledge would support the development and implementation of sustainable agriculture innovations that address food system challenges, including adaptation to climate change and mitigation. Social innovation with citizens' engagement and trust in innovation will be crucial to encourage new governance, production and consumption patterns.

Amendment 135
Proposal for a decision
Annex I — part II — point 5 — point 5.1 — paragraph 6

Text proposed by the Commission

As these challenges are complex, interlinked and global in nature, activities will follow a systemic approach, cooperating with Member States and international partners, with other funding sources and with other policy initiatives. This will involve user-driven exploitation of environmental big data sources, such as those from Copernicus, EGNOS/Galileo, INSPIRE, EOSC, GEOSS, CEOS, EMODnet.

Amendment

As these challenges are complex, interlinked and global in nature, activities will also follow a systemic approach, cooperating with Member States and international partners, with other funding sources and with other policy initiatives. This will involve user-driven exploitation of environmental big data sources, such as those from Copernicus, EGNOS/Galileo, INSPIRE, EOSC, GEOSS, CEOS, EMODnet.
Amendment 136
Proposal for a decision
Annex I — part II — point 5 — point 5.1 — paragraph 7

Text proposed by the Commission

Research and innovation activities under this Cluster contribute in particular to the implementation of the goals of: the Environmental Action Programme, the Common Agricultural Policy, the Common Fisheries policy, the Food Law legislation, the Maritime policy, the Circular Economy Action Plan, the EU Bioeconomy Strategy, and the 2030 climate and energy framework as well as EU legal provisions to reduce air pollution.

Amendment

Research and innovation activities under this Cluster contribute in particular to the implementation of the goals of: the Environmental Action Programme, the Common Agricultural Policy, the Common Fisheries policy, the Food Law legislation, the Maritime policy, the Circular Economy Action Plan, the EU Bioeconomy Strategy, the EU 2020 Biodiversity Strategy, the EU Green Infrastructure strategy, the EU Forest Strategy, the EU’s climate and energy framework in consistency with the Paris Agreement, as well as EU legal provisions to reduce air pollution. Actions will be strongly linked to existing Union partnerships, in particular PRIMA, also in view of contributing to science diplomacy.

Amendment 137
Proposal for a decision
Annex I — part II — point 5 — point 5.1 — paragraph 8

Text proposed by the Commission

Activities will contribute directly to the following Sustainable Development Goals (SDGs) in particular: SDG 2 — Zero Hunger; SDG 6 — Clean Water and Sanitation; SDG 11 — Sustainable Cities and Communities; SDG 12 — Responsible Consumption and Production; SDG 13 — Climate Action; SDG 14 — Life Below Water; SDG 15 — Life on Land.

Amendment

Activities will contribute directly to the Sustainable Development Goals (SDGs) in particular: SDG 2 — Zero Hunger; SDG 3 — Good Health and Wellbeing; SDG 6 — Clean Water and Sanitation; SDG 11 — Sustainable Cities and Communities; SDG 12 — Responsible Consumption and Production; SDG 13 — Climate Action; SDG 14 — Life Below Water; SDG 15 — Life on Land.
Amendment 138
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.1 — paragraph 1

Text proposed by the Commission

The capacity to observe the environment underpins research and innovation (19) for the sustainable use and monitoring of food and natural resources. Improved spatio-temporal coverage and sampling intervals at reduced cost, as well as big data access and integration from multiple sources provide new ways to monitor, understand and predict the Earth system. There is a need for a wider deployment, exploitation and update of new technologies and continued research and innovation to address gaps in Earth Observation (EO) on land and sea and in the atmosphere, collaborating in particular through the Global Earth Observation System of Systems (GEOSS) and its European component EuroGEOSS.

(19) Earth Observation will support research and innovation under other intervention areas within this Global Challenge as well as other relevant parts of Horizon Europe.

Amendment

The capacity to observe the environment underpins research and innovation (19) for the sustainable use and monitoring of food and natural resources. Improved spatio-temporal coverage and sampling intervals at reduced cost, as well as big data access and integration from multiple sources provide new ways to monitor, understand and predict the Earth system. There is a need for a wider deployment, exploitation and update of new technologies and continued research and innovation to address gaps in Earth Observation (EO) on land and water and in the atmosphere, collaborating in particular through the Global Earth Observation System of Systems (GEOSS) and its European component EuroGEOSS.

(19) Earth Observation will support research and innovation under other intervention areas within this Global Challenge as well as other relevant parts of Horizon Europe.

Amendment 139
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.1 — paragraph 2 — indent 3

Text proposed by the Commission

— Biodiversity status, ecosystem protection, climate mitigation and adaptation, food security, agriculture and forestry, land use and land use change, urban and peri-urban development, natural resources management, ocean exploitation and conservation, maritime security, and other relevant domains;

Amendment

— Biodiversity status, assessment of ecosystem services and their value, ecosystem protection, climate change mitigation, the adaptation of species and ecosystems, food security, agriculture, soil fertility and forestry, land use and land use change, rural, urban and peri-urban development, natural protection, restoration and resources management, ocean, sea and inland water conservation and exploitation, maritime security, and other relevant domains;
Amendment 140
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.1 — paragraph 2 — indent 4

Text proposed by the Commission
— User oriented applications including their scaling up, to contribute to the management of European natural resources and ecosystems services and their related value chain.

Amendment
— User oriented applications including their scaling up, to contribute to the preservation, restoration and management of European natural resources and ecosystems services and their related value chain.

Amendment 141
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.1 — paragraph 2 — indent 4 a (new)

Text proposed by the Commission
— Comprehensive and sustainable global environmental observation and information system, including through fostering cooperation between climate modelling communities and environmental observation and data management communities;

Amendment
— Effects of invasive alien species on biodiversity, ecosystem services and productivity, including new tools to prevent and combat them;

Amendment 142
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.1 — paragraph 2 — indent 4 b (new)

Text proposed by the Commission
— Improved integrated forecasting, assessment of risks and vulnerability to disasters linked to natural and man-made disturbances, including developing early warning systems;

Amendment
— Effects of invasive alien species on biodiversity, ecosystem services and productivity, including new tools to prevent and combat them;
Amendment 144
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.1 — paragraph 2 — indent 4 d (new)

Text proposed by the Commission

— Ecological and socio-cultural coherence of territorial models, with particular attention to the interaction of nature and society resulting from territorial policy and strategies.

Amendment 145
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.2 — paragraph 2 — indent 1

Text proposed by the Commission

— The state and value of biodiversity, terrestrial and marine ecosystems, natural capital and ecosystem services;
— The state and value of global and local biodiversity, terrestrial and marine and aquatic ecosystems, natural capital and ecosystem services; analysis on the causes and potential solutions for decline in biodiversity;

Amendment 146
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.2 — paragraph 2 — indent 4

Text proposed by the Commission

— Ecotoxicology of compounds and new pollutants, their interactions and environmental behaviour, and altered biochemical loops under changing climate;

Amendment

— Ecotoxicology of compounds and new pollutants, chemical substances and their interactions and environmental behaviour, and altered biochemical loops under changing climate;
Resilient and sustainable farming and forestry systems provide economic, environmental and social benefits in a changing context for primary production. In addition to contributing to food and nutrition security, they feed into dynamic value chains, manage land and natural resources as well as deliver a range of vital public goods including carbon sequestration, biodiversity preservation, pollination and public health. Integrated approaches are needed to promote the multiple functions of agro- and forest (eco)systems taking into account the changing context for primary production, notably in relation to climate and environment, resource availability, demography and consumption patterns. It is also necessary to address the spatial and socio-economic dimension of agriculture and forestry activities and mobilise the potential of rural areas.

Amendment 147
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.3 — paragraph 1

Resilient and sustainable farming and forestry systems provide economic, environmental and social benefits in a changing context for primary production. In addition to contributing to food and nutrition security, they feed into dynamic value chains, manage land and natural resources as well as deliver a range of vital public goods including carbon sequestration, biodiversity preservation, pollination, and public health. Integrated approaches are needed to promote the multiple functions of agro- and forest (eco)systems taking into account the changing context for primary production, notably in relation to climate and environment, resource availability, demography and consumption patterns. It is also necessary to address the spatial and socio-economic dimension of agriculture and forestry activities and mobilise the potential of rural areas.

Amendment 148
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.3 — paragraph 2 — indent 1 (new)

Improving monitoring and indicators of biodiversity, ecosystem functions and services in rural areas and agroecological systems, and supporting public participation in co-learning and improving the status of farming ecosystems;

Amendment 149
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.3 — paragraph 2 — indent 1

Methods, technologies and tools for sustainable and resilient production in farming and forestry;

Methods, technologies and innovative tools for sustainable and resilient production in farming, including terrestrial and marine, and forestry, and for the most efficient use of water resources;
Amendment 150
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.3 — paragraph 2 — indent 3

Text proposed by the Commission

— Climate and environmental impact of activities in the primary sector; potential of agriculture and forestry as carbon sinks and for mitigation of greenhouse gas emissions including negative emissions approaches;

Amendment

— Climate and environmental impact of activities in the primary sector and along the value chain; the potential of agriculture and forestry in increasing substitution and carbon storage, for example through sustainable biomass production and for mitigation of greenhouse gas emissions including negative emissions approaches;

Amendment 151
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.3 — paragraph 2 — indent 4

Text proposed by the Commission

— Plant pests and diseases and animal health and welfare; alternatives to the use of contentious pesticides, antibiotics and other substances;

Amendment

— Plant pests and diseases and animal health and welfare; alternatives to the use of contentious chemical pesticides, antibiotics and other substances, taking into account biodiversity conservation and high biodiversity agro-ecosystem approaches;

Amendment 152
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.3 — paragraph 2 — indent 4 a (new)

Text proposed by the Commission

— Open data systems which foster the sharing of plant, pathogen and environmental data and knowledge that enable further scientific research, environmental planning and development of commercial products;
Amendment 153
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.3 — paragraph 2 — indent 6

Text proposed by the Commission

— The use and delivery of ecosystems services in agriculture and forestry systems applying ecological approaches and testing nature-based solutions from farm to landscape levels for an environmentally friendly agriculture;

Amendment

— The use and delivery of ecosystems services in agriculture and forestry systems applying ecological approaches and testing nature-based solutions from farm to landscape levels for an environmentally friendly agriculture addressing challenges related to climate change, biodiversity loss, ecosystem degradation, agricultural pollution, and citizens’ health and well-being;

Amendment 154
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.3 — paragraph 2 — indent 7

Text proposed by the Commission

— Agricultural and forestry systems from farm to landscape levels; the use and delivery of ecosystem services in primary production;

Amendment

— Innovative agricultural and forestry systems from farm to landscape levels; the use and delivery of ecosystem services in primary production;

Amendment 155
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.3 — paragraph 2 — indent 8

Text proposed by the Commission

— Innovations in farming at the interfaces between agriculture, aquaculture and forestry and in urban areas;

Amendment

— Innovations in farming at the interfaces between agriculture, aquaculture and forestry and in urban and rural areas;
Amendment 156
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.3 — paragraph 2 — indent 10

Text proposed by the Commission

— Digital innovations in farming, forestry and across value chains and rural areas through the use of data and development of infrastructures, technologies and governance models;

Amendment

— Digital innovations in farming and forestry, including precision farming and forestry techniques, across value chains and rural areas through the use of data and development of infrastructures, AI, machine learning algorithms, robotics technologies and governance models including the development of demonstration farms;

Amendment 157
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.3 — paragraph 2 — indent 11 a (new)

Text proposed by the Commission

— Transition towards integrated and diversified food and farming systems and agronomic practices, including the use of precision technologies, agroecological and ecological intensification approaches to benefit all types of agriculture;

Amendment

— New plant breeding strategies aimed at sustainable higher yield, improved quality and added economic and environmental benefits;

Amendment 158
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.3 — paragraph 2 — indent 11 b (new)

Text proposed by the Commission

— Development of products, tools and practices, to support sustainable agricultural practices, including improving knowledge on the impact of different agricultural practices on soil quality and regeneration.

Amendment

— Development of products, tools and practices, to support sustainable agricultural practices, including improving knowledge on the impact of different agricultural practices on soil quality and regeneration.
Amendment 160  
Proposal for a decision  
Annex I — part II — point 5 — point 5.2 — point 5.2.4 — introductory part  

Text proposed by the Commission  

5.2.4. **Sea and Oceans**

Amendment 161  
Proposal for a decision  
Annex I — part II — point 5 — point 5.2 — point 5.2.4 — paragraph 1  

Text proposed by the Commission  

**Seas and oceans’ natural capital and ecosystem services offer** significant socio-economic and welfare benefits. This potential is at risk because of the severe pressure from human and natural stressors such as pollution, overfishing, climate change, sea-level rise and extreme weather events. To prevent seas and oceans from reaching a point of no return, it is necessary to strengthen our knowledge and understanding in order to sustainably manage, protect and restore marine and coastal ecosystems and prevent marine pollution, in a context of an improved and responsible ocean governance framework. This will also include research to sustainably unlock the vast and unexploited economic potential of seas and oceans aiming at producing more food without increasing pressures on them, and also contribute to alleviate pressure on land, freshwater and ocean resources. There is a need for partnering approaches, including sea basin and macro-regional strategies, extending beyond the EU (e.g. in the Mediterranean, the Baltic, the Black Sea, the Atlantic, the Caribbean Sea and in the Indian Ocean); and for contributing to International Ocean Governance commitments, initiatives like the United Nations Decade of Ocean Science for Sustainable Development and commitments linked to the conservation of marine biological diversity in areas beyond national jurisdiction.

Amendment 162  
Proposal for a decision  
Annex I — part II — point 5 — point 5.2 — point 5.2.4 — paragraph 2 — indent 1  

Text proposed by the Commission  

— Sustainable **sea and ocean farming**, fisheries and mariculture for food, including alternative sources of protein with increased food security, food sovereignty and climate resilience;

Amendment 160  
Proposal for a decision  
Annex I — part II — point 5 — point 5.2 — point 5.2.4 — introductory part  

Text proposed by the Commission  

5.2.4. **Seas, Oceans, Inland Waters and the Blue Economy**

Amendment 161  
Proposal for a decision  
Annex I — part II — point 5 — point 5.2 — point 5.2.4 — paragraph 1  

Text proposed by the Commission  

The rich biodiversity of seas, oceans and inland waters offers significant socio-economic and welfare benefits. This potential is at risk because of the severe pressure from human and natural stressors such as pollution, overfishing, climate change, sea-level rise, **unsustainable water use** and extreme weather events. To prevent seas, oceans and inland waters from reaching a point of no return, it is necessary to strengthen our knowledge and understanding in order to sustainably manage, protect and restore marine and coastal ecosystems, prevent marine pollution, in a context of an improved and responsible ocean governance framework. This will also include research to sustainably unlock the vast and unexploited economic potential of seas, oceans and inland waters, aiming at producing more food without increasing pressure and also alleviate pressure on land and water resources. There is a need for partnering approaches, including sea basin and macro-regional strategies, extending beyond the EU (e.g. in the Mediterranean, the Baltic, the Black Sea, the Atlantic, the Caribbean Sea and in the Indian Ocean); and for contributing to International Ocean Governance commitments, **the Sustainable Development Goals**, initiatives like the United Nations Decade of Ocean Science for Sustainable Development and commitments linked to the conservation of marine biological diversity in areas beyond national jurisdiction.

Amendment 162  
Proposal for a decision  
Annex I — part II — point 5 — point 5.2 — point 5.2.4 — paragraph 2 — indent 1  

Text proposed by the Commission  

— Sustainable fisheries and **responsible aquaculture** for food, including alternative sources of protein with increased food security, food sovereignty and climate resilience;
Amendment 163
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.4 — paragraph 2 — indent 1 a (new)

Text proposed by the Commission

Amendment

— Developing new bio products based on marine organisms, with a wide range of applications opening new products and services opportunities;

Amendment 164
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.4 — paragraph 2 — indent 2

Text proposed by the Commission

Amendment

— Strengthened resilience of marine ecosystems thereby ensuring seas and ocean health, combating and mitigating the effects of natural and human pressures like pollution and plastics, eutrophication, acidification, seas and oceans warming, sea level rise, considering the intersection between land and sea and fostering a circular approach;
— Strengthened resilience of marine ecosystems thereby ensuring the health of seas, oceans and inland waters, preventing, combating and mitigating the effects of natural and human pressures like pollution, chemicals and plastics, including microplastics, overfishing, eutrophication, acidification, warming, invasive species, sea level rise, considering the intersection between land, aquatic environment and fostering a circular approach;

Amendment 165
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.4 — paragraph 2 — indent 3

Text proposed by the Commission

Amendment

— Ocean governance at global and regional levels to ensure conservation and sustainable use of the seas and oceans resources;
— Ocean governance at global and regional levels to ensure conservation, and sustainable use of the seas, oceans and inland waters resources and its natural capital;

Amendment 166
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.4 — paragraph 2 — indent 6

Text proposed by the Commission

Amendment

— Blue value-chains, the multiple-use of marine space and growth of the renewable energy sector from seas and oceans, including sustainable micro- and macro- algae;
— Blue value-chains, the multiple-use of space and growth of the renewable energy sector from seas, oceans and inland waters, including sustainable production of micro- and macro- algae; modern aquatic production systems on land supporting an environmentally-neutral biomass production;
Amendment 167
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.4 — paragraph 2 — indent 7

Text proposed by the Commission

— Nature-based solutions based on marine and coastal ecosystem dynamics, biodiversity and multiple ecosystem services, which will enable systemic approaches to sustainably use the resources of seas and oceans, contribute to environmental protection, coastal management, and adaptation to climate change;

Amendment

— Nature-based solutions based on aquatic and coastal ecosystem dynamics, biodiversity and multiple ecosystem services, which will enable systemic approaches to sustainably use the resources of seas, oceans and inland water, contribute to environmental (including coastal) protection, restoration and management, and adaptation to climate change;

Amendment 168
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.4 — paragraph 2 — indent 8

Text proposed by the Commission

— Blue innovation including in the blue and digital economies, across coastline areas, coastal cities and ports in order to strengthen resilience of coastal areas and increase citizens’ benefits.

Amendment

— Blue innovation including in the blue and digital economies, across coastline areas, coastal cities and ports, in order to strengthen resilience of coastal areas and increase citizens’ and visitor benefits;

Amendment 169
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.4 — paragraph 2 — indent 9

Text proposed by the Commission

— Better understanding of the role of oceans for climate change mitigation and adaptation.

Amendment

— Better understanding of the role of oceans and other aquatic environments for climate change mitigation and adaptation.
The combined effects of population growth, resource scarcity and overexploitation, environmental degradation, climate change and migration create unprecedented challenges which require food system transformation (FOOD 2030) (20). Current food production and consumption are largely unsustainable while we are confronted with the double burden of malnutrition and obesity. Future food systems need to deliver sufficient safe, healthy and quality food for all, underpinned by resource efficiency, sustainability (including the reduction of GHG emissions, pollution and waste production), linking land and sea, reducing food waste, enhancing food production from the seas and oceans and encompassing the entire ‘food value chain’ from producers to consumers — and back again. This needs to go hand in hand with development of the food safety system of the future and the design, development and delivery of tools, technologies and digital solutions that provide significant benefits for consumers and improve the competitiveness and sustainability of the food value chain. Furthermore, there is a need to foster behavioural changes in food consumption and production patterns as well as to engage primary producers, industry (including SMEs), retailers, food service sectors, consumers, and public services.

(20) SWD(2016)0319: European Research and Innovation for Food and Nutrition Security

Amendment 171
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.5 — paragraph 2 — indent 1

Text proposed by the Commission

— Sustainable and healthy diets for people’s well-being across their lifespan;

Amendment

— Sustainable and healthy diets for people’s well-being across their lifespan; ensuring that food production and processing systems are designed from the ground up with nutritional needs in mind;

(20) SWD(2016)0319: European Research and Innovation for Food and Nutrition Security
Amendment 172
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.5 — paragraph 2 — indent 1 a (new)

Text proposed by the Commission

— The use of new genomic and metabolomics technologies to recognise and meet the different nutritional needs of our global population;

Amendment

—

Amendment 173
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.5 — paragraph 2 — indent 2

Text proposed by the Commission

— Personalised nutrition especially for vulnerable groups, to mitigate the risk factors for diet-related and non-communicable diseases;

— New nutrition approaches especially for vulnerable groups, to mitigate the risk factors for diet-related and non-communicable diseases, including food intolerance;

Amendment

—

Amendment 174
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.5 — paragraph 2 — indent 3

Text proposed by the Commission

— Consumers’ behaviour, lifestyle and motivations, analysing social innovation and societal engagement for better health and environmental sustainability throughout the entire food value chain;

— Consumers’ behaviour, lifestyle and motivations, analysed from a multi-disciplinary perspective (psychological and cultural), promoting social innovation and societal engagement for better health and environmental sustainability throughout the entire food value chain;

Amendment

—

Amendment 175
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.5 — paragraph 2 — indent 4

Text proposed by the Commission

— Modern food safety and authenticity systems, enhancing consumer confidence in the food system;

— Modern food safety, traceability and authenticity systems, enhancing consumer confidence in the food system;

Amendment

—

Wednesday 12 December 2018
Amendment 176
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.5 — paragraph 2 — indent 4 a (new)

Text proposed by the Commission

<table>
<thead>
<tr>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>— Identification of protein sources and further development of protein plants and their processing for use as food and feed;</td>
</tr>
</tbody>
</table>

Amendment 177
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.5 — paragraph 2 — indent 6

Text proposed by the Commission

<table>
<thead>
<tr>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>— Environmentally sustainable, circular and resource efficient food systems from land and sea, towards zero food waste throughout the entire food system, through reuse of food and biomass, recycling of food waste, new food packaging, demand for tailored and local food;</td>
</tr>
</tbody>
</table>

Amendment 178
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.5 — paragraph 2 — indent 7

Text proposed by the Commission

<table>
<thead>
<tr>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>— Innovation and food systems for place-based innovation and empowerment of communities, fostering fair trade and pricing, inclusiveness and sustainability through partnerships between industry, local authorities, researchers and society;</td>
</tr>
</tbody>
</table>

Amendment 179
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.5 — paragraph 2 — indent 7 a (new)

Text proposed by the Commission

<table>
<thead>
<tr>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>— The development of the circular bioeconomy, maximising food production and processing cycles to optimise the value of our resources and minimise environmental impact.</td>
</tr>
</tbody>
</table>
Bio-based innovation lays the foundations for the transition away from a fossil-based economy by encompassing the sustainable sourcing, industrial processing and conversion of biomass from land and sea into bio-based materials and products. It also capitalises on the potential of living resources, life sciences and industrial biotechnology for new discoveries, products and processes. Bio-based innovation, including technologies, can bring new economic activities and employment to regions and cities, contribute to revitalising rural and coastal economies and strengthen the circularity of the bioeconomy.

Bio-based innovation systems require collaboration across the sectors and the value chain. Potential and impact of the various sources of biomass should be carefully assessed.

— Sustainable biomass sourcing and production systems, focusing on high-value applications and uses, social and environmental sustainability, impact on climate and biodiversity reduction targets and overall resource efficiency;
Amendment 183
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.6 — paragraph 2 — indent 3

Text proposed by the Commission

— Bio-based value chains, materials, including bio-inspired materials, products and processes with novel qualities, functionalities and improved sustainability (including reducing greenhouse gases emissions), fostering the development of advanced biorefineries using a wider range of biomass;

Amendment

— Bio-based value chains, materials, including bio-inspired materials, products and processes with novel qualities, functionalities and improved sustainability (including reducing greenhouse gases emissions), fostering the development of advanced biorefineries using a wider range of biomass and further developing existing and new biogenic fuels: better use of bio-based waste and sidestreams;

Amendment 184
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.6 — paragraph 2 — indent 4

Text proposed by the Commission

— Biotechnology, including cross sectoral cutting-edge biotechnology, for application in competitive, sustainable and novel industrial processes, environmental services and consumer products (21);

Amendment

— Biotechnology, including cross sectoral cutting-edge biotechnology, for application in competitive, sustainable and novel agricultural, industrial processes, environmental services and consumer products (21);

(21) Health biotechnology applications will be addressed by the Health cluster under this pillar.

(21) Health biotechnology applications will be addressed by the Health cluster under this pillar.

Amendment 185
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.6 — paragraph 2 — indent 5

Text proposed by the Commission

— Circularity of the bio-based economy through technological, systemic, social and business model innovation to radically increase the value generated per unit of biological resources, keeping the value of such resources in the economy for longer and supporting the principle of the cascading use of sustainable biomass through research and innovation;

Amendment

— Circularity of the bio-based economy through technological, systemic, social and business model innovation to increase the value generated per unit of biological resources, keeping the value of such resources in the economy for longer and supporting the transition towards sustainable materials and the principle of the cascading use of sustainable biomass through research and innovation;
### Amendment 186
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.6 — paragraph 2 — indent 5 a (new)

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>— Bio-based value chains including new innovative material, material combinations and other innovative concepts and products;</td>
<td></td>
</tr>
</tbody>
</table>

### Amendment 187
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.7 — paragraph 1

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Circular production and consumption systems will provide benefits to the European economy by reducing resource dependency and increasing the competitiveness of enterprises, and to European citizens by creating new job opportunities and reducing pressures on the environment and climate. Beyond industrial transformation, the transition to a low-emission, resource efficient and circular economy will also need a broader system shift that requires systemic eco-innovative solutions, new business models, markets and investments, enabling infrastructure, social innovation changes in consumer behaviour, and governance models stimulating multi-stakeholder collaboration to ensure that the intended system change achieves better economic, environmental and social outcomes. Which will be important for comparability, generating and sharing knowledge and avoiding duplication of efforts, e.g. through international initiatives such as the International Resource Panel. Where appropriate, opening for international cooperation can be important for comparability, generating and sharing knowledge and avoiding duplication of efforts, e.g. through international initiatives such as the International Resource Panel.</td>
<td></td>
</tr>
</tbody>
</table>

(22) The activities in Circular Systems Area of Intervention are complementary to those of Low-Carbon and Clean Industry in the Digital and Industry cluster.

Wednesday 12 December 2018
Amendment 188
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.7 — paragraph 2 — indent 1

Text proposed by the Commission

— Systemic transition to a resource-efficient and circular economy, with new paradigms in consumer interaction, new business models for resource efficiency and environmental performance; products and services stimulating resource efficiency during the whole lifecycle; systems for sharing, reuse, repair, remanufacturing, recycling and composting;

Amendment

— Systemic transition to a resource-efficient and circular economy, with new paradigms in consumer interaction, new business models for resource and energy efficiency and environmental performance; products and services stimulating resource efficiency during the whole lifecycle; systems for sharing, reuse, repair, remanufacturing, recycling and composting;

Amendment 189
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.7 — paragraph 2 — indent 3

Text proposed by the Commission

— Solutions for sustainable and regenerative development of cities, peri-urban areas and regions, integrating the circular economy transformation with nature-based solutions, technological, digital, social, cultural and territorial governance innovations;

Amendment

— Solutions for sustainable and regenerative development of cities, peri-urban and rural areas and regions, integrating the circular economy transformation with nature-based solutions, technological, digital, social, cultural and territorial governance innovations;

Amendment 190
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.7 — paragraph 2 — indent 3 a (new)

Text proposed by the Commission

— Adaptation to a fully circular approach involving innovative waste management and treatment solutions that allows for the recovery of resources and nutrients as well as food waste management in urban areas;

Amendment

— Eco-innovation for prevention and remediation of environmental pollution from hazardous substances and chemicals of emerging concern; looking also at the interface between chemicals, products and waste;

Amendment 191
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.7 — paragraph 2 — indent 4

Text proposed by the Commission

— Eco-innovation for prevention and remediation of environmental pollution from hazardous substances and chemicals of emerging concern; looking also at the interface between ecosystems, chemicals, products and waste;
Amendment 192
Proposal for a decision
Annex I — part II — point 5 — point 5.2 — point 5.2.7 — paragraph 2 — indent 5 a (new)

Text proposed by the Commission

— Increased understanding of the drivers and barriers for an up-take of bio-based products through research on circular economy marking, labelling, application of standards, certification schemes, public procurement and regulatory activities, including from a global competition perspective.

Amendment 193
Proposal for a decision
Annex I — part II — point 6 — point 6.1 — paragraph 1

Text proposed by the Commission

High-quality and trusted scientific evidence is essential for good public policies. New initiatives and proposals for EU legislation need transparent, comprehensive and balanced evidence, whereas implementation of policies needs evidence to measure and monitor their impact and progress.

Amendment

High-quality and trusted scientific evidence is essential for good public policies. New initiatives and proposals for EU legislation need transparent, comprehensive and balanced evidence, whereas implementation of policies needs evidence and transparency to measure and monitor their impact and progress.

Amendment 194
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.1 — paragraph 1

Text proposed by the Commission

Knowledge and data are growing exponentially. If policy makers are to make sense and use of this they must be reviewed and filtered. There is also a need for cross-cutting scientific methods and analytical tools for use by all Commission services, especially to anticipate upcoming societal challenges and support better regulation. This includes innovative processes to engage stakeholders and citizens in policy-making issues.

Amendment

Knowledge and data are growing exponentially. If policy makers are to make sense and use of this they must be reviewed and filtered. There is also a need for cross-cutting scientific methods and analytical tools for use by all Commission services, especially to anticipate and/or timely react to upcoming societal challenges and support better regulation. This includes innovative processes to engage stakeholders and citizens in policy-making issues.
Amendment 195
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.1 — paragraph 2 — indent 4
Text proposed by the Commission
— Data management, data sharing and coherence.
Amendment
— FAIR data management, data sharing and coherence.

Amendment 196
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — introductory part
Text proposed by the Commission
6.2.2. Global Challenges
Amendment
6.2.2. Global Challenges and European competitiveness

Amendment 197
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 1
Text proposed by the Commission
The JRC will contribute to the specific EU policies and commitments addressed by the five Global Challenges clusters, notably the EU’s commitment to the Sustainable Development Goals.
Amendment
The JRC will contribute to the specific EU policies and commitments addressed by the six Global Challenges clusters, notably the EU’s commitment to the Sustainable Development Goals.

Amendment 198
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 2 — point 2 — introductory part
Text proposed by the Commission
2. Inclusive and secure society
Amendment
2. Inclusive and creative society
Amendment 199
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 2 — point 2 — indent 1

Text proposed by the Commission
— Research on inequality, poverty and exclusion, social mobility, cultural diversity, and skills; assessment of social, demographic and technological transformations on the economy and on society;

Amendment
— Research on inequality, poverty and exclusion, social mobility, cultural diversity, and skills; assessment of social, demographic, geographic and technological transformations on the economy and on society;

Amendment 200
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 2 — point 2 — indent 2

Text proposed by the Commission
— Support to the preservation of cultural heritage;

Amendment
— Research on the economic and social contribution of the cultural and creative sectors, including the development of statistics and support to the preservation of tangible and intangible cultural heritage;

Amendment 201
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 2 — point 2 — indent 3 a (new)

Text proposed by the Commission
— Research on the social impact of scientific and technological changes on Member States and regions, including citizens;

Amendment
— Research on the social impact of scientific and technological changes on Member States and regions, including citizens;

Amendment 202
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 2 — point 2 a (new)

Text proposed by the Commission

Amendment
2 a. Secure society
Amendment 203
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 2 — point 3 — introductory part

Text proposed by the Commission

3. Digital and Industry

Amendment

3. Digital, Industry and Space

Amendment 204
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 2 — point 3 — indent 4

Text proposed by the Commission

— Research on nanotechnology and other Key Enabling Technologies;

Amendment

deleted

Amendment 205
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 2 — point 4 — indent 1

Text proposed by the Commission

— Support to implementation of the EU climate, energy and transport policies, transition to a low-carbon economy and strategies for decarbonisation towards 2050; analysis of integrated national climate and energy plans; assessment of decarbonisation pathway in all sectors, including agriculture and Land Use Land Use Change and Forestry;

Amendment

— Support to implementation of the EU climate, energy and transport policies, unlocking scenarios for the transition towards net-zero GHG emissions economy including low-carbon technologies and strategies for decarbonisation; analysis of integrated national climate and energy plans; assessment of decarbonisation pathway in all sectors, including agriculture and Land Use Land Use Change and Forestry;

Amendment 206
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 2 — point 4 — indent 2

Text proposed by the Commission

— Assessment of risks in vulnerable ecosystems and critical economic sectors and infrastructure, with focus on adaptation strategies;

Amendment

— Assessment of risks and potential solutions for vulnerable ecosystems and critical economic sectors and infrastructure, with focus on mitigation and adaptation strategies;
Amendment 207
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 2 — point 4 — indent 3

Text proposed by the Commission
— Analysis of the R&I dimension of Energy Union; assessment of EU competitiveness in the global clean energy market;

Amendment
— Analysis of the R&I dimension of Energy Union; assessment of EU competitiveness in the global clean, in particular renewables, energy market;

Amendment 208
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 2 — point 4 — indent 5

Text proposed by the Commission
— Analysis of energy use of buildings, smart and sustainable cities, and industries;

Amendment
— Analysis of energy use and climate change mitigation potential of buildings, smart and sustainable cities, and industries;

Amendment 209
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 2 — point 4 — indent 8

Text proposed by the Commission
— Support to energy transition, including the Covenant of Mayors, clean energy for EU Islands, sensitive regions, and Africa;

Amendment
— Support the transition towards decarbonised energy systems, including highly efficient and renewables-based systems;

Amendment 210
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 2 — point 5 — introductory part

Text proposed by the Commission
5. Food and Natural Resources

Amendment
5. Food, Natural Resources and Agriculture
Amendment 211
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 2 — point 5 — indent 1

Text proposed by the Commission

— Research on land, soil, forests, air, water, marine resources, raw materials and biodiversity to support the effective preservation, restoration and sustainable use of natural capital, including sustainable resources management in Africa;

Amendment

— Research on land, soil, forests, air, water, marine resources, raw materials and biodiversity to support the effective preservation, restoration and sustainable use of natural capital, including equitable and sustainable resources management in Africa;

Amendment 212
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 2 — point 5 — indent 3

Text proposed by the Commission

— Assessment of climate change and potential mitigation and adaptation measures for agricultural and fisheries policies, including food security;

Amendment

— Assessment of climate change and potential mitigation and adaptation measures for agricultural, fisheries and forestry policies, including food security;

Amendment 213
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.2 — paragraph 2 — point 5 — indent 4

Text proposed by the Commission

— Monitoring and forecasting of agricultural resources in EU and neighbourhood countries;

Amendment

— Monitoring and forecasting of agricultural and forestry resources in EU and neighbourhood countries;
Amendment 214
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.3 — paragraph 1

Text proposed by the Commission

The JRC will contribute to innovation and technology transfer. It will support the functioning of the internal market and the economic governance of the Union. It will contribute to development and monitoring of policies targeting a more social and sustainable Europe. It will support the EU's external dimension and international goals and help in promoting good governance. A well-functioning internal market with a strong economic governance and fair social system will foster innovation and competitiveness.

Amendment

The JRC will contribute to innovation and technology transfer. It will support the functioning of the internal market and the economic governance of the Union. It will contribute to development and monitoring of policies targeting a more social and sustainable Europe. It will support the EU's external dimension and international goals and help in promoting good governance. A well-functioning internal market with a strong economic governance and fair social system will foster innovation, competitiveness, jobs creation, social inclusion and well-being.

Amendment 215
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.4 — paragraph 2 — indent 5

Text proposed by the Commission

— Open science and open data.

Amendment

— Open science and open FAIR data.

Amendment 216
Proposal for a decision
Annex I — part II — point 6 — point 6.2 — point 6.2.5 — paragraph 2 — indent 1

Text proposed by the Commission

— Implementation of regional and urban policies, smart specialisation strategies, strategies for economic transformation of regions in transition, integrated urban development strategies and data;

Amendment

— Implementation of regional and urban policies, smart specialisation strategies, strategies for economic transformation of regions in transition, integrated urban and rural development strategies and data;
Open innovation is a vital paradigm for the EU to continue delivering prosperity to its citizens and meeting challenges of the future. Implementing it requires a systemic, cross-cutting and multifaceted approach. Europe's economic progress, social welfare and quality of life rely on its ability to boost productivity and growth, which, in turn, depends heavily on its ability to innovate. Innovation is also key to solving the major challenges that lie ahead for the EU.

Like its predecessors, Innovation is at the heart of Horizon Europe. The quest for new ideas, products and processes is driving Horizon Europe objectives and implementing modalities, from strategic programming to calls, and is present from the onset to the end of any project supported, from 'blue-sky' research to industrial or technological roadmaps and missions.

Yet, innovation deserves specific measures, as the EU must decisively enhance the conditions and environment European innovation can thrive, so that ideas are quickly shared between actors in the innovation ecosystem, and new ideas and technologies swiftly transformed into the products and services needed for the EU to deliver.

Recent decades have seen the emergence of major and global new markets in entertainment, media, health care, lodging and retail, based on breakthrough innovations in ICT, biotech, internet and the platform economy. These market-creating innovations, which impact the EU economy as a whole, are deployed by fast growing and often new companies. But only a few originate in the EU.

Open innovation is a vital paradigm for the EU to continue delivering prosperity to its citizens and meeting challenges of the future. Implementing it requires a systemic, cross-cutting and multifaceted approach. Europe's economic progress, social welfare and quality of life rely on its ability to boost productivity and growth, which, in turn, depends heavily on its ability to innovate. Innovation is also key to solving the major challenges that lie ahead for the EU.

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Recent decades have seen the emergence of major and global new markets in entertainment, media, communication, health care, lodging and retail, based on breakthrough innovations in ICT, biotech, internet and the platform economy. These market-creating innovations, which impact the EU economy as a whole, are deployed by fast growing and often new companies. But only a few originate and thrive in the EU.
A new global wave of breakthrough innovation is coming up, one that will be based on more ‘deep-tech’ technologies such as block-chain, artificial intelligence, genomics and robotics, and other technologies, which may also emerge from individual innovators and communities of citizens. They have in common that they are taking shape at the intersection between different technologies, industry sectors and scientific disciplines, offering radically new combinations of products, processes, services and business models, and have the potential to open up new markets worldwide. Additional sectors such as manufacturing, financial services, transport or energy will also be impacted.

Europe has to ride that wave. It is well positioned as the new wave comes in ‘deep-tech’ areas, such as artificial intelligence, quantum technologies, clean energy sources, where Europe has some competitive advantages regarding science and knowledge, and can build on close public-private cooperation (e.g. in health care or energy).

For Europe to lead that new wave of breakthrough innovation, the following underlying challenges need to be met:

— Improve the transformation of science into innovation in order to accelerate the transfer of ideas, technologies and talent from the research base into start-ups and industry;

— Speed up industrial transformation: European industry is lagging behind in embracing new technologies and scaling up: 77% of the young and big R&D companies are in US or Asia and only 16% are based in Europe;

— Increase risk finance to overcome financing gaps: Europe’s innovators suffer from a low supply of risk finance. Venture capital is key to turning breakthrough innovations into world-leading companies but, in Europe, it is less than a quarter of the amounts raised in the US and in Asia. Europe must bridge the ‘Valleys of death’, whereby ideas and innovations fail to reach the market due to the gap between public support and private investment, in particular with regard to high-risk breakthrough innovations and long-term investments;

A new global wave of breakthrough and disruptive innovation, including social and technological, is coming up, one that will be based on more ‘deep-tech’ technologies such as block-chain, artificial intelligence, genomics and robotics, and other technologies, which may not only emerge from companies or research organisations, but also from individual innovators and communities of citizens. They have in common that they are taking shape at the intersection between different technologies, industry sectors and scientific disciplines, offering radically new combinations of products, processes, services, standards and business models, and have the potential to open up new markets worldwide. Additional sectors such as manufacturing, financial services, transport or energy will also be impacted.

Europe has to ride that wave. It is well positioned as the new wave comes in ‘deep-tech’ areas, such as artificial intelligence, quantum technologies, clean energy sources, where Europe has some competitive advantages regarding science and knowledge, and can build on close public-private cooperation (e.g. in health care or energy).

For Europe to lead that new wave of breakthrough innovation, the following underlying challenges need to be met:

— Improve the transformation of science into innovation in order to accelerate the transfer of ideas, technologies and talent from the research base into start-ups and industry;

— Increase the collaboration between all types of innovators, in particular between start-ups, SMEs and larger companies, improving their driving force and creating new ecosystems;

— Speed up industrial transformation: European industry is lagging behind in embracing new technologies and scaling up: 77% of the young and big R&D companies are in US or Asia and only 16% are based in Europe;

— Increase risk finance to overcome financing gaps: Europe’s innovators suffer from a low supply of risk finance. Venture capital is key to turning breakthrough innovations into world-leading companies but, in Europe, it is less than a quarter of the amounts raised in the US and in Asia. Europe must bridge the ‘Valleys of death’, whereby ideas and innovations fail to reach the market due to the gap between public support and private investment, in particular with regard to high-risk breakthrough innovations and long-term investments;
— Enhance and simplify the European landscape for funding and supporting research and innovation: the multitude of funding sources provides a complex landscape for innovators. EU intervention has to cooperate and coordinate with other initiatives at European, national and regional level, public and private, to better enhance and align supporting capacities, and provide for an easy-to-navigate landscape for any European innovator;

— Overcome fragmentation to the innovation ecosystem. While Europe is home to a growing number of hotspots, these are not well connected. Companies with international growth potential have to cope with fragmentation of national markets with their diverse languages, business cultures and regulations.

In order to cope with that new global wave of breakthrough innovation, EU support to breakthrough innovators requires an agile, simple, seamless and tailored approach. Policy to develop and deploy breakthrough innovations and scale-up companies has to be bold in taking risks and must take into account the above-mentioned challenges and add value to related innovation activities implemented by individual Member State.

Horizon Europe’s Open Innovation pillar, in cooperation with other EU policies and in particular the InvestEU Programme, is designed to deliver such tangible results. It builds on lessons learned and on experience gained under the previous framework programmes, in particular from activities targeting future technologies and innovation (such as Future Emerging Technologies (FET) and Fast Track to Innovation (FTI)), SMEs (such as the SME Instrument), but also private and corporate finance (such as FP7 RSFF, Horizon 2020 InnovFin), all part of the ‘EIC pilot’ activities launched for the period 2018-2020.

Based on these experiences, this Pillar provides for the launch of the European Innovation Council (EIC), which will promote breakthrough innovation with rapid scale-up potential at global level and with dedicated types of actions and activities:

— Supporting the development of future and emerging breakthrough innovations;

— Supporting the development of future and emerging breakthrough innovations, including through targeted collaborative research;

— Promoting the spreading and uptake of innovation in industrial and other economic value chains;
The objective of the EIC is to identify, develop and deploy breakthrough and disruptive innovations (including radically new technologies) and support the rapid scale-up of innovative firms at EU and international levels along the pathway from ideas to market.

Amendment

The objective of the EIC is to identify, develop and deploy breakthrough and disruptive innovations (including radically new technologies) and support the rapid scale-up of innovative firms at EU and international levels along the pathway from ideas to market.
Amendment 219
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — paragraph 2

Text proposed by the Commission

The EIC will be implemented primarily through two complementary types of action, namely the Pathfinder for advanced research, for the early stages of technology development, and the Accelerator for innovation and market deployment actions, including the pre-mass commercialisation stages and company growth. With the idea to offer a single one-stop shop and a single process of support, the Accelerator will also award blended finance, combining grants with equity investments. It will in addition also channel access to loans provided under the InvestEU programme.

Amendment

The EIC will be implemented primarily through two complementary types of action, namely the EIC Pathfinder for advanced research, for the early stages of scientific and technological research and development, and the EIC Accelerator for innovation and market deployment actions, including the pre-mass commercialisation stages and company growth. With the idea to offer a single one-stop shop and a single process of support, the Accelerator will award blended finance, combining grants with equity investments. It will in addition also channel access to loans and guarantees provided under the InvestEU programme. At least 70% of the EIC’s budget will be dedicated to start-ups and SMEs.

Amendment 220
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — paragraph 3 — indent 1

Text proposed by the Commission

— Focus on breakthrough and disruptive innovations, including social, that have the potential to create new markets, as opposed to those which make incremental improvements in existing products, services or business models;

Amendment

— Focus on breakthrough and disruptive innovations, including social, that have the potential to create new markets or enable new solutions, as well as research on potential radically new technologies;

Amendment 221
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — paragraph 3 — indent 2

Text proposed by the Commission

— Be mainly bottom-up, open to innovations from all fields of science, technology and applications in any sector, while also enabling targeted support for emerging breakthrough or disruptive technologies of potential strategic significance;

Amendment

— Be mainly bottom-up, open to targeted innovations and research from all fields of science, technology and applications in any sector, while also enabling targeted support for emerging breakthrough or disruptive technologies of potential strategic significance;
Amendment 222
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — paragraph 3 — indent 3

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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<tbody>
<tr>
<td>— Innovations that cut across different scientific, technological (e.g. combining physical and digital) fields and sectors will be encouraged;</td>
<td>— Innovations and research that cut across different scientific, technological (e.g. combining physical and digital) fields and sectors will be encouraged;</td>
</tr>
</tbody>
</table>

Amendment 223
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — paragraph 3 — indent 4

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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<tr>
<td>— They will be centred on innovators, simplifying procedures and administrative requirements, making use of interviews to help assess applications, and ensuring fast decision making;</td>
<td>— They will be centred on innovators and researchers, simplifying procedures and administrative requirements, making use of interviews to help assess applications, and ensuring fast decision making;</td>
</tr>
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</table>

Amendment 224
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — paragraph 4

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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<tbody>
<tr>
<td>As well as financial support, innovators will have access to EIC business advisory services providing to projects coaching, mentoring and technical assistance, and pairing innovators with peers, industrial partners and investors. Innovators will also have facilitated access to expertise, facilities (including innovation hubs (23)) and partners from across EU supported activities (including those of the EIT, in particular through its KICs).</td>
<td>As well as financial support, innovators will have access to EIC business advisory services providing to projects coaching, mentoring and technical assistance, and pairing innovators with peers, industrial partners and investors. Innovators will also have facilitated access to expertise, facilities (including research infrastructures and innovation hubs (23)) and partners from across EU supported activities (including those of the EIT, in particular through its KICs).</td>
</tr>
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</table>

(23) These are public or private facilities that offer access to latest knowledge and expertise on digital and related enabling technologies necessary for companies to become more competitive with regard to production, services and business processes.
Amendment 225
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — paragraph 5

Text proposed by the Commission

Particular attention will be paid to ensuring proper and efficient complementarity with individual or networked Member States initiatives, including in the form of European Partnership.

Amendment

In addition, particular attention will be paid to ensuring proper and efficient complementarity with individual or networked Member States initiatives, including in the form of European Partnerships.

Amendment 226
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — point 1.1.1 — introductory part

Text proposed by the Commission

1.1.1. The Pathfinder for Advanced Research

Amendment

1.1.1. The EIC Pathfinder for Advanced Research

Amendment 227
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — point 1.1.1 — paragraph 2

Text proposed by the Commission

The Pathfinder overall objective will be to nurture potential market creating innovation out of breakthrough scientific and technological ideas, and bring them to demonstration stage or development of business cases or strategies for further take-up by the Accelerator or any other market deployment solution. To that end, the Pathfinder will initially support the earliest stages of scientific and technological research and development, including proof of concept and prototypes for technology validation.

Amendment

The Pathfinder overall objective will be to nurture potential market creating innovation out of breakthrough scientific and technological ideas, and bring them to demonstration stage or development of business cases or strategies for further take-up by the Accelerator or any other market deployment solution. To that end, the Pathfinder will initially support the earliest stages of scientific and technological research and development, including cutting-edge research, proof of concept and prototypes for technology validation.
Amendment 228
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — point 1.1.1 — paragraph 3

Text proposed by the Commission

In order to be fully open to broad-sweeping explorations, opportunities of serendipity and unexpected ideas, concepts and discoveries, the Pathfinder will be mainly implemented through a continuous open call for bottom-up proposals. The Pathfinder will also provide for competitive challenges to develop key strategic objectives (24) calling for deep-tech and radical thinking. Regrouping of selected projects into thematic or objective driven portfolios will allow establishing critical mass of efforts and structuring new multidisciplinary research communities.

(24) These could include topics such as Artificial Intelligence, Quantum technologies, Biocontrol or Second generation digital twins, or any other topics identified in the context of the Horizon Europe Strategic programming (including with Member States’ networked programmes).

Amendment

In order to be fully open to broad-sweeping explorations, opportunities of serendipity and unexpected ideas, concepts and discoveries, the Pathfinder will be mainly implemented through continuous, competitive and open calls for bottom-up proposals with cut off dates. The Pathfinder will also provide for competitive challenges to develop key strategic objectives (24) calling for deep-tech and radical thinking. Regrouping of selected projects into thematic or objective driven portfolios will allow establishing critical mass of efforts and structuring new multidisciplinary research communities.

(24) These could include topics such as Artificial Intelligence, Quantum technologies, Biocontrol or Second generation digital twins, or any other topics identified in the context of the Horizon Europe Strategic programming (including with Member States’ networked programmes).

Amendment 229
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — point 1.1.1 — paragraph 5

Text proposed by the Commission

The Pathfinder will be open to all types of innovators, from individuals to universities, research and technology organisations and companies, in particular startups and SMEs, and from single beneficiaries to multi-disciplinary consortia. In the case of single beneficiary projects, larger companies will not be permitted. The Pathfinder will be implemented in close coordination with other parts of Horizon Europe, in particular with the European Research Council (ERC), the Marie Skłodowska-Curie Actions (MSCA), and the Knowledge and Innovation Communities (KICs) of the European Institute of Innovation and Technology (EIT) activities. It will also be implemented in close coordination with Member States programmes and activities.

Amendment

The Pathfinder will be open to all types of innovators, from individuals to universities, research and technology organisations and companies, in particular start-ups and SMEs, and from single beneficiaries to multi-disciplinary consortia. In the case of single beneficiary projects, larger companies will not be permitted. In order to ensure synergies and avoid duplication, the Pathfinder will be implemented in close coordination with other parts of Horizon Europe, in particular with the European Research Council (ERC), the Marie Skłodowska-Curie Actions (MSCA), and the European Institute of Innovation and Technology (EIT) activities. It will also be implemented in close coordination with Member States programmes and activities.
Amendment 230
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — point 1.1.2 — paragraph 2

Consequently the Accelerator will provide financial support to not yet ‘bankable’ or investors-attractive innovators and companies that have the ambition to develop and deploy in EU and international markets their breakthrough innovations and to scale up rapidly. For that purpose it will build on the experience from the Phases 2 and 3 of Horizon 2020 SME Instrument and from Horizon 2020 InnovFin, in particular through the addition of non-grant components and the ability to support larger and longer investments.

Amendment 231
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — point 1.1.2 — paragraph 3 — indent 2

— Support for investment in equity (\(^{27}\)) or other repayable forms, so as to bridge innovation activities with effective market deployment, including scale-up, in a manner that does not crowd out private investments or distorts competition in the internal market. When relevant it will channel the innovator to access to debt financing (e.g. loans) provided by the InvestEU programme.

\(^{27}\) Usually no more than 25% of the voting rights. In exceptional cases, the EU may secure the acquisition of a blocking minority to protect European interests in essential areas, e.g. cyber security.
Amendment 232
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — point 1.1.2 — paragraph 4

Text proposed by the Commission
Support will be awarded through a single process and with a single decision, providing the supported innovator with a single global commitment to financial resources covering the various stages of innovation down to market deployment including pre-mass commercialisation. The full implementation of the awarded support will be subject to milestones and review. The combination and volume of financing will be adapted to the needs of the firm, its size and stage, the nature of the technology/innovation and the length of the innovation cycle. It will cover financing needs until replacement by alternative sources of investment.

Amendment
Support will be awarded through a single process and with a single decision, providing the supported innovator with a single global commitment to financial resources covering the various stages of innovation down to market deployment including pre-mass commercialisation. The full implementation of the awarded support will be subject to milestones and review. The combination and volume of financing will be adapted to the needs of the beneficiary, its size and stage, the nature of the technology/innovation and the length of the innovation cycle. It will cover financing needs until replacement by alternative sources of investment.

Amendment 233
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — point 1.1.2 — paragraph 5

Text proposed by the Commission
For innovations with high technological risks ('deep tech') the support will always include a grant component covering the innovation activities. Where the various risks are reduced (technological, market, regulatory, etc.), the relative importance of the reimbursable advance component is expected to increase.

Amendment
For innovations with high risks (for example, 'deep tech') the support will always include a grant component covering the innovation activities, which may be performed in collaboration with public research organisations as partner or through subcontracting. Where the various risks are reduced (technological, market, regulatory, etc.), the relative importance of the reimbursable advance component is expected to increase.
Amendment 234
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — point 1.1.2 — paragraph 7

Text proposed by the Commission

The Accelerator will mainly operate through a continuously open and bottom-up call, targeting individual entrepreneurs (mainly start-ups and SMEs), with a particular attention paid to young and to women innovators. This open and bottom-up call will be complemented by targeted support for on emerging breakthrough or disruptive technologies of potential strategic significance. Proposals may also be submitted by investors, including public innovation agencies, but the support will be awarded to the company.

Amendment

The Accelerator will mainly operate through a continuously open, **competitive** and bottom-up call **with cut-off dates**, targeting individual entrepreneurs (mainly start-ups and SMEs), with a particular attention paid to young and to women innovators. This open and bottom-up call will be complemented by targeted support for on emerging breakthrough or disruptive **innovations and technologies** of potential strategic significance. Proposals may also be submitted by investors, including public innovation agencies, but the support will be awarded to the company.

Amendment 235
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — point 1.1.2 — paragraph 8

Text proposed by the Commission

The Accelerator will allow for fast-track take-up of innovations stemming from **Pathfinder-supported** projects from the Pathfinder, from similar Member States ‘advanced research programmes’ and from other pillars of the EU Framework Programmes (**28**), in order to support them to reach the market. This identification of projects supported in other pillars of Horizon Europe and also previous Framework Programmes will be based on pertinent methodologies, such as the Innovation Radar.

Amendment

The Accelerator will allow for fast-track take-up of innovations stemming from **supported** projects from the Pathfinder, from similar Member States ‘advanced research programmes’, **from the EIT KICs** and from other pillars of the EU Framework Programme (**28**), in order to support them to reach the market. This identification of projects supported in other pillars of Horizon Europe and also previous Framework Programmes will be based on pertinent methodologies, such as the Innovation Radar.

**28** Such as ERC Proof of Concept, from projects supported under the ‘Global Challenges and Industrial Competitiveness’ Pillar, startups emerging from the KICs of the European Institute of Innovation and Technology, … Including from Horizon 2020 activities, particularly project selected under Horizon 2020 SME Phase 2 and related Seal of Excellence financed by Member States, (existing and future) European Partnerships.
Amendment 236
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — point 1.1.3 — paragraph 1 — indent 1

Text proposed by the Commission

— EIC business acceleration services in support of Pathfinder and Accelerator activities and actions. The aim will be to connect the EIC Community of funded innovators, including funded Seal of Excellence, to investors, partners and public buyers. It will provide a range of coaching and mentoring services to EIC actions. It will provide innovators with access to international networks of potential partners, including industrial ones, to complement a value chain or develop market opportunities, and find investors and other sources of private or corporate finance. Activities will include live events (e.g. brokerage events, pitching sessions) but also, the development of matching platforms or use of existing ones, in close relation with financial intermediaries supported by the InvestEU and with the EIB Group. These activities will also encourage peer exchanges as a source of learning in innovation ecosystem, making particular good use of Members of the High Level Advisory board of the EIC and EIC Fellows;

Amendment

— EIC business acceleration services in support of Pathfinder and Accelerator activities and actions. The aim will be to connect the EIC Community of funded innovators, including funded Seal of Excellence, to investors, partners, public and private buyers. It will provide a range of coaching and mentoring services to EIC actions. It will provide innovators with access to international networks of potential partners, including industrial ones, to complement a value chain or develop market opportunities, and find investors and other sources of private or corporate finance. Activities will include live events (e.g. brokerage events, pitching sessions) but also, the development of matching platforms or use of existing ones, in close relation with financial intermediaries supported by the InvestEU and with the EIB Group. These activities will also encourage peer exchanges as a source of learning in innovation ecosystem, making particular good use of Members of the High Level Advisory board of the EIC and EIC Fellows. These additional EIC activities focused on breakthrough/high-risk innovations will complement the similar portfolio of the EIT activities targeting entrepreneurs, innovators and start-ups. EIC is encouraged to make use of the KICs expertise and experience when providing support to innovators.
Amendment 237
Proposal for a decision
Annex I — part III — point 1 — point 1.1 — point 1.1.3 — paragraph 1 — indent 3

Text proposed by the Commission

— EIC Challenges, i.e. inducement prizes, to help develop novel solutions to global challenges, bring in new actors and develop new communities. EIC recognition prizes will include iCapital, the Social Innovation Inducement Prize, and the Women Innovators’ Prize (\textsuperscript{(29)}). The design of its prizes will be linked to EIC to other parts of the Framework programme, including missions and other funding bodies. Opportunities for cooperation with organisations (such as enterprises, universities, research organisations, business accelerators, charities and foundations) will be explored.

\textsuperscript{(29)} The EIC prizes will take over the management of prizes launched under Horizon 2020 and provide for the design and implementation of new inducement prizes and recognition awards.

Amendment

— EIC Challenges, i.e. inducement prizes, to help develop new breakthrough innovations, bring in new actors, develop new R&I communities and networks as well as give visibility to achievements from EU funding. EIC recognition prizes will include iCapital, the EU Challenge Prize, the Social Innovation Inducement Prize, and the Women Innovators’ Prize (\textsuperscript{(29)}). The design and implementation of these prizes will be linked with other parts of the Programme, including the missions and the EIT in order to ensure complementarity and avoid duplications. Opportunities for cooperation with organisations (such as enterprises, universities, research organisations, business accelerators, charities and foundations) will be explored.

\textsuperscript{(29)} The EIC prizes will take over the management of prizes launched under Horizon 2020 and provide for the design and implementation of new inducement prizes and recognition awards.

Amendment 238
Proposal for a decision
Annex I — part III — point 1 — point 1.2 — point 1.2.1 — paragraph 1

Text proposed by the Commission

The High Level Advisory Board of the EIC (EIC Board) will assist the Commission in implementing the EIC. As well as advising on the EIC work programmes, the EIC Board will take an active role in advising the management and following up actions. It will have a communication function, with members playing an ambassadorial role helping to stimulate innovation in the EU. Communication channels will include attendance at key innovation events, social media, constitution of an EIC community of innovators, engaging with key media with a focus on innovation, common events with incubators and acceleration hubs.

Amendment

The High Level Advisory Board of the EIC (EIC Board) will assist the Commission in implementing the EIC. It will be composed of representatives including academic experts on innovation policy, research and technology organisations, entrepreneurs, venture capitalists, among others, in accordance with Article 9 of this Decision.

For the implementation of the EIC, the Commission will, with the support of the EIC Board, provide:

— clear differentiation between the addressed targeted groups and their distinct needs;

— details on how it will implement the mixed support (grant, equity, loan and guarantee);
The EIC Board will provide recommendations to the Commission regarding innovation trends or initiatives needed to enhance and foster the EU innovation ecosystem, including potential regulatory barriers. The Board’s advice should also identify emerging areas of innovation to be taken into account in the activities under the Global Challenges and Industrial Competitiveness pillar and missions. In this way, the Board is expected to contribute to the overall coherence of the Horizon Europe programme.

The EIC Board along with the EIT Governing Board will provide recommendations to the Commission regarding innovation trends or initiatives needed to enhance and foster the EU innovation ecosystem, including potential technical as well as regulatory barriers. The Board’s advice should also identify emerging areas of innovation to be taken into account in the activities under the Global Challenges and European Industrial Competitiveness pillar and missions. In this way, the Board is expected to contribute to the overall coherence of the Horizon Europe programme.
Amendment 240
Proposal for a decision
Annex I — part III — point 1 — point 1.2 — point 1.2.2 — paragraph 5

Text proposed by the Commission

In particular, programme managers will oversee the implementation of Pathfinder calls, and propose evaluation rankings in view of consistent strategic portfolio of projects, expected to make essential contributions to the emergence of potential societal or economic market creating innovations.

Amendment

In particular, programme managers will oversee the implementation of Pathfinder calls, and propose evaluation rankings, based on clear and transparent criteria as defined in the Regulation, consistent with a strategic portfolio of projects, expected to make essential contributions to the emergence of potential scientific, societal or economic radically new future technologies or market creating innovations.

Amendment 241
Proposal for a decision
Annex I — part III — point 2 — point 2.1 — paragraph 1

Text proposed by the Commission

To fully harness the potential of innovation involving researchers, entrepreneurs, industry and society at large, the EU must improve the environment within which innovation can flourish at all levels. This will mean contributing to the development of an effective innovation ecosystem at EU level, and encouraging cooperation, networking, and the exchange of ideas, funding and skills among national and local innovation ecosystems.

Amendment

To fully harness the potential of innovation involving researchers, entrepreneurs, industry and society at large, the EU must improve the environment within which innovation can flourish at all levels. This will mean contributing to the development of an effective innovation ecosystem at EU level, and encouraging cooperation, networking and the exchange of ideas, developing open innovation processes, funding and skills among national and local innovation ecosystems.

Amendment 242
Proposal for a decision
Annex I — part III — point 2 — point 2.1 — paragraph 2

Text proposed by the Commission

The EU must also aim to develop ecosystems that support social innovation and public sector innovation, in addition to innovation in private enterprises. Indeed, the government sector must innovate and renew itself in order to be able to support the changes in regulation and governance required to support the large-scale deployment of new technologies and a growing public demand for the more efficient and effective delivery of services. Social innovations are crucial to enhance the welfare of our societies.

Amendment

The EU must also aim to develop ecosystems that support social innovation, and encourage knowledge transfer and public sector innovation, in addition to innovation in private enterprises. Indeed, the government sector must innovate and renew itself in order to be able to support the changes in regulation, and governance required to support the large-scale deployment of innovations, including new technologies and a growing public demand for the more efficient and effective delivery of services. Social innovations are crucial to enhance the welfare of our societies. As Europe’s largest innovation network, the EIT KICs will play an important role in the development of such ecosystems and in the implementation of this priority. They make the case for desired interregional cooperation by linking innovation ecosystems on a pan-European scale.
Amendment 243
Proposal for a decision
Annex I — part III — point 2 — point 2.2 — paragraph 1 — introductory part

Text proposed by the Commission
As a first step the Commission will organise an EIC Forum of Member States and Associated countries’ public authorities and bodies in charge of national innovation policies and programmes, with the aim of promoting coordination and dialogue on the development of the EU’s innovation ecosystem. Within this EIC Forum, the Commission will:

Amendment
As a first step the Commission will organise an Innovation Forum of Member States and Associated countries’ public authorities and bodies in charge of national innovation policies and programmes, with the aim of promoting coordination and dialogue on the development of the EU’s innovation ecosystem. Within this Innovation Forum, the involved stakeholders and EU bodies, including the EIT, the EIC Board and the Commission will:

Amendment 244
Proposal for a decision
Annex I — part III — point 2 — point 2.2 — paragraph 1 — indent 3

Text proposed by the Commission
— Enhance coordination between national innovation programmes and the EIC, so as to stimulate operational synergies and avoid overlap, by sharing data on programmes and their implementation, resources and expertise, analysis and monitoring of technological and innovation trends, and by interconnecting respective innovators’ communities;

Amendment
— Enhance coordination between national, the EIT as well as the EIC so as to stimulate operational synergies and avoid overlap, by sharing data on programmes and their implementation, resources and expertise, analysis and monitoring of technological and innovation trends, and by interconnecting respective innovators’ communities;

Amendment 245
Proposal for a decision
Annex I — part III — point 2 — point 2.2 — paragraph 2

Text proposed by the Commission
Activities will be implemented to ensure effective complementarity and cooperation between EIC’s types of action and their specific focus on breakthrough innovation, with activities implemented by Member States and Associated Countries, but also by private initiatives, in order to support all types of innovation, reach out to all innovators across the EU, and provide them with enhanced and adequate support.

Amendment
Activities will be implemented to ensure effective complementarity and cooperation between EIT and EIC’s types of action and their specific focus on innovation, with activities implemented by Member States and Associated Countries, but also by private initiatives, in order to support all types of innovation, reach out to all innovators across the EU, and provide them with enhanced and adequate support.
Amendment 246
Proposal for a decision
Annex I — part III — point 2 — point 2.2 — paragraph 3 — introductory part

Text proposed by the Commission

To that end, the EU will:

Amendment

To that end, the involved EU bodies will:

Amendment 247
Proposal for a decision
Annex I — part III — point 2 — point 2.2 — paragraph 3 — indent 1

Text proposed by the Commission

— Promote and co-fund joint innovation programmes managed by authorities in charge of public national, regional or local innovation policies and programmes, to which private entities supporting innovation and innovators may be associated. Such demand-driven joint programmes may target, among others, early stage and feasibility study support, academia-enterprise cooperation, support to high-tech SMEs' collaborative research, technology and knowledge transfer, internationalisation of SMEs, market analysis and development, digitalisation of low-tech SMEs, financial instruments for close to market innovations activities or market deployment, social innovation. They may also include joint public procurement initiatives, enabling innovations to be commercialised in the public sector, in particular in support of the development of new policy. This could be particularly effective to stimulate innovation in public service areas and to provide market opportunities to European innovators.

Amendment

— Promote and co-fund joint innovation programmes managed by authorities in charge of public national, regional or local innovation policies and programmes, to which private entities supporting innovation and innovators should be associated. Such supply and demand-driven joint programmes may target, among others, early stage and feasibility study support, cooperation between academia, research organisations and enterprises, support to high-tech SMEs' collaborative research, technology and knowledge transfer, internationalisation of SMEs, market analysis and development, digitalisation of low-tech SMEs, financial instruments for close to market innovations activities or market deployment, social innovation. They may also include joint public procurement initiatives, enabling innovations to be commercialised in the public sector, in particular in support of the development of new policy. This could be particularly effective to stimulate innovation in public service areas and to provide market opportunities to European innovators. When managed at the local level, these programmes should allow transnational partnerships, should be coherent with the smart specialisation strategies and support synergies with ERDF in the involved regions.
Amendment 248
Proposal for a decision
Annex I — part III — point 2 — point 2.2 — paragraph 3 — indent 2

Text proposed by the Commission

— Support also joint programmes for mentoring, coaching, technical assistance and other services that are delivered close to innovators, by networks such as Enterprise Europe Network (EEN), clusters, pan-European platforms such as Startup Europe, local innovation actors, public but also private, in particular incubators and innovation hubs that could moreover be interconnected to favour partnering between innovators. Support may also be given to promote soft skills for innovation, including to networks of vocational institutions and in close relation with the European Institute of Innovation and Technology;

Amendment

— Support also joint programmes for mentoring, coaching, technical assistance and other services that are delivered close to innovators, by networks such as Enterprise Europe Network (EEN), clusters, pan-European platforms such as Startup Europe, local innovation actors, public but also private, in particular incubators and innovation hubs that could moreover be interconnected to favour partnering between innovators. Support should also be given to promote soft skills for innovation, including to networks of vocational institutions and in close cooperation with the EIT.

Amendment 249
Proposal for a decision
Annex I — part III — point 3 — point 3.1 — paragraph 1

Text proposed by the Commission

As the report of the High Level Group on maximising the impact of EU research and innovation (the Lamy High level Group) clearly states, the way forward is 'to educate for the future and invest in people who will make the change'. In particular, European universities are called to stimulate entrepreneurship, tear down disciplinary borders and institutionalise strong non-disciplinary academia-industry collaborations. According to recent surveys, access to talented people is by far the most important factor influencing the location choices of European founders of start-ups. Entrepreneurship education and training opportunities play a key role in cultivating future innovators and in developing the abilities of existing ones to grow their business to greater levels of success. Access to entrepreneurial talent, together with access to professional services, capital and markets on the EU level, and bringing key innovation actors together around a common goal are key ingredients for nurturing an innovation ecosystem. There is a need to coordinate efforts across the EU in order to create a critical mass of interconnected EU-wide entrepreneurial clusters and ecosystems,

Amendment

As the report of the High Level Group on maximising the impact of EU research and innovation (the Lamy High level Group) clearly states, the way forward is 'to educate for the future and invest in people who will make the change'. In particular, European universities are called to stimulate entrepreneurship, tear down disciplinary borders and institutionalise strong non-disciplinary academia-industry collaborations. According to recent surveys, access to talented people is by far the most important factor influencing the location choices of European founders of start-ups. Entrepreneurship education and training opportunities play a key role in cultivating future innovators and in developing the abilities of existing ones to grow their business to greater levels of success. Access to entrepreneurial talent, together with access to professional services, capital and markets on the EU level, and bringing key innovation actors together around a common goal are key ingredients for nurturing an innovation ecosystem and creating successful innovation models and best practices at regional, national, and European levels. There is a need to coordinate efforts across the EU in order to create a critical mass of interconnected EU-wide entrepreneurial clusters and ecosystems.
Amendment 250
Proposal for a decision
Annex I — part III — point 3 — point 3.1 — paragraph 1 a (new)

Text proposed by the Commission

Amendment

The EIT is today's Europe's largest integrated innovation ecosystem, with over 1,000 excellent partners from business, research and education and beyond. The EIT's innovation model works and remains particularly relevant in removing barriers to innovation at Member State and regional level. The EIT will address these issues by promoting structural changes in the European innovation landscape. It will do so by fostering the integration of education, research and innovation of the highest standards, notably through its Knowledge and Innovation Communities (KICs), thereby creating new environments conducive to innovation, and by promoting and supporting a new generation of entrepreneurial people and by stimulating the creation of innovative spin-offs and start-ups.

Amendment 251
Proposal for a decision
Annex I — part III — point 3 — point 3.1 — paragraph 2 — introductory part

Text proposed by the Commission

Amendment

Efforts are still needed to develop ecosystems where researchers, innovators, industries and governments can easily interact. Innovation ecosystems, in fact, still do not work optimally due to a number of reasons such as:

Amendment 252
Proposal for a decision
Annex I — part III — point 3 — point 3.1 — paragraph 3

Text proposed by the Commission

Amendment

To address future challenges, embrace the opportunities of new technologies and contribute to sustainable economic growth, jobs, competitiveness and the well-being of Europe's citizens, there is the need to further strengthen Europe's capacity to innovate by: fostering the creation of new environments conducive to collaboration and innovation; strengthening the innovation capabilities of academia and the research sector; supporting a new generation of entrepreneurial people; stimulating the creation and the development of innovative ventures, as well as promoting and giving visibility to the research and innovation achievements from EU funding to the wider public.
Amendment 253
Proposal for a decision
Annex I — part III — point 3 — point 3.1 — paragraph 4 a (new)

Text proposed by the Commission

The EIT will address these challenges in line with its strategic objectives for the period 2021-2027, to be laid down in the legal proposal for the Strategic Innovation Agenda of the EIT.

Amendment 254
Proposal for a decision
Annex I — part III — point 3 — point 3.2 — point 3.2.1 — paragraph 1

Text proposed by the Commission

The EIT will play a reinforced role in strengthening sustainable innovation ecosystems across Europe, providing solutions to the most pressing global challenges our societies are facing. In particular, the EIT will continue to operate primarily through its Knowledge and Innovation Communities (KICs), the large-scale European partnerships that address specific societal challenges. The KICs will continue to strengthen innovation ecosystems around them, by fostering the integration of research, innovation and education. Furthermore, EIT will contribute to bridge existing gaps in innovation performance across Europe by expanding its Regional Innovation Scheme (EIT RIS). The EIT will work with innovation ecosystems that exhibit high innovation potential based on strategy, thematic alignment and impact, in close synergy with Smart Specialisation Strategies and Platforms.

Amendment 255
Proposal for a decision
Annex I — part III — point 3 — point 3.2 — point 3.2.1 — paragraph 2 — indent 1

Text proposed by the Commission

— Reinforcing the effectiveness of the existing KICs and setting up new ones in a limited number of thematic areas;

Amendment

— Reinforcing the effectiveness of the existing KICs and setting up new ones to tackle global challenges;
Amendment 256
Proposal for a decision
Annex I — part III — point 3 — point 3.2 — point 3.2.1 — paragraph 2 — indent 2

Amendment
— Accelerating regions towards excellence in countries that are modest or moderate innovators in close cooperation with relevant regional funds.

Text proposed by the Commission
— Accelerating regions towards excellence in countries that are modest or moderate innovators.

Amendment 257
Proposal for a decision
Annex I — part III — point 3 — point 3.2 — point 3.2.2 — paragraph 1

Text proposed by the Commission
The EIT education activities will be reinforced to foster innovation and entrepreneurship through better education and training. A stronger focus on human capital development will be grounded on the expansion of existing EIT KICs education programmes in the view of continuing to offer students and professionals high quality curricula based on innovation and entrepreneurship in line in particular with the EU industrial and skills strategy. This may include researchers and innovators supported by other parts of Horizon Europe, in particular MSCA. The EIT will also support the renewal of European Universities and their integration in innovation ecosystems by stimulating and increasing their entrepreneurial potential and capabilities and encouraging them to better anticipate new skills requirements.

Amendment
The EIT education activities will be reinforced to foster innovation and entrepreneurship through better education and training, including vocational training. A stronger focus on human capital development will be grounded on the expansion of existing EIT KICs education programmes in the view of continuing to offer students and professionals high quality curricula based on innovation and entrepreneurship in line in particular with the EU industrial and skills strategy. This may include researchers and innovators supported by other parts of Horizon Europe, in particular MSCA. The EIT will also support the renewal of European Universities and their integration in innovation ecosystems by stimulating and increasing their entrepreneurial potential and capabilities and encouraging them to better anticipate new skills requirements.

Amendment 258
Proposal for a decision
Annex I — part III — point 3 — point 3.2 — point 3.2.2 — paragraph 2 — indent 1

Text proposed by the Commission
— Development of innovative curricula, taking into account the future needs of industry, and cross-cutting programmes to be offered to students, entrepreneurs and professionals across Europe and beyond where specialist and sector specific knowledge is combined with entrepreneurial and innovation oriented skills, such as digital and key enabling technologies high-tech skills;

Amendment
— Development of innovative curricula, taking into account the future needs of industry and society, and cross-cutting programmes to be offered to students, entrepreneurs and professionals across Europe and beyond where specialist and sector specific knowledge is combined with entrepreneurial and innovation oriented skills, such as digital and key enabling technologies high-tech skills;
Amendment 259
Proposal for a decision
Annex I — part III — point 3 — point 3.2 — point 3.2.2 — paragraph 2 — indent 3

Text proposed by the Commission

— Development of innovation and entrepreneurship capabilities of the higher education sector, by leveraging the EIT Community expertise in linking education, research and business;

Amendment

— Development and dissemination of innovation and entrepreneurship capabilities of the higher education sector, by leveraging and promoting the EIT Community expertise in linking education, research and business;

Amendment 260
Proposal for a decision
Annex I — part III — point 3 — point 3.2 — point 3.2.2 — paragraph 2 — indent 4 a (new)

Text proposed by the Commission

— EIT Awards, i.e. the EIT’s well-established recognition prize for the development of novel solutions to global challenges and the reward of young talents and innovators.

Amendment

— EIT Awards, i.e. the EIT’s well-established recognition prize for the development of novel solutions to global challenges and the reward of young talents and innovators.

Amendment 261
Proposal for a decision
Annex I — part III — point 3 — point 3.2 — point 3.2.3 — introductory part

Text proposed by the Commission

3.2.3. New solutions to the market

Amendment

3.2.3. New solutions to address global challenges

Amendment 262
Proposal for a decision
Annex I — part III — point 3 — point 3.2 — point 3.2.3 — paragraph 1

Text proposed by the Commission

The EIT will facilitate and empower entrepreneurs, innovators, educators, students and other innovation actors to work together in cross-disciplinary teams to generate ideas and transform them into both incremental and disruptive innovations. Activities will be characterised by an open innovation and cross-border approach, with a focus on including relevant Knowledge Triangle activities that are pertinent to making them a success (e.g. project’s promoters can improve their access to: specifically qualified graduates, start-ups with innovative ideas, non-domestic firms with relevant complementary assets etc.).

Amendment

The EIT will facilitate and empower entrepreneurs, innovators, designers, educators, students and other innovation actors to work together in cross-disciplinary teams to generate ideas and transform them into both incremental and disruptive innovations. Activities will be characterised by an open innovation and cross-border approach, with a focus on including relevant Knowledge Triangle activities that are pertinent to making them a success (e.g. project’s promoters can improve their access to: specifically qualified graduates, start-ups with innovative ideas, non-domestic firms with relevant complementary assets etc.).
Amendment 263
Proposal for a decision
Annex I — part III — point 3 — point 3.2 — point 3.2.3 — paragraph 2 — indent 1

Text proposed by the Commission
— Support to the development of new products and services where Knowledge Triangle actors will collaborate to make solutions market-ready;

Amendment
— Support to turn research into the development of new products, services and markets where Knowledge Triangle actors will collaborate to bring solutions to global challenges;

Amendment 264
Proposal for a decision
Annex I — part III — point 3 — point 3.2 — point 3.2.4 — paragraph 2 — indent 2

Text proposed by the Commission
— Planning and implementation of EIT activities in order to maximise synergies and complementarities with the actions under the Global Challenges and Industrial Competitiveness Pillar;

Amendment
— Planning and implementation of EIT activities in order to maximise synergies and complementarities with the actions under the Excellent and Open Science and Global Challenges and European Industrial Competitiveness Pillars and when appropriate, contribution to these actions;

Amendment 265
Proposal for a decision
Annex I — part III — point 3 — point 3.2 — point 3.2.4 — paragraph 2 — indent 3

Text proposed by the Commission
— Engage with EU Member States at both national and regional level, establishing a structured dialogue and coordinating efforts to enable synergies with existing national initiatives, in order to identify, share and disseminate good practices and learnings;

Amendment
— Engage with EU Member States at both national and regional level, establishing a structured dialogue and coordinating efforts to enable synergies with existing and future national initiatives, in order to identify, share and disseminate good practices and learnings;
Amendment 266
Proposal for a decision
Annex I — part III — point 3 — point 3.2 — point 3.2.4 — paragraph 2 — indent 3 a (new)

Text proposed by the Commission

— Share and disseminate innovative practices and learnings and contribute to innovation policy in Europe, where appropriate in conjunction and close cooperation with other parts of Horizon Europe.

Amendment 267
Proposal for a decision
Annex I — part III — point 3 — point 3.2 — point 3.2.4 — paragraph 2 — indent 4

Text proposed by the Commission

— Provision of input to innovation policy discussions and contribution to the implementation of EU policy priorities by continuously working with all relevant European Commission services, other EU programmes and their stakeholders, and further exploring opportunities within policy implementing initiatives;

— Provision of input to innovation policy discussions and contribution to the design and implementation of EU policy priorities by continuously working with all relevant European Commission services, other EU programmes and their stakeholders, and further exploring opportunities within policy implementing initiatives;

Amendment 268
Proposal for a decision
Annex I — part 4 — paragraph 5

Text proposed by the Commission

The EU now needs to raise the bar on the quality and impact of its research and innovation system, requiring a revitalised European Research Area (ERA) (31), better supported by the EU’s research and innovation Framework Programme. Specifically, a well-integrated yet tailored set of EU measures (32) is needed, combined with reforms and performance enhancements at national level (to which the Smart Specialisation Strategies supported under the European Regional Development Fund can contribute) and, in turn, institutional changes within research funding and performing organisations, including universities. By combining efforts at EU level, synergies can be exploited and the necessary scale can be found to make support to national policy reforms more efficient and impactful.

(31) Council Conclusions on the ERA Roadmap, 19 May 2015 [To be updated as necessary].
(32) TFEU Article 181.2
Amendment 269
Proposal for a decision
Annex I — part 4 — point 1 — introductory part

Text proposed by the Commission

1. SHARING EXCELLENCE

A criterion based on research and innovation excellence will be used to define those Member States and Associated Countries where legal entities need to be established in order to be eligible to submit proposals as coordinators under ‘sharing excellence’. This criterion will address the dimensions of the overall economic performance (GDP), research performance and innovation performance in a combined manner normalised to the size of the related countries. The countries identified with this criterion are called ‘eligible countries’ in the context of ‘sharing excellence’. On the basis of Article 349 TFEU, legal entities from Outermost Regions will be also fully eligible as coordinators under ‘sharing excellence’.

Amendment 270
Proposal for a decision
Annex I — part 4 — point 1 — paragraph 1

Text proposed by the Commission

Reducing disparities in research and innovation performance by sharing knowledge and expertise across the EU will help countries and regions that are lagging behind in terms of research and innovation performance, including the EU outermost regions, to attain a competitive position in the global value chains. Activities may also be established to foster brain circulation right across ERA and better exploitation of existing (and possibly jointly managed EU programmes) research infrastructures in the targeted countries through mobility of researchers and innovators.

Amendment

Reducing disparities in research and innovation performance by sharing knowledge and expertise across the EU and by widening participation in the programme will help countries and regions that are lagging behind in terms of research and innovation performance, including the EU outermost regions and less developed regions, to attain a competitive position in the global value chains and the Union to fully benefit from R&I potential of all Member States. Activities may also be established to foster brain circulation right across ERA and better exploitation of existing (and possibly jointly managed EU programmes) research infrastructures in the targeted countries through mobility and virtual collaboration of researchers and innovators and strengthening, and where appropriate, setting up new R&I networks and R&I initiatives on the base of those infrastructures.
Amendment 271
Proposal for a decision
Annex I — part 4 — point 1 — paragraph 3

Text proposed by the Commission

Broad Lines

— Teaming, to create new centres of excellence or upgrade existing ones in eligible countries, building on partnerships between leading scientific institutions and partner institutions;

— Twinning, to significantly strengthen a university or research organisation from an eligible country in a defined field, by linking it with internationally-leading research institutions from other Member States or Associated Countries.

— ERA Chairs, to support universities or research organisations attract and maintain high quality human resources under the direction of an outstanding researcher and research manager (the ‘ERA Chair holder’), and to implement structural changes to achieve excellence on a sustainable basis.

— European Cooperation in Science and Technology (COST), involving ambitious conditions regarding the inclusion of eligible countries, and other measures to provide scientific networking, capacity building and career development support to researchers from these target countries. 80 % of the total budget of COST will be devoted to actions fully aligned with the objectives of this intervention area.

— ‘Excellence Initiatives’, to support innovative initiatives aiming to strengthen research and innovation excellence in the eligible countries, including supporting training to improve R&D managerial skills, attractiveness prizes, strengthening innovation ecosystems as well as the creation of R&D networks, including on the basis of research infrastructures financed by the EU. Applicants need to clearly show that projects are linked with national and/or regional R&D strategies to be able to apply for funding under this broad line.

Amendment

Broad Lines

— Teaming, to create new centres of excellence or upgrade existing ones in eligible countries, including small and medium sized research infrastructures and those funded by ERDF, by ensuring cooperation in all stages of research between leading scientific institutions and partner institutions. Applicants need to clearly show that projects are linked with national and/or regional R&D strategies to be able to apply for funding under this broad line.

— Twinning, to significantly strengthen a university or research organisation from an eligible country in all fields of research by linking it with internationally-leading research institutions from other Member States or Associated Countries. Applicants need to clearly show that projects are linked with national and/or regional R&D strategies to be able to apply for funding under this broad line.

— ERA Chairs, to support universities or research organisations attract and maintain high quality human resources under the direction of an outstanding researcher and research manager (the ‘ERA Chair holder’), and to implement structural changes to achieve excellence on a sustainable basis.

— European Cooperation in Science and Technology (COST), involving ambitious conditions regarding the inclusion of eligible countries, and other measures to provide scientific networking, capacity building and career development support to researchers from these target countries. 80 % of the total budget of COST will be devoted to actions fully aligned with the objectives of this intervention area.

— ‘Excellence Initiatives’, to support innovative initiatives aiming to strengthen research and innovation excellence in the eligible countries, including supporting training to improve R&D managerial skills, attractiveness prizes, strengthening innovation ecosystems as well as the creation of R&D networks, including on the basis of research infrastructures financed by the EU. Applicants need to clearly show that projects are linked with national and/or regional R&D strategies to be able to apply for funding under this broad line.
Widening fellowships and prizes, to attract and enable excellent researchers of any nationality to acquire and transfer new knowledge into widening countries. Prizes shall be awarded in particular to projects attracting scientists wishing to establish themselves in widening countries. This scheme will be complementary with other parts of the Programme, in particular with Marie Skłodowska Curie actions.

Amendment 272

Proposal for a decision
Annex I — part 4 — point 1 — paragraph 5

This intervention area will support the Horizon Europe specific objectives: Spread and connect excellence across the EU; Reinforce the creation of high quality knowledge; Increase cross-sectorial, cross-disciplinary cross-border cooperation.

The Spreading Excellence and widening participation priority will support the Horizon Europe specific objectives: Spread and connect excellence across the EU and widen participation in the Programme; Reinforce the creation of high quality knowledge; Increase cross-sectorial, cross-disciplinary cross-border cooperation. All actions will encourage synergies with other national and EU funds, particularly with ERDF, Cohesion Policy and ESF+, in line with regional research and innovation smart specialisation strategies and operational programmes.
— Providing researchers with attractive career environments, skills and competences needed in the modern knowledge economy (36). Linking the ERA and the European Higher Education Area by supporting the modernisation of universities and other research and innovation organisations, through recognition and reward mechanisms to spur actions at national level, as well as incentives promoting the adoption of open science practices, entrepreneurship (and links to innovation ecosystems), trans-disciplinarity, citizen engagement, international and inter-sectoral mobility, gender equality plans and comprehensive approaches to institutional changes. In that context, also complementing the Erasmus programme support for the European Universities initiative, in particular through financing research and innovation projects within these networks, as part of developing new joint and integrated long term and sustainable strategies on education, research and innovation based on trans-disciplinary and cross-sectoral approaches to make the knowledge triangle a reality, providing impetus to economic growth.

(36) Including notably the European Charter for researchers, the code of conduct for the recruitment of researchers, EURAXESS and RESAVER Pension Fund.

Amendment 274
Proposal for a decision
Annex I — part 4 — point 2 — paragraph 2 — indent 6

— Citizen science, supporting all types of formal, non-formal and informal science education, including engagement of citizens in the co-design of research and innovation agenda settings and policy, in the co-creation of scientific content and innovation through transdisciplinary activities;

Amendment
— Citizen science supporting all types of formal, non-formal and informal science education, including assessing the barriers for and encouraging engagement of citizens in the co-design of research and innovation agenda settings and policy, in the co-creation of scientific content and innovation through transdisciplinary activities.
**Amendment 275**  
Proposal for a decision  
Annex II — paragraph 1

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Establishing the European Defence Fund ***I


(Ordinary legislative procedure: first reading)

[Amendment 1, unless otherwise indicated]

(2020/C 388/41)

AMENDMENTS BY THE EUROPEAN PARLIAMENT (*)

to the Commission proposal

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

establishing the European Defence Fund

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 173(3), Article 182(4), Article 183 and the second paragraph of Article 188 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee,

Acting in accordance with the ordinary legislative procedure,

Whereas:

(-1a) Defence is considered to be a clear example of how a greater effectiveness could be achieved by transferring certain competences and actions currently performed by the Member States and the corresponding appropriations to the European level, resulting in a demonstration of the European added value and allowing a limitation of the overall burden of public expenditure in the Union.

(-1b) The Union’s geopolitical context has changed dramatically in the last decade. The situation in Europe’s neighbouring regions is unstable and the Union faces a complex and challenging environment combining the emergence of new threats like hybrid and cyber-attacks and the return of more conventional challenges. Faced with that context both European citizens and their political leaders share the view that more has to be done collectively in the area of defence. 75 % of Europeans support a common defence and security policy. The Rome Declaration of the leaders of 27 Member States and of the European Council, the European Parliament and the Commission of 25 March 2017 stated that the Union will strengthen its common security and defence and foster a more competitive and integrated defence industry.

(*) The matter was referred back for interinstitutional negotiations to the committee responsible pursuant to Rule 59(4), fourth subparagraph (A8-0412/2018).

(*) Amendments: new or amended text is highlighted in bold italics; deletions are indicated by the symbol ▌.
In its Communication of 30 November 2016 on the European Defence Action Plan, adopted on 30 November 2016, the Commission committed to complement, leverage and consolidate collaborative efforts by Member States in developing defence technological and industrial capabilities to respond to security challenges, as well as to foster a competitive, innovative and efficient European defence industry and to create a more integrated defence market throughout the Union. It proposed in particular to launch a European Defence Fund (the 'Fund') to support investments in joint research and the joint development of defence products and technologies, thus fostering synergies and cost-effectiveness, and to promote the Member States’ joint purchase and maintenance of defence equipment. This Fund would complement national funding already used for this purpose and should act as an incentive for Member States to cooperate cross-border and invest more in defence. The Fund would support cooperation during the whole cycle of defence products and technologies.

On 7 June 2017, the Commission adopted a Communication launching the European Defence Fund. A two-step approach was proposed: first, in order to test the approach, initial financing for both research and development has been made available under the 2014-2020 Multi-Annual Financial Framework ('MFF') by the adoption of Regulation (EU) 2018/1092 of the European Parliament and of the Council (1); second, a dedicated Fund would be established under the MFF 2021 to 2027, scaling up the funding for collaborative research in innovative defence products and technologies and for subsequent stages of the development cycle, including the development of prototypes. There should be a consistent and coherent approach between those two steps.

The defence sector is characterised by increasing costs of defence equipment and by high research and development (R&D) costs that limit the launch of new defence programmes and directly impact on the competitiveness and innovation capacity of the Union’s industry. In view of the cost escalation, of the magnitude of non-recurring R&D expenses and of the small series that can be procured nationally, the development of a new generation of major defence systems and of new defence technologies is increasingly beyond the reach of single Member State.

In its resolution of 14 March 2018 on the next MFF: Preparing the Parliament’s position on the MFF post-2020, the European Parliament reiterated its support for the creation of a European Defence Union, with a specific research programme in the area of defence of the Union and an industrial development programme in which Member States invest, in order to eliminate duplication and increase the strategic autonomy and efficiency of the European defence industry. It also reiterated that the Union could be stronger and more ambitious only if additional financial means were made available to it and called, therefore, for ongoing support to be provided in the context of existing policies which increase resources for the Union’s flagship programmes, and for additional responsibilities to be matched with additional financial means.

The situation of the defence sector has been further exacerbated by significant cuts in defence budgets across Europe in the last 10 years, affecting in particular R&D and equipment expenditures. Between 2006 and 2013 real defence expenditure levels in the EDAs participating Member States were reduced by 12%. Considering that defence R&D is the basis for the development of the future cutting-edge defence technologies, such trends are particularly worrying and pose a serious challenge to the capacity to maintain Union’s defence industry competitiveness in the long term.

Despite the interplay between increasing costs and decreasing spending, defence planning and defence spending on R&D and procurement of equipment has remained largely at national level with very limited cooperation between Member States in defence equipment investments. Additionally, when implemented, only few programmes are also linked to Union capability priorities — in 2015 only 16% of equipment was procured through European collaborative procurement, far below the agreed collective benchmark of 35%.

The Fund would contribute to the establishment of a strong, competitive and innovative defence industrial and technological base and go hand in hand with the Union’s initiatives towards a more integrated European Defence Market and in particular, the two Directives (1) on procurement and on EU transfers in the defence sector adopted in 2009. **It is therefore of crucial importance that key regulatory preconditions are fulfilled, especially the full implementation of those Directives. The Fund is intended to form the cornerstone of a sound European defence industrial policy.**

Following an integrated approach and in order to contribute to the enhancement of the competitiveness and innovation capacity of the Union’s defence industry, a European Defence Fund should be established. The Fund should aim at enhancing the competitiveness, innovation, efficiency and **technological and industrial** autonomy of the Union’s defence industry thereby contributing to the Union’s strategic autonomy by supporting the cross border cooperation between Member States and between enterprises, research centres, national administrations, international organisations and universities throughout the Union, in the research phase and in the development phase of defence products and technologies. To achieve more innovative solutions and an open internal market, the Fund should support the cross-border participation of defence small and medium sized enterprises (SMEs) and middle capitalisation companies (mid-caps). **In order to foster an open internal market, the Fund should facilitate the widening of cross-border cooperation between legal entities, in particular the cross-border participation of SMEs and mid-caps.**

European security is dependent on strong and robust relations with strategic partners around the world and the Programme should enhance the competitiveness of the European defence industrial market by further strengthening partnerships through R&D, thereby promoting European strategic capacity and capability.

The research phase is a crucial element as it conditions the capacity of the European industry and the autonomy of the European industry to develop products and the independence of Member States as defence end-users. The research phase linked to the development of defence capabilities may include significant risks, in particular related to the low level of maturity and the disruption of technologies. The development phase, which follows the research and technology phase, also entails significant risks and costs that hamper the further exploitation of the results of research and adversely impact the competitiveness and innovation of the Union’s defence industry. **The Fund should foster the link between the R&D phases of defence products and technologies in order to bridge the Valley of Death.**

The Fund should not support pure basic research which should instead be supported through other schemes but may include defence oriented basic research likely to form the basis of the solution to recognised or expected problems or possibilities.

The Fund could support actions pertaining to both new and the upgrade of existing products and technologies, wherever the use of pre-existing information needed to perform the action for the upgrade is not subject to restriction by non-associated third countries or non-associated third country entities. When applying for the Union funding, legal entities should be required to provide the relevant information to establish the absence of restrictions. In the absence of such information, the Union funding should not be possible.

**The Fund should adequately support R&D actions in the area of disruptive technologies for defence. As disruptive technologies can be based on concepts or ideas originating from non-traditional defence R&D actors, the Fund should allow for sufficient flexibility in consulting stakeholders, as well as in funding and managing actions.**

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In order to ensure that the Union’s and its Member States’ international obligations are respected in the implementation of this Regulation, actions relating to products or technologies the use, development or production of which are prohibited by international law should not receive funding under the Fund. In this respect, the eligibility of actions related to new defence products or technologies, such as those that are specifically designed to carry out lethal strikes without any human control over the engagement decisions, should also be subject to developments in international law.

Regarding exports of products which would be the result of R&D actions of the Programme, particular attention should be paid to Article 7(1) of the 2013 UN Arms Trade Treaty, which provides that even if the export is not prohibited, exporting State Parties are, in an objective and non-discriminatory manner and taking into account relevant factors, to assess the potential that the conventional arms or items: (a) would contribute to or undermine peace and security or (b) could be used to (i) commit or facilitate a serious violation of international humanitarian law, (ii) commit or facilitate a serious violation of international human rights law, (iii) commit or facilitate an act constituting an offence under international conventions or protocols relating to terrorism to which the exporting State is a Party, or (iv) commit or facilitate an act constituting an offence under international conventions or protocols relating to transnational organized crime to which the exporting State is a Party.

The difficulty to agree on consolidated defence capability requirements and common technical specifications or standards hampers cross-border collaboration between Member States and between legal entities based in different Member States. The absence of such requirements, specifications and standards has led to increased fragmentation of the defence sector, technical complexity, delays, inflated costs, unnecessary duplication of capabilities as well as decreased interoperability. The agreement on common technical specifications should be a prerequisite for actions involving a higher level of technological readiness. Activities of Member States fostering interoperability, leading to common defence capability requirements and supporting studies as well as actions aiming at supporting the creation of a common definition of technical specifications or standards should also be eligible for support by the Fund in order to avoid competing specifications or standards from undermining interoperability.

As the objective of the Fund is to support the competitiveness, efficiency, industrial autonomy and innovation of the Union defence industry by leveraging and complementing collaborative defence research and technology activities and de-risking the development phase of cooperative projects, actions related to the R&D of a defence product or technology should be eligible to benefit from it. This will also apply to the upgrade, including the interoperability thereof, of existing defence products and technologies.

Given that the Fund aims particularly at enhancing cooperation between legal entities and Member States across Europe, an action should be eligible for funding only if it is undertaken by a cooperation within a consortium of at least three legal entities based in at least three different Member States. Any additional legal entity participating in the consortium should be permitted to be established in an associated country. In every type of cooperation, legal entities established in Member States should be a majority within the consortium. At least three of these legal eligible entities established in at least two different Member States and/or associated countries should not be controlled, directly or indirectly, by the same entity or should not control each other. In order to boost the cooperation between Member States the Fund may support joint pre-commercial procurement.

Pursuant to [reference to be updated as appropriate according to a new decision on OCTs: Article 94 of Council Decision 2013/755/EU(1)], entities established in overseas countries and Territories (OCTs) are to be eligible for funding subject to the rules and objectives of the Fund and possible arrangements applicable to the Member State to which the OCTs is linked.

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As the Fund aims at enhancing the competitiveness, efficiency and autonomy of the Union’s defence industry, only entities established in the Union or associated countries and not subject to control by non-associated third countries or non-associated third country entities should in principle be eligible for support. Additionally, in order to ensure the protection of essential security and defence interests of the Union and its Member States, the infrastructure, facilities, assets and resources used by the recipients and their subcontractors in actions supported by the Fund should be located on the territory the Union or of associated third countries.

In certain circumstances, if this is necessary for achieving the objectives of the action, it should be possible to derogate from the principle that recipients and their subcontractors should not be subject to control by non-associated third countries or non-associated third country entities. In that perspective, legal entities established in the Union that are controlled by a non-associated third country or a non-associated third country entity can be eligible if relevant and strict conditions relating to the security and defence interests of the Union and its Member States are fulfilled. The participation of such entities should not contravene the objectives of the Fund. Applicants should provide all relevant information about the infrastructure, facilities, assets and resources to be used in the action. **In any event, no derogation should be granted to applicants controlled by a non-associated third country subject to any Union restrictive measures or by a non-associated third-country entity subject to any Union restrictive measures.**

If a consortium wishes to participate in an eligible action and the financial assistance of the Union is to take the form of a grant, the consortium should appoint one of its members as a coordinator who will be the principal point of contact.

In case a development action supported by the Fund is managed by a project manager appointed by Member States or associated countries, the Commission should **consult** the project manager prior to executing the payment to the recipient so that the project manager can ensure that the time-frames are respected by the recipients. The project manager should provide the Commission with its observations on the progress of the action so that the Commission can validate whether the conditions to proceed to the payment are fulfilled.

In order to ensure that the funded actions are financially viable, it is necessary that the beneficiaries demonstrate that the costs of the action not covered by the Union’s funding are covered by other means of financing.

Different types of financial arrangement should be at the disposal to Member States for the joint development and acquisition of defence capabilities. The Financial Toolbox developed by the Commission should provide different types of arrangements that Member States can use to address challenges for collaborative development and procurement from a financing perspective. The use of such financial arrangements could further foster the launch of collaborative and cross-border defence projects, **contribute to avoiding duplications** and increase the efficiency of defence spending, including for projects supported under the European Defence Fund.

Given the specificities of the defence industry where demand comes almost exclusively from Member States and associated countries, which also control all acquisition of defence-related products and technologies, including exports, the functioning of the defence sector is unique and does not follow the conventional rules and business models that govern more traditional markets. Industry therefore cannot undertake substantial self-funded defence R&D projects and Member States and associated countries normally fully fund all R&D cost. To achieve the objectives of the Fund, notably to incentivise cooperation between companies from different Member States and associated countries, and taking into account the specifics of the defence sector, **the totality of the eligible costs should be covered for actions that take place ahead of the development of prototypes phase.**

The prototype phase is a crucial phase where Member States or associated countries usually decide on their consolidated investment and start the acquisition process of their future defence products or technologies. This is the reason why, at this specific stage, Member States and associated countries agree on the necessary commitments including cost-sharing and ownership of the project. To ensure the credibility of their commitment, the financial assistance of the Union under the Fund should normally not exceed 20 % of the eligible costs.

For actions beyond the prototype phase, funding up to 80 % should be foreseen. These actions which are closer to product and technology finalisation may still involve substantial costs.
Stakeholders in the defence sector are facing specific indirect costs, such as costs for security. Furthermore, stakeholders are working in a specific market where they — without any demand on the buyers’ side — cannot recover the R&D costs like in the civilian sector. Therefore, it is justified to allow a flat rate of 25% as well as the possibility to charge indirect costs calculated in accordance with the usual accounting practises of beneficiaries if these practises are accepted by their national authorities under comparable national funding schemes, which have been communicated to the Commission.

Projects with participation of cross-border SMEs and mid-caps support the opening up of the supply chains and contribute to the objectives of the Fund. Such actions should therefore be eligible for an increased funding rate benefitting all entities participating in the consortium.

In order to ensure that the funded actions will contribute to the competitiveness and efficiency of the European defence industry, it is important that Member States already intend to jointly procure the final product or use the technology, notably through joint cross-border procurement, where Member States jointly organise their procurement procedures in particular with the use of a central purchasing body. As defence ministries of Member States are exclusive customers and defence industries are the sole providers of defence products, in order to facilitate procurement, ministries of defence of Member States should be involved in the project from the technical specification all the way until the project is finished.

To respond to increased instability and conflicts in their neighbourhood and new security and geopolitical threats, Member States and the Union need to coordinate investment decisions, and thus require a common definition of threats, needs and priorities, including anticipated military capability needs, which could be identified via procedures such as the Capability Development Plan (CDP).

The promotion of innovation and technological development in the Union defence industry should take place in a manner coherent with the security and defence interests of the Union. Accordingly, the action’s contribution to those interests and to the defence research and capability priorities commonly agreed by Member States should serve as an award criterion. Within the Union, common defence research and capability shortfalls are identified in the Common Security and Defence Policy (CSDP) framework notably through Overarching Strategic Research Agenda and the CDP, including the CDP Strategic Context Cases. Other Union processes such as the Coordinated Annual Review on Defence and the Permanent Structured Cooperation will support the implementation of relevant priorities through identifying and taking forward opportunities for enhanced cooperation with a view to fulfilling the EU level of ambition on security and defence. Where appropriate, regional and international priorities, including those in the North Atlantic Treaty Organisation context, should also be taken into account if they are in line with Union priorities and do not prevent any Member State or an associated country from participating, while also taking into account that unnecessary duplication should be avoided.

Eligible actions developed in the context of Permanent Structured Cooperation (PESCO) in the institutional framework of the Union should ensure enhanced cooperation between legal entities in the different Member States on a continuous basis and thus directly contribute to the aims of the Fund. If selected, such projects should thus be eligible for an increased funding rate.

The Fund should take into account the Action Plan on Military Mobility as part of the next Connecting Europe Facility, European Peace Facility to support, and, inter alia, Common Foreign and Security Policy CFSP/CSDP Missions and efforts to counter Hybrid Threats, that together with CDP, CARD and PESCO help to coordinate capability planning, development, procurement and operations.

The Commission will take into account the other activities financed under the Horizon Europe Framework programme in order to avoid unnecessary duplication and ensure the cross-fertilisation and synergy between civil and defence research and ensure that Horizon Europe remains a purely civil research programme.
Cybersecurity and cyber defence are increasingly important challenges and the Commission and the High
Representative recognised the need to establish synergies between cyber defence actions within the scope of the
Fund and Union initiatives in the field of cybersecurity, such as those announced in the Joint Communication on
cybersecurity. In particular, the European Cybersecurity Industrial, Technology and Research Competence Centre
to be set up should seek synergies between the civilian and defence dimensions of cybersecurity. It could actively
support Member States and other relevant actors by providing advice, sharing expertise and facilitating collaboration
with regard to projects and actions as well as when requested by Member States acting as a project manager in
relation to the European Defence Fund.

An integrated approach should be ensured by bringing together activities covered by the Preparatory Action on
Defence Research launched by the Commission within the meaning of Article [58 (2) (b)] of Regulation (EU,
Euratom) 2018/…of the European Parliament and of the Council (the ‘Financial Regulation’) and the European
Defence Industrial Development Programme established by Regulation (EC) No … of the European Parliament and
of the Council and to harmonise the conditions for participation, to create a more coherent set of instruments, to
increase the innovative, collaborative and economic impact, while avoiding unnecessary duplication and
fragmentation. With this integrated approach, the Fund would also contribute to a better exploitation of the
results of defence research, covering the gap between R&D taking into account the specificities of the defence sector,
and promoting all forms of innovation, and as positive spillover effects can be expected, where applicable, in the
civil field, including disruptive innovation where possible failure should be accepted.

The policy objectives of this Fund will be also addressed through financial instruments and budgetary guarantees
under the policy window(s) […] of the InvestEU Fund.

Financial support should be used to address market failures or sub-optimal investment situations, in a proportionate
manner and actions should not duplicate or crowd out private financing or distort competition in the internal
market. Actions should have a clear European added value.

The types of financing and the methods of implementation under this Regulation should be chosen on the basis of
their ability to achieve the specific objectives of the actions and to deliver results, taking into account, in particular,
the costs of controls, the administrative burden, and the expected risk of non-compliance. This should include
consideration of the use of lump sums, flat rates and unit costs, as well as financing not linked to costs as referred to
in Article [125(1)] of the Financial Regulation.

The Commission should establish annual or multiannual work programmes in line with the objectives of the Fund.
The work programmes should take into account the initial lessons learned from of the European Defence
Industrial Development Programme, the Pilot Project and the Preparatory Action on Defence Research.

In order to ensure uniform conditions for the implementation of this Regulation implementing powers should be
conferred on the Commission as regards the adoption of the work programme and for awarding the funding to
selected development actions. In particular, while implementing development actions, the specificities of the defence
sector, notably the responsibility of Member States and/or associated countries for the planning and acquisition
process, should be taken into account. These implementing powers should be exercised in accordance with

In order to support an open internal market, participation of cross-border SMEs and mid-caps, either as members of
consortia or as subcontractors, should be encouraged. The work programme should ensure that a credible
proportion of the overall budget benefits actions enabling the cross-border participation of SMEs and mid-caps.

general principles concerning mechanisms for control by Member States of the Commission’s exercise of implementing powers
(34) The Commission should endeavour to maintain dialogue with the European Parliament, Member States and industry to ensure the success of the Fund through the impact it brings to the defence industry.

(35) This Regulation lays down a financial envelope for the European Defence Fund which is to constitute the prime reference amount, within the meaning of [the new inter-institutional agreement] between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management (1), for the European Parliament and the Council during the annual budgetary procedure. The Commission should ensure that administrative procedures are kept as simple as possible and incur a minimum amount of additional expenses.

(36) The Financial Regulation applies to the Fund, unless otherwise specified. It lays down rules on the implementation of the Union budget, including the rules on grants, prizes, procurement, financial assistance, financial instruments and budgetary guarantees.

(37) Horizontal financial rules adopted by the European Parliament and the Council on the basis of Article 322 of the Treaty on the Functioning of the European Union apply to this Regulation. These rules are laid down in the Financial Regulation and determine in particular the procedure for establishing and implementing the budget through grants, procurement, prizes, indirect implementation, and provide for checks on the responsibility of financial actors. Rules adopted on the basis of Article 322 TFEU also concern the protection of the Union's budget in case of generalised deficiencies as regards the rule of law in the Member States, as the respect for the rule of law is an essential precondition for sound financial management and effective EU funding.

(38) In accordance with the Financial Regulation, Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council (2), Council Regulation (Euratom, EC) No 2988/95 (3) and Council Regulation (Euratom, EC) No 2185/96 (4) and Council Regulation (EU) 2017/1939 (5), the financial interests of the Union are to be protected through proportionate measures, including the prevention, detection, correction and investigation of irregularities and fraud, the recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, the imposition of administrative sanctions. In particular, in accordance with Regulation (EU, Euratom) No 883/2013 and Regulation (Euratom, EC) No 2185/96 the European Anti-Fraud Office (OLAF) may carry out administrative investigations, including on-the-spot checks and inspections, with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union. In accordance with Regulation (EU) 2017/1939, the European Public Prosecutor's Office (EPPO) may investigate and prosecute fraud and other criminal offences affecting the financial interests of the Union as provided for in Directive (EU) 2017/1371 of the European Parliament and of the Council (6). In accordance with the Financial Regulation, any person or entity receiving Union funds is to fully cooperate in the protection of the Union’s financial interests, to grant the necessary rights and access to the Commission, OLAF, the EPPO and the European Court of Auditors (ECA) and to ensure that any third parties involved in the implementation of Union funds grant equivalent rights.

(39) Third countries which are members of the European Economic Area (EEA) may participate in Union programmes in the framework of the cooperation established under the EEA agreement, which provides for the implementation of the programmes by a decision under that agreement. A specific provision should be introduced in this Regulation to grant the necessary rights for and access to the authorising officer responsible, the European Anti-Fraud Office (OLAF) as well as the European Court of Auditors to comprehensively exert their respective competences.

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Pursuant to paragraph 22 and 23 of the Inter-institutional agreement for Better Law-Making of 13 April 2016, there is a need to evaluate this regulation on the basis of information collected through specific monitoring requirements, while avoiding overregulation and administrative burdens, in particular on Member States. These requirements, where appropriate, can include measurable indicators, as a basis for evaluating the effects of the regulation on the ground. The Commission should carry out an interim evaluation no later than four years after the start of the Fund implementation and a final evaluation at the end of the implementation period of the Fund, examining the financial activities in terms of financial implementation results and to the extent possible at that point in time, results and impact. These reports should also analyse the cross-border participation of SMEs and mid-caps in projects supported by the Fund as well as the participation of SMEs and mid-caps to the global value chain and should also contain information on the countries of origin of the recipients, the number of countries involved in individual projects and, where possible, the distribution of the generated intellectual property rights. The Commission may also propose amendments to this Regulation to react on possible developments during the implementation of the Fund.

Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Fund will contribute to mainstream climate action in the Union's policies and to the achievement of an overall target of 25% of the EU budget expenditures supporting climate objectives. Relevant actions will be identified during the Fund's preparation and implementation, and reassessed in the context of its mid-term evaluation.

As the Fund supports only the R&D phases of defence products and technologies, the Union should not have ownership or intellectual property rights (IPRs) over the products or technologies resulting from the funded actions unless the Union assistance is provided through procurement. However, for research actions, interested Member States and associated countries should have the possibility to use the results of funded actions and participate in follow-up cooperative development and therefore derogations to that principle should be allowed.

The Union financial support should be accompanied by the full and proper implementation of Directive 2009/43/EC of the European Parliament and of the Council (1) on the transfer of defence-related products within the Union, and should not affect the export of products, equipment or technologies.

Entities which have been found guilty in a court of law of a criminal offence such as, but not limited to, bribing an official or breaching EU restrictive measures, should not be eligible for funding. The Commission may decide that any such entity, or an entity where senior executives have been found guilty, shall be barred from applying for funding for a period of no less than 36 months following conviction. The Commission shall maintain a publicly accessible database of all barred undertakings. Where an entity is under a credible and relevant investigation for a criminal offence, the Commission should reserve the right to await the outcome of the investigation before awarding funding. [Am. 4]

The Fund should support industry best practice in corporate governance and procurement practices. This should include the possibility for anonymous and confidential whistleblowing, through hotlines operated by third parties and with procedures in place to prevent retaliation. The award procedure should reflect those corporate governance standards with the goal of raising corporate accountability standards in the European defence sector. [Am. 5]

Use of sensitive background information or access by unauthorised individuals to sensitive results generated by research projects may have an adverse impact on the interests of the Union or of one or more of the Member States. Thus handling of confidential data and classified information should be governed by all relevant Union law, including the Institutions' internal rules, such as Commission Decision (EU, Euratom) 2015/444 (2).


In order to be able to supplement or amend this Regulation, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of the award of funding for development actions, the adoption of the work programmes and the impact pathway indicators. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States’ experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

The Commission should manage the Fund having due regard to the requirements of confidentiality and security, in particular classified information and sensitive information.

Undertakings, when proposing new defence products or technologies or proposing to re-purpose existing ones, are bound by the applicable legislation. Where no readily applicable legislation exists, they should commit themselves to respecting a body of universal ethical principles relating to the fundamental rights and the welfare of human beings, the protection of the human genome, the treatment of animals, the preservation of the natural environment, the protection of the cultural heritage, and the equitable access to global commons, including space and the cyberspace. The Commission should ensure that proposals are systematically screened to identify those actions raising serious ethics issues and submit them to an ethics assessment. Actions which are not ethically acceptable should not receive Union funding.

The Council should endeavour to establish a decision on the use of armed unmanned aerial vehicles before [31 December 2020]. No funding should be made available for developing armed unmanned aerial vehicles before that decision has entered into force.

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

HAYE ADOPTED THIS REGULATION:

TITLE I
COMMON PROVISIONS APPLICABLE FOR RESEARCH AND DEVELOPMENT

CHAPTER I
GENERAL PROVISIONS

Article 1
Subject matter

This Regulation establishes the European Defence Fund ('the Fund').

It lays down the objectives of the Fund, the budget for the period 2021-2027, the forms of Union funding and the rules for providing such funding.

Article 2
Definitions

For the purposes of this Regulation, the following definitions apply:

(2) ‘control’ means the ability to exercise a decisive influence on an legal entity directly or indirectly through one or more intermediate legal entities;
(3) ‘development action’ means any action consisting primarily of defence-oriented activities in the development phase, covering new products or technologies or the upgrading of existing ones, excluding the production or use of weapons;

(4) ‘disruptive technology for defence’ means a technology the application of which can radically change the concepts and conduct of defence affairs;

(5) ‘executive management structures’ means any body or bodies, appointed in accordance with national law, which are empowered to set the legal entity’s strategy, objectives and overall direction, and which oversee and monitor management decision-making;

(6) ‘legal entity’ means any natural or legal person created and recognised as such under national law, Union law or international law, which has legal personality and which may, acting in its own name, exercise rights and be subject to obligations, or an entity without a legal personality in accordance with Article [197(2)(c)] of the Financial Regulation;

(7) ‘mid-cap’ means an enterprise that is not a micro-, small — and medium size enterprises (SME), as defined in Commission recommendation 2003/361/EC (1) and that has a number of employees of up to 3 000 employees, where the staff headcount is calculated in accordance with Articles 3, 4, 5 and 6 of Title I of the Annex to that Recommendation;

(8) ‘pre-commercial procurement’ means the procurement of research and development services involving risk-benefit sharing under market conditions, competitive development in phases, where there is a clear separation of the research and development services procured from the deployment of commercial volumes of end-products;

(9) ‘project manager’ means any contracting authority established in a Member State or an associated country, set up by a Member State or an associated country or a group of Member States and/or associated countries to manage multinational armament projects permanently or on an ad-hoc basis;

(10) ‘recipient’ means any legal entity receiving funding under this Fund;

(11) ‘research action’ means any action consisting of research activities with an exclusive focus on defence applications;

(12) ‘results’ means any tangible or intangible effect of the action, such as data, know-how or information, whatever its form or nature, whether or not it can be protected, as well as any rights attached to it, including intellectual property rights;

(13) ‘special report’ means a specific deliverable of a research action summarising its results, providing extensive information on the basic principles, the aims, the actual outcomes, the basic properties, the performed tests, the potential benefits, the potential defence applications and the expected exploitation path of the research;

(14) ‘system prototype’ means a model of a product or technology that can demonstrate performance in an operational environment;

(15) ‘third country’ means a country that is not a member of the Union;

(16) ‘non-associated third country’ means a third country that is not an associated country in accordance with Article 5;

(17) ‘non-associated third country entity’ means a legal entity established in a non-associated third country or having its executive management structures in a non-associated third country;

(17a) ‘qualification’ means the entire process of demonstrating that the design of a defence product, tangible or intangible component or technology meets the specified requirements. That process provides objective evidence by which particular requirements of a design are demonstrated to have been achieved;

(17b) ‘consortium’ means a collaborative grouping of legal entities constituted to undertake an action under the Fund;

(17c) ‘certification’ means the process according to which a national authority certifies that the defence product, tangible or intangible component or technology complies with the applicable regulations;

(17d) ‘coordinator’ means a legal entity belonging to a consortium and appointed by all consortium members to be the principal point of contact with the Commission for the grant agreement.

Article 3
Objectives of the Fund

1. The general objective of the Fund is to foster the competitiveness, efficiency and innovation capacity of the European defence industry, by supporting collaborative actions and cross-border cooperation between legal entities throughout the Union, including SMEs and mid-caps as well as strengthening and improving the agility of both defence supply and value chains, widening cross-border cooperation between legal entities and fostering the better exploitation of the industrial potential of innovation, research and technological development, at each stage of the life cycle of defence products and technologies. The Fund shall contribute to the freedom of action of the Union and its strategic autonomy, in particular in technological and industrial terms.

2. The Fund shall have the following specific objectives:

(a) support highly efficient collaborative research projects that could significantly boost the performance of European future capabilities, aiming at maximising innovation and introducing new defence products and technologies, including disruptive ones;

(b) support collaborative European development projects of defence products and technologies consistent with defence capability priorities commonly agreed by Member States within the framework of the Common Foreign and Security Policy, particularly in the context of the Capability Development Plan of the Common Security and Defence Policy, thus contributing to greater efficiency of defence spending within the Union, achieving greater economies of scale, reducing the risk of duplication, reducing the over-dependence on imports from third countries thus increasing the acquisition of European equipment by Member States, and as such reducing the fragmentation of the market in defence products and technologies throughout the Union, as well as seeking to increase the standardisation of defence systems and the interoperability between Member States’ capabilities.

Article 4
Budget

1. The financial envelope for the implementation of the European Defence Fund for the period 2021 — 2027 shall be EUR 11 453 260 000 in 2018 prices (EUR 13 000 000 000 in current prices).

2. The distribution of the amount referred to in paragraph 1 shall be:

(a) EUR 3 612 182 000 in 2018 prices (EUR 4 100 000 000 for research actions in current prices);

(b) EUR 7 841 078 000 in 2018 prices (EUR 8 900 000 000 in current prices) for development actions.

2a. In order to respond to unforeseen situations or to new developments and needs, the Commission may, within the annual budgetary procedure, deviate from the amounts referred to in paragraph 2 by a maximum of 10%.

3. The amount referred to in paragraph 1 may be used for technical and administrative assistance for the implementation of the Fund, such as preparatory, monitoring, control, audit and evaluation activities including corporate information technology systems. That amount shall not exceed 5% of the value of the financial envelope referred to in paragraph 1.

4. At least 5% and up to 10% of the financial envelope referred to in paragraph 1 shall be devoted to support disruptive technologies for defence.
Article 5
Associated countries

The Fund shall be open to the European Free Trade Association (EFTA) members which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA agreement. Any financial contribution to the Fund pursuant to this Article shall constitute assigned revenue in accordance with Article [21(5)] of the Financial Regulation.

Article 6
Support to disruptive technologies for defence

1. The Commission shall award funding through open and public consultations on disruptive technologies with an exclusive focus on defence applications on the areas of intervention defined in the work programmes in accordance with the procedure provided for in Article 27.

2. The Commission shall, on a case by case basis, find the most appropriate form of funding to finance disruptive technologies.

Article 7
Ethics

1. Actions carried out under the Fund shall comply with:

— ethical principles and relevant national, Union and international legislation including the Charter of Fundamental Rights of the European Union and the European Convention for the Protection of Human Rights and the protocols thereto, and international humanitarian law;

— anti-corruption and anti-money laundering rules and initiatives. [Ams 6/rev and 13]

2. Proposals shall be systematically, on an ex-ante basis, screened by the Commission to identify those actions raising complex or serious ethics issues and, where appropriate, submit them to an ethics assessment. Ethics screenings and assessments shall be carried out by the Commission with the support of independent experts with various backgrounds. The Commission shall ensure the transparency of the ethics procedures as much as possible and report on this in the framework of its reporting and evaluation obligations under Articles 31 and 32. All experts shall be citizens of the Union and shall be nationals of as broad a range of Member States as possible.

3. Entities participating in the action shall obtain all approvals or other mandatory documents from the relevant national, local ethics committees or other bodies such as data protection authorities before the start of the relevant activities. Those documents shall be kept on file and provided to the Commission.

5. Actions which are not ethically acceptable shall be rejected.

CHAPTER II
FINANCIAL PROVISIONS

Article 8
Implementation and forms of EU funding

1. The Fund shall be implemented by the Commission in direct management in accordance with the Financial Regulation.

2. The Fund may provide funding in any of the forms laid down in the Financial Regulation, in particular grants, prizes and procurement.

Article 9
Cumulative, complementary and combined funding

1. An action that has received a contribution from another Union programme may also receive a contribution under the Fund, provided that the contributions do not cover the same costs. The rules of each contributing Union programme/Fund shall apply to its respective contribution to the action. The cumulative funding shall not exceed the total eligible costs of the action and the support from the different Union programmes may be calculated on a pro-rata basis in accordance with the documents setting out the conditions for support.
CHAPTER III
ELIGIBILITY CONDITIONS, AWARD CRITERIA AND FINANCING

Article 10

Eligible entities

1. Applicants and their subcontractors involved in the action shall be eligible for funding provided that they are established in the Union or in an associated country or referred to in Article 5, have their executive management structures in the Union or in an associated country and are not controlled by a non-associated third country or by a non-associated third country entity.

2. By derogation from paragraph 1, an applicant or a subcontractor involved in the action established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third country entity shall be capable of constituting an eligible entity for funding if this is necessary for achieving the objectives of the action and provided that its participation does not put at risk the security and defence interests of the Union and its Member States or the objectives set out in Article 3. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals shall require the applicant to commit to implement appropriate measures before the beginning of the action, ensuring that:

(a) control over the applicant is not exercised in a manner that limits in any way its ability to carry out the action and to deliver results, that imposes restrictions concerning its infrastructure, facilities, assets, resources, intellectual property or know-how needed for the purpose of the action, or that undermines its capabilities and standards necessary for the execution of the action;

(b) access by non-associated third countries or by non-associated third country entities to classified and non-classified sensitive information relating to the action is prevented; and the employees or other persons involved in the action have a national security clearance issued by a Member State or associated country;

(c) ownership of the intellectual property arising from, and the results of the action shall remain within the beneficiary and are not subject to control or restrictions by non-associated third countries or other non-associated third country entities and are not exported to or given access to from a third country or a third-country entity without the approval of the Member States in which the beneficiary is established, and consistent with the objectives set out in Article 3, during the action and for a specified period after its completion, such a period being stipulated in the grant agreement.

An applicant or a subcontractor involved in the action that has its executive management structure in the Union or in an associated country and that is controlled by a non-associated third country subject to any Union restrictive measures or by a non-associated third-country entity subject to any Union restrictive measures shall not be granted a derogation under this paragraph.

3. All infrastructure, facilities, assets and resources used in actions financed under the Fund shall be located on the territory of the Union or associated countries and shall not be subject to any control or restriction by a non-associated third country or by a non-associated third-country entity. Furthermore, when performing an eligible action, beneficiaries and their subcontractors involved in the action shall cooperate only with legal entities established in the Union or in an associated country and not controlled by non-associated third countries or non-associated third country entities.

4. By derogation from the paragraph 3, if there are no competitive substitutes readily available in the Union, beneficiaries and subcontractors involved in the action may use their assets, infrastructure, facilities and resources located or held on the territory of a non-associated third country if this is necessary for achieving the objectives of an action and provided that this will not put at risk the security and defence interests of the Union and its Member States or the objectives set out in Article 3. Under the same conditions, when performing an eligible action, beneficiaries and their subcontractors involved in the action may cooperate with an entity established in a non-associated third country. The costs related to the use of such infrastructure, facilities, assets or resources and to such cooperation shall not be eligible for funding under the Fund. In any event, such derogation shall not be granted if those assets, infrastructure, facilities and resources are located or held on the territory of a non-associated third country subject to any Union restrictive measures.
5. In order to ensure protection of the security interests of the Union and its Member States, the call for proposals or grant agreement shall specify all conditions, including those referred to in point 2 of this Article. These conditions shall relate, in particular to the provisions on ownership of results of the action and access to classified and non-classified sensitive information and to guarantees on security of supply.

6. Applicants shall provide all relevant information necessary for the assessment of the eligibility criteria and the conditions referred to in paragraphs 1 to 4.

7. Applications which require the verifications under paragraph 2 or paragraph 4 may only be submitted with the agreement of the Member State or associated country in which the applicant is established.

8. In the event of a change during the implementation of an action which might question the fulfilment of those criteria and conditions, the beneficiary shall inform the Commission, which shall assess whether those criteria and conditions are still met and address the potential impact (suspension, cancellation) on the funding of the action.

9. For the purpose of this Article, subcontractors means subcontractors with a direct contractual relationship to a beneficiary, other subcontractors to which at least 10% of the total eligible costs of the action is allocated, and subcontractors which may require access to classified information according to Commission Decision (EU, Euratom) 2015/444 in order to carry out the action.

Article 11
Eligible actions

1. Only actions implementing the objectives referred to in Article 3 shall be eligible for funding.

2. The Fund shall provide support for actions covering both new and upgrade of existing products and technologies where the use of pre-existing information needed to perform the upgrade is not subject, directly or indirectly to a restriction by non-associated third countries or non-associated third country entities.

3. An eligible action shall relate to one or more of the following items:

(a) activities aiming to create, underpin and improve knowledge and defence products or technologies, including disruptive defence technologies, which can achieve significant effects in the area of defence;

(b) activities aiming to increase interoperability and resilience, including secured production and exchange of data, master critical defence technologies, strengthen the security of supply or enable effectively exploitation of results for defence products and technologies;

(c) studies, such as feasibility studies to explore the feasibility of a new or improved technology, product, process, service, solution;

(d) the design of a defence product, tangible or intangible component or technology as well as the definition of the technical specifications on which such design has been developed which may include partial tests for risk reduction in an industrial or representative environment;

(e) the development of a model of a defence product, tangible or intangible component or technology, which can demonstrate the element's performance in an operational environment (system prototype);

(f) the testing of a defence product, tangible or intangible component or technology;

(g) the qualification of a defence product, tangible or intangible component or technology;

(h) the certification of a defence product, tangible or intangible component or technology;

(i) the development of technologies or assets increasing efficiency across the life cycle of defence products and technologies;
4. The action shall be undertaken in a cooperation within a 
consortium of at least three legal entities which are 
established in at least three different Member States. Any additional legal entity participating in the 
consortium may be established in an associated country as referred to in Article 5. At least three of these 
eligible entities established in at least two Member States and/or associated countries shall not, during the 
whole implementation of the action, be controlled, directly or indirectly, by the same entity, and shall not control each other.

5. Paragraph 4 shall not apply to actions referred to in points c) of paragraph 3 and to actions referred to in Article 6.

6. Actions for the development of products and technologies the use, development or production of which is prohibited by applicable international law shall not be eligible for funding. In particular, the Programme shall not fund incendiary weapons including white phosphorus, depleted uranium ammunitions, lethal autonomous weapons, including unmanned aerial vehicles, without meaningful human control over the critical functions of selecting and attacking individual targets, small arms and light weapons mainly developed for export purposes, i.e. where no Member State has expressed a requirement for the action to be carried out. [Am 29/rev]

6a. Actions for the development of products and technologies which are capable of committing or facilitating the following shall not be eligible for funding under the Programme:

(i) a serious violation of international humanitarian law;

(ii) a serious violation of international human rights law;

(iii) an act constituting an offence under international conventions or protocols relating to terrorism;

(iv) an act constituting an offence under international conventions or protocols relating to transnational organized crime.

6b. Actions which contribute in parts or entirely, directly or indirectly to the development of weapons of mass destruction and related warhead and missile technology shall not be eligible. [Am. 21]

Article 12
Selection and award procedure

[Am. 30]

2. The Commission shall award the funding for selected actions after each call or after application of Article [195(e)] of the Financial Regulation.

3. For the award of funding for development actions, the Commission shall act by means of delegated acts adopted in accordance with the procedure referred to in Article 28 a.

Article 13
Award criteria

1. Each proposal shall be assessed on the basis of the following criteria:

(a) contribution to excellence or potential of disruption in the defence domain in particular by showing that the expected results of the proposed action present significant advantages over existing products or technologies;

(b) contribution to the innovation and technological development of the European defence industry, in particular by showing that the proposed action includes ground-breaking or novel concepts and approaches, new promising future technological improvements or the application of technologies or concepts previously not applied in defence sector;

(c) contribution to the competitiveness of the European defence industry, in particular by creating new market opportunities and accelerating the growth of companies throughout the Union;

(ca) contribution to the industrial and technological autonomy of the Union by enhancing defence technologies or products in line with defence capability priorities agreed by Member States within the framework of the CFSP and in particular in the context of the CDP of the CSDP;
contribution to the security and defence interests of the Union in line with the priorities referred to in Article 3 paragraph 2 and, where appropriate, regional and international cooperative agreements;

contribution to the creation of new cross-border cooperation between legal entities, in particular for SMEs and mid-caps which are established in Member States and/or associated countries other than those where the entities in the consortium which are not SMEs and mid-caps are established;

quality and efficiency of the implementation of the action.

2. Under points (d) of paragraph 1, regional and international priorities may be taken into account, in particular to avoid unnecessary duplication, provided they serve the Union’s security and defence interests and do not exclude the participation of any Member State.

Article 14
Co-financing rate

1. The Fund shall finance 100% of the eligible costs of an action without prejudice to the co-financing principle.

2. By derogation from paragraph 1:

(a) for actions defined in Article 11(3)(e) the financial assistance of the Fund shall not exceed 20% of the eligible costs of the action,

(b) for actions defined in Article 11(3)(f) to (h) the financial assistance of the Fund shall not exceed 80% of the eligible costs of the action.

3. For development actions the funding rate shall be increased, without being allowed to exceed the total eligible cost, in the following cases:

(a) an action developed in the context of the Permanent Structured Cooperation as established by Council Decision (CFSP) 2017/2315 of 11 December 2017, it shall benefit from a funding rate increased by an additional 10 percentage points;

(b) an action shall benefit from a funding rate increased by the percentage points equivalent to the percentage of the total eligible costs allocated to SMEs established in a Member State or an associated country other than those in which the consortium members that are not SMEs or mid-caps are established in;

(c) an action shall benefit from a funding rate increased by the percentage points equivalent to the quarter of the percentage of the total eligible costs allocated to mid-caps established in a Member State or an associated country other than those in which the other consortium members that are not SMEs or mid-caps are established in;

(d) the overall increase in the funding rate of an action shall not exceed 30 percentage points.

Article 15
Financial capacity

By derogation from Article [198] of the Financial Regulation:

(a) the financial capacity shall be verified only for the coordinator and only if the requested funding from the Union is equal to or greater than EUR 500 000. However, if there are grounds to doubt the financial capacity, the Commission shall verify also the financial capacity of other applicants or of coordinators below the threshold referred to in the first sentence;

(b) the financial capacity shall not be verified in respect of legal entities whose viability is guaranteed by a Member State and in respect of universities and public research centres;

(c) if the financial capacity is structurally guaranteed by another legal entity, the financial capacity of the latter shall be verified.
Article 16
Indirect costs

1. Indirect eligible costs shall be determined by applying a flat rate of 25% of the total direct eligible costs, excluding direct eligible costs for subcontracting, financial support to third parties and any unit costs or lump sums which include indirect costs.

2. As an alternative, indirect eligible costs may be determined in accordance with the beneficiary's usual cost accounting practices on the basis of actual indirect costs provided that these cost accounting practices are accepted by national authorities under comparable funding schemes in accordance with Article [185] of the Financial Regulation and communicated to the Commission.

Article 17
Use of single lump sum or contribution not linked to costs

1. For grants awarded to actions referred to Article 11(3)(e) and other actions where Member States and/or associated countries finance more than 50% of the budget, the Commission may use:

(a) a contribution not linked to costs referred to in Article [180(3)] of the Financial Regulation and based on the achievement of results measured by reference to previous set milestones or through performance indicators; or

(b) a single lump sum referred to in Article [182] of the Financial Regulation and based on the provisional budget of the action already endorsed by the national authorities of the co-financing Member States and associated countries.

2. Indirect costs shall be included in the lump sum.

Article 18
Pre-commercial procurement

1. The Union may support pre-commercial procurement through awarding a grant to contracting authorities or contracting entities as defined in Directives 2014/24/EU (1), 2014/25/EU (2) and 2009/81/EC (3) of the European Parliament and of the Council, which are jointly procuring defence research and development of services or coordinating their procurement procedures.

2. The procurement procedures:

(a) shall be in line with the provisions of this Regulation;

(b) may authorise the award of multiple contracts within the same procedure (multiple sourcing);

(c) shall provide for the award of the contracts to the tender(s) offering best value for money.

Article 19
Guarantee Fund

Contributions to a mutual insurance mechanism may cover the risk associated with the recovery of funds due by recipients and shall be considered a sufficient guarantee under the Financial Regulation. The provisions laid down in [Article X of] Regulation XXX [successor of the Regulation on the Guarantee Fund] shall apply.


**Article 21**

Access to financial instruments

Beneficiaries of the Fund shall be eligible to access the dedicated financial products deployed under InvestEU in accordance with Title X of the Financial Regulation.

**TITLE II**

SPECIFIC PROVISIONS APPLICABLE FOR RESEARCH

**Article 22**

Ownership of results

1. The results of the actions shall be owned by the beneficiaries generating them. Where legal entities jointly generate results, and where their respective contribution cannot be ascertained, or where it is not possible to separate such joint results, the legal entities shall have joint ownership of the results. The joint owners shall conclude an agreement regarding the allocation and terms of exercise of that joint ownership in accordance with their obligations under the grant agreement.

2. If Union assistance is provided in the form of public procurement, results shall be owned by the Union. Member States and associated countries shall enjoy access rights to the results, free of charge, upon their written request.

3. The results of actions receiving support from the Fund shall not be subject to any control or restriction, directly or indirectly through one or more intermediate legal entities, including in terms of technology transfer by a non-associated third country or by a non-associated third country entity.

4. The grant agreement shall, if justified, lay down the right of the Commission to be notified of and object to the transfer of ownership to results or to the granting of a license regarding results to a non-associated third country or a non-associated third country entity. Such transfers shall not contravene the defence and security interests of the Union and its Member States or the objectives of this Regulation as set out in Article 3.

5. The national authorities of Member States and associated countries shall enjoy access rights to the special report of an action that has received Union funding. Such access rights shall be granted on a royalty-free basis and transferred by the Commission to the Member States and associated countries after ensuring that appropriate confidentiality obligations are in place. In any event, participants shall not be required to provide any data or information that are part of intellectual property in the special report.

6. The national authorities of Member States and associated countries shall use the special report solely for purposes related to the use by or for their armed forces, or security or intelligence forces, including within the framework of their cooperative programmes. Such usage shall include, but not be limited to, the study, evaluation, assessment, research, design, development, manufacture, improvement, modification, maintenance, repair, refurbishment, and product acceptance and certification, operation, training, disposal and other design services and product deployment, as well as the assessment and drafting of technical requirements for procurement.

7. The beneficiaries shall grant access rights to their results on a royalty-free basis to the Union institutions, bodies or agencies, for duly justified purpose of developing, implementing and monitoring Union policies or programmes. Such access rights shall be limited to non-commercial and non-competitive use.

8. Specific provisions regarding ownership, access rights and licensing shall be laid down in the grant agreements and contracts regarding pre-commercial procurement to ensure maximum uptake of the results and to avoid any unfair advantage. If a contractor fails to commercially exploit the results within a given period after the pre-commercial procurement as identified in the contract, it shall, where possible, transfer any ownership of the results to the contracting authorities.
8a. Any three or more Member States or associated countries that, multilaterally or within the frame of a Union organisation, jointly have concluded one or several contracts with one or more participants to further develop together results obtained within the frame of a specific action that has received funding under a grant agreement for a research action on defence, shall enjoy access rights to the results of the action that are owned by such participant and are necessary for the execution of the contract. Such access rights shall be granted on a royalty-free basis and under specific conditions aimed at ensuring that those rights are used only for the purpose of the contract and that appropriate confidentiality obligations are in place.

TITLE III
SPECIFIC PROVISIONS APPLICABLE FOR DEVELOPMENT

Article 23
Additional eligibility criteria

1. Where applicable, the consortium shall demonstrate that the remaining costs of an eligible action which are not covered by the Union support will be covered by other means of financing such as Member States’ and/or associated countries’ contributions or co-financing from legal entities.

2. When it relates to actions referred to in point d) of Article 11 paragraph 3, the action shall be based on harmonised capability requirements jointly agreed by the relevant Member States and/or associated countries.

3. For actions referred to in points e) to h) of Article 11 paragraph 3, the consortium shall demonstrate by means of documents issued by national authorities that:

(a) at least two Member States or at least one Member State with associated countries provide guarantees to procure the final product or use the technology in a coordinated way. This may include joint procurement;

(b) the action is based on common technical specifications jointly agreed by the Member States and/or associated countries which co-finance the action.

Article 24
Additional award criteria

In addition to the award criteria referred to in Article 13, the work programme may also take into consideration:

(a) the contribution to increasing efficiency across the life cycle of defence products and technologies, including cost-effectiveness and the potential for synergies in the procurement and maintenance process and disposal processes;

(b) the level of cooperation between Members States involved in the eligible action.

(ba) the intended procurement volume and the expected effect on Member States’ defence capabilities and expenditure, and the European Strategic Autonomy.

Article 25
Ownership of results

1. The Union shall not own the products or technologies resulting from development actions, nor shall it have any intellectual property rights regarding the results of the actions.

1a. The results of the actions shall be owned by the beneficiaries which have generated them. Where legal entities jointly generate results, and where their respective contribution cannot be ascertained, or where it is not possible to separate such joint results, the legal entities shall have joint ownership of the results. The joint owners shall conclude an agreement regarding the allocation and terms of exercise of that joint ownership in accordance with their obligations under the grant agreement.
2. The results of actions receiving support from the Fund shall not be subject to any control or restriction by non-associated third countries or by non-associated third country entities, directly or indirectly through one or more intermediate legal entities, including in terms of technology transfer.

3. With regard to results generated by recipients under this Regulation, and without prejudice to paragraph 2 of this Article, the Commission shall be notified ex ante, at least six weeks before, of any transfer of ownership or grant of a licence to non-associated third countries or to non-associated third country entities. If such transfer of ownership or granting of a licence contravenes the defence and security interests of the Union and its Member States or the objectives of this Regulation as set out in Article 3, the funding provided under the Fund shall be reimbursed.

4. By derogation from paragraph 1, where the Union assistance is provided in the form of public procurement, the Union shall own the results and Member States and/or associated countries shall have the right, free of charge, to a non-exclusive licence for the use of the results upon their written request.

Article 26
Information of the project manager

In case a project manager is appointed by Member States and associated countries, the Commission shall consult the project manager on progress made with regard to the action prior to executing the payment to the beneficiary of the eligible action.

TITLE IV
GOVERNANCE, MONITORING, EVALUATION AND CONTROL

Article 27
Work programmes

1. The Fund shall be implemented by annual or multi annual work programmes established in accordance with Article [110] of the Financial Regulation.

1a. The work programmes may, in particular, take into account the strategies developed in the Overarching Strategic Research Agenda (OSRA) and in the CDP Strategic Context Cases (SCCs).

1b. The Commission shall ensure the coherence of the work programmes throughout the life-cycle management of defence products and technologies.

2. The Commission shall adopt the work programmes by means of delegated acts in accordance with the procedure referred to in Article 28a.

2a. The work programmes shall set out in detail the categories of projects to be funded under the Fund. Those work programmes shall be in line with the objectives set out in Article 3.

2b. Based on the work programmes' elaboration process, the Commission shall carry out an upfront assessment of possible duplication cases with existing capabilities or already funded research or development projects within the Union.

Article 28a
Exercise of Delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.

2. The power to adopt delegated acts referred to in Article 27 shall be conferred on the Commission for a period of seven years from [date of entry into force].
3. The delegation of power referred to in Article 27 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making (1).

Article 29

Independent experts

1. The Commission shall appoint independent experts to assist in the evaluation of proposals pursuant to Article [237] of the Financial Regulation.

2. Independent experts shall be citizens of the Union from as broad a range of Member States as possible identified and selected on the basis of calls for expressions of interest with a view to establishing a list of experts. By derogation from Article [237] of the Financial Regulation, this list shall not be made public, in full or in part, where it is required on the grounds of the protection of public security.

3. Independent experts shall have the appropriate security clearance issued by a Member State.

5. Independent experts shall be chosen on the basis of their skills, experience and knowledge appropriate to carry out the tasks assigned to them.

5a. The Commission shall ensure that an expert faced with a conflict of interest in relation to a matter on which the expert is required to provide an opinion does not evaluate, advise or assist on the specific matter in question.

Article 30

Application of the rules on classified information

1. Within the scope of this Regulation:

(a) each Member State or associated country shall ensure that its national security regulations offer a degree of protection of European Union classified information equivalent to that provided by the rules on security as set out in Commission Decision (EU, Euratom) 2015/444 of 13 March 2015 on the security rules for protecting EU classified information (2) and by the security rules of the Council set out in the Annexes to Decision 2013/488/EU (3);

(b) Member States and associated countries shall without delay inform the Commission of the national security regulations referred to in point (a);

(c) natural persons resident in and legal persons established in non-associated third countries may deal with EU classified information regarding the Fund only where they are subject, in those countries, to security regulations ensuring a degree of protection at least equivalent to that provided by the Commission’s rules on security set out in Commission Decision (EU, Euratom) 2015/444 and by the security rules of the Council set out in the Annexes to Decision 2013/488/EU. The equivalence of the security regulations applied in a third country or international organisation shall be defined in a security of information agreement, including industrial security matters if relevant, concluded between the Union and that third country or international organisation in accordance with the procedure provided for in Article 218 TFEU and taking into account Article 13 of Decision 2013/488/EU;

(2) OJ L 72, 17.3.2015, p. 53.
(d) without prejudice to Article 13 of Decision 2013/488/EU and to the rules governing the field of industrial security as set out in Commission Decision (EU, Euratom) 2015/444, a natural person or legal person, third country or international organisation may be given access to European Union classified information where deemed necessary on a case-by-case basis, according to the nature and content of such information, the recipient’s need-to-know and the degree of advantage to the Union.

2. When actions involve, require and/or contain classified information, the relevant funding body shall specify in the call for proposals/tenders documents the measures and requirements necessary to ensure the security of such information at the requisite level.

3. In order to facilitate exchange of sensitive information between the Commission, the recipients and, where applicable the Member states, the Commission shall set up a secure electronic exchange system.

**Article 31**
Monitoring and reporting

1. Indicators to monitor implementation and progress of the Fund towards the achievement of the general and specific objectives set out in Article 3 are set out in Annex.

2. To ensure effective assessment of progress of the Fund towards the achievement of its objectives, the Commission is empowered to adopt delegated acts in accordance with Article 36 to amend the Annex to review or complement the indicators where considered necessary and to supplement this Regulation with provisions on the establishment of a monitoring and evaluation framework.

3. The Commission shall regularly monitor and evaluate the implementation of the Fund and annually report to the European Parliament and the Council on the progress made. That annual report shall contain a section on the implementation of Article 7. To this end, the Commission shall put in place necessary monitoring arrangements.

4. The performance reporting system shall ensure that data for monitoring the Fund implementation and results are collected efficiently, effectively and in a timely fashion. To that end, proportionate reporting requirements shall be imposed on recipients of Union funds.

**Article 32**
Evaluation of the Fund

1. Evaluations shall be carried out in a timely manner to feed into the decision-making process.

2. The interim evaluation of the Fund shall be performed once there is sufficient information available about the implementation of the Fund, but no later than four years after the start of the Fund implementation. The interim evaluation report shall include notably, an assessment of the governance of the Fund, the lessons learned from the European Defence Industrial Development Programme and Preparatory Action on Defence Research, an assessment of the implementation of the ethics procedures as referred to in Article 7, implementation rates, project award results including SMEs and mid-caps involvement and the degree of their cross-border participation, the distribution of funding among different categories of subcontractors according to the definition referred to in point 9 of Article 10, the budget allocated to disruptive technologies and funding granted in accordance with Article [193] of the Financial Regulation by 31 July 2024.
The interim evaluation shall also contain information on the countries of origin of the recipients, the number of countries involved in individual projects, and, where possible, the distribution of the generated intellectual property rights. The Commission may submit proposals for any appropriate amendments to the present regulation.

3. At the end of the implementation period but no later than four years after 31 December 2027, a final evaluation of the Fund implementation shall be carried out by the Commission. The final evaluation report shall include the results of the implementation and to the extent possible given timing the impact of the Fund. The report — building on relevant consultations of Member States and associated countries and key stakeholders — shall notably assess the progress made towards the achievement of objectives set out in Article 3. It shall also analyse cross border participation, including of SMEs and mid-caps in projects implemented under the Fund as well as the integration of SMEs and Mid-caps in the global value chain. The evaluation shall also contain information on the countries of origin of the recipients and, where possible, the distribution of the generated intellectual property rights.
4. The Commission shall communicate the conclusions of the evaluations accompanied by its observations, to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

Article 33
Audits

Audits on the use of the Union contribution carried out by persons or entities, including by other than those mandated by the Union Institutions or bodies, shall form the basis of the overall assurance pursuant to Article [127] of the Financial Regulation. The European Court of Auditors shall examine the accounts of all revenue and expenditure of the Union according to Article 287 TFEU.

Article 34
Protection of the financial interests of the Union

Where a third country participates in the Fund by a decision under an international agreement or by virtue of any other legal instrument, the third country shall grant the necessary rights and access required for the authorising officer responsible, the European Anti-Fraud Office (OLAF), the European Court of Auditors to comprehensively exert their respective competences. In the case of OLAF, such rights shall include the right to carry out investigations, including on-the-spot checks and inspections, provided for in Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council concerning investigations conducted by the European Anti-Fraud Office (OLAF).

Article 35
Information, communication and publicity

1. The recipients of Union funding shall acknowledge the origin and ensure the visibility of the Union funding (in particular when promoting the actions and their results) by providing coherent, effective and proportionate targeted information to multiple audiences, including, the media and the public.

2. The Commission shall implement information and communication actions relating to the Fund, and its actions and results. Financial resources allocated to the Fund shall also contribute to the Commission’s communication of the political priorities of the Union, as far as they are related to the objectives referred to in Article 3. Those financial resources may be used for projects on statistics on the defence industry and projects to pilot the collection of data.

TITLE V
DELEGATED ACTS, TRANSITIONAL AND FINAL PROVISIONS

Article 36
Delegated acts

1. The power to adopt delegated acts referred to in Article 31 shall be conferred on the Commission for an indeterminate period of time from the date of entry into force of this Regulation.

2. The delegation of power referred to in Article 31 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

3. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016.

4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
5. A delegated act adopted pursuant to Article 31 shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Article 37
Repeal

Regulation (EU) No …/…. (European Defence Industrial Development Programme) is repealed with effect from 1 January 2021.

Article 38
Transitional provisions

1. This Regulation shall not affect the continuation or modification of the actions concerned, until their closure, under [European Defence Industrial Development Programme Regulation] as well as the Preparatory Action for Defence Research, which shall continue to apply to the actions concerned until their closure.

2. The financial envelope of the Fund may also cover technical and administrative assistance expenses necessary to ensure the transition between the Fund and the measures adopted under its predecessors, the [European Defence Industrial Development Programme Regulation] as well as the Preparatory Action for Defence Research.

3. If necessary, appropriations may be entered in the budget beyond 2027 to cover the expenses provided for in Article 4 paragraph 4, to enable the management of actions not completed by 31 December 2027.

Article 39
Entry into force

This Regulation shall enter into force on the third day following that of its publication in the Official Journal of the European Union. It shall be applicable as from 1st January 2021.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at …

For the European Parliament
The President

For the Council
The President
Establishing the Connecting Europe Facility


(Ordinary legislative procedure: first reading)

[Amendment 1, unless otherwise indicated]

(2020/C 388/42)

AMENDMENTS BY THE EUROPEAN PARLIAMENT (*)

to the Commission proposal

Proposal for a

REGULATION EU .../... OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

establishing the Connecting Europe Facility and repealing Regulations (EU) No 1316/2013 and (EU) No 283/2014

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 172 and 194 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee (1),

Having regard to the opinion of the Committee of the Regions (2),

Acting in accordance with the ordinary legislative procedure,

Whereas:

(1) In order to achieve smart, sustainable and inclusive growth and to stimulate job creation and to respect the long-term decarbonisation commitments, the Union needs an up-to-date, multimodal high-performance infrastructure to help connect and integrate the Union and all its regions, including remote, outermost, insular, peripheral and mountainous ones, in the transport, digital and energy sectors. Those connections should help to improve the free movement of persons, including PRM, goods, capital and services. The trans-European networks should facilitate cross-border connections, foster greater economic, social and territorial cohesion and contribute to a more competitive and sustainable social market economy and to combating climate change.

(*) The matter was referred back for interinstitutional negotiations to the committee responsible, pursuant to Rule 59(4), fourth subparagraph (A8-0409/2018).

(*) Amendments: new or amended text is highlighted in bold italics; deletions are indicated by the symbol ▌.

(1) OJ C , p .
(2) OJ C , p .
(2) The aim of the Connecting Europe Facility (the ‘Programme’) is to accelerate investment in the field of trans-European networks and to leverage funding from both the public and the private sectors, while increasing legal certainty and respecting the principle of technological neutrality. The Programme should enable synergies between the transport, energy and digital sectors to be harnessed to the full extent, thus enhancing the effectiveness of Union action and enabling implementing costs to be optimised.

(2a) The Programme should help to promote the territorial accessibility and connectivity of all regions of the Union, including the remote, outermost, island, peripheral, mountain and cross-border regions, as well as in depopulated and scarcely populated areas;

(3) The Programme should contribute also to EU action against climate change, support environmentally and socially sustainable projects and, where appropriate, climate change mitigation and adaptation actions. In particular, the contribution of the Programme to achieving the goals and objectives of the Paris Agreement as well as the proposed 2030 climate and energy targets and long-term decarbonisation objective should be reinforced.

(3a) The Programme should guarantee a high level of transparency, by providing access to the relevant documents especially in cases where projects affect the environment and human health. The assessment procedure of projects should also take into account social and cohesion criteria, and in particular acceptance by local communities. [Am. 82]

(4) Reflecting the importance of tackling climate change in line with Union’s commitments to implement the Paris Agreement, and the commitment to the 17 United Nations Sustainable Development Goals, this Regulation should therefore mainstream climate action and lead to the achievement of an overall target of 25% of the EU budget expenditures supporting climate objectives (3). Actions under this Programme are expected to contribute 60% of the overall financial envelope of the Programme to climate objectives, based inter alia on Rio markers. Expenditures relating to rail and waterway infrastructure, charging infrastructure, alternative and sustainable fuels for all transport modes, energy efficiency, clean urban transport, electricity transmission, electricity storage, smart grids, CO₂ transportation, renewable energy, inland waterways multimodal transport and gas infrastructure should be compliant with climate objectives. Relevant actions will be identified during the Programme’s preparation and implementation, and reassessed in the context of the relevant evaluations and review processes. In order to prevent that infrastructure is vulnerable to potential long term climate change impacts and to ensure that the cost of greenhouse gas emissions arising from the project is included in the project’s economic evaluation, projects supported by the Programme should be subject to climate proofing in accordance with guidance that should be developed by the Commission coherently with the guidance developed for other programmes of the Union where relevant. In line with the Union’s objectives and commitments to reduce the impact of climate change, the Programme shall encourage a modal shift to more sustainable modes of transport, such as rail, clean urban transport, maritime transport and inland waterways;

(5) In order to comply with the reporting obligations set in Article 11(c) of Directive 2016/2284/EU on the reduction of national emissions of certain atmospheric pollutants, amending Directive 2003/35/EC and repealing Directive 2001/81/EC, regarding the uptake of Union funds to support the measures taken with a view to complying with the objectives of this Directive, expenditure related to the reduction of emissions or air pollutants under this Directive shall be tracked.

(6) An important objective of this Programme is to deliver increased synergies and complementarity between the transport, energy and digital sectors. For that purpose, the work programmes could effectively address specific intervention areas, for instance as regards connected and automated mobility, sustainable alternative fuels including the relevant infrastructure for all transport modes or joint cross-border infrastructure, and should provide for increased flexibility to merge the financial support in these sectors. Enabling digital communication could constitute an integral part of a project of common interest in the field of energy and transport. The Programme should allow, within each sector, the possibility to consider eligible some synergetic components pertaining to another sector, where such an approach improves the socio-economic benefit of the investment. Synergies between sectors should be incentivised through the award criteria for the selection of actions, as well as in terms of increased co-financing.

(7) The trans-European transport network (TEN-T) guidelines as laid down in Regulation (EU) No 1315/2013 of the European Parliament and of the Council (1) (hereafter ‘TEN-T guidelines’) identify the infrastructure of the TEN-T, specify the requirements to be fulfilled by it and provide for measures for their implementation. Those guidelines envisage, in particular, the completion of the core network by 2030 through the creation of new infrastructure as well as the substantial upgrading and rehabilitation of existing infrastructure.

(7a) Actions contributing to the development of projects of common interest in the transport sector, financed by the Programme, should build on the complementarity of all transport modes to provide for efficient, interconnected and multimodal networks, in order to ensure connectivity throughout the Union;

(8) In order to achieve the objectives laid down in the TEN-T guidelines, it is necessary to support with priority the ongoing TEN-T projects as well as cross-border links, bottlenecks, horizontal priorities, missing links and urban nodes and to ensure, where applicable, that the supported actions are consistent with the corridor work plans established pursuant to Article 47 of Regulation (EU) No 1315/2013 and to the overall network development regarding performance and interoperability.

(8a) In some cases projects realised on the territory of one Member State have a substantial cross-border impact and create value which exceeds national borders, by enhancing cross-border connectivity on the seaside, or by enhancing the connectivity with the wider hinterland economy beyond national borders. Projects demonstrating such impact should therefore be considered to be cross-border.

(8b) In order to take account of the exceptional circumstances of the United Kingdom’s withdrawal from the European Union, connectivity between Ireland and continental Europe should be provided for by modifying the route and composition of the TEN-T corridors with a view to incorporating the maritime links between Irish ports and the continental ports in the core network and comprehensive network.

(9) In order to reflect growing transport flows and the evolution of the network, the alignment of the core network corridors, their pre-identified sections and their capacity should be adapted. These adaptations to the core network should not affect its completion by 2030, should improve the corridors’ coverage of the EU territory and should be proportionate in order to preserve the consistency and the efficiency of the corridor development and coordination. For that reason the length of the core network corridors should not increase by more than 15 %. Evolutions on the comprehensive network must be monitored and assessed in order to guarantee the relevance of the sections.

(10) It is necessary to promote public, and private investments in favour of smart, interoperable, sustainable, multimodal, inclusive, PRM-accessible, safe and secure mobility throughout the Union for all transport modes. In 2017, the Commission presented (2) ‘Europe on the move’, a wide-ranging set of initiatives to make traffic safer, encourage smart road charging, reduce CO2 emissions, air pollution and congestion, promote connected and autonomous mobility and ensure proper conditions and rest times for workers. These initiatives should be accompanied by Union financial support, where relevant through this Programme, for example to accelerate the implementation and retrofitting of the smart tachograph.

(11) The TEN-T guidelines require, with regard to new technologies and innovation, that the TEN-T enables the decarbonisation of all transport modes by stimulating energy efficiency and the use of alternative fuels while respecting the principle of technological neutrality. Directive 2014/94/EU of the European Parliament and of the Council (3) establishes a common framework of measures for the deployment of alternative fuels infrastructure for all modes of transport in the Union in order to reduce as far as possible the dependence on fossil fuels and to mitigate the environmental and climate impact of transport and requires Member States to ensure that recharging or refuelling points accessible to the public are made available by 31 December 2025. As outlined in the Commission proposals (4) of November 2017, a comprehensive set of measures to promote low-emission mobility is necessary including financial support where the market conditions do not provide a sufficient incentive.


In the context of its Communication ‘Sustainable Mobility for Europe: safe, connected, and clean’ (1), the Commission highlighted that automated vehicles and advanced connectivity systems will make vehicles safer, easier to share and more accessible for all citizens, including those who may be cut-off from mobility services today, such as the elderly and people with reduced mobility. In this context, the Commission also proposed an ‘EU Strategic Action Plan on Road safety’ and a revision of Directive 2008/96/EC on road infrastructure safety management. In the same vein, other regulations, such as Directive 2004/54/EC on minimum safety requirements for tunnels in the trans-European road network, must be adapted to the new safety and digitisation standards of the transport sector. Improving safety must also be a priority in the rail sector. Of particular importance is investment in safety at crossings (i.e. signalling, infrastructure improvement). In 2012, there were 573 significant accidents on the 114 000 level crossings in the EU, resulting in 369 fatalities and 339 people seriously injured (ERA 2014 report). Consequently, level crossings which pose a high safety risk should be identified EU-wide with a view to investing in improving the infrastructure, which should eventually be replaced by bridges and underpasses.

In order to improve the completion of transport projects in less developed parts of the network, a Cohesion Fund allocation should be transferred to the Programme to finance transport projects in the Member States eligible for financing from the Cohesion Fund. In an initial phase, the selection of projects eligible for financing should respect the national allocations under the Cohesion Fund. At the end of the initial phase, resources transferred to the Programme which have not been committed to a transport infrastructure project should be allocated on a competitive basis to projects located in the Member States eligible for financing from the Cohesion Fund with priority to cross-border links and missing links. The Commission should support Member States eligible for financing from the Cohesion Fund in their efforts to develop an appropriate pipeline of projects, in particular by strengthening the institutional capacity of the public administrations concerned.

Following the Joint Communication on improving dual mobility in the European Union of November 2017 (1), the Action Plan on Military Mobility adopted on 28 March 2018 by the Commission and the High Representative of the Union for Foreign Affairs and Security Policy (2) highlighted that transport infrastructure policy offers a clear opportunity to increase synergies between defence needs and TEN-T, with the overall aim of improving mobility across the Union. The Action Plan indicates that by mid-2018, the Council is invited to consider and validate the military requirements in relation to transport infrastructure and that, by 2019 the Commission services will identify the parts of the trans-European transport network suitable also for dual (civil and defence) use of the infrastructure, including where there is the possibility to upgrade existing infrastructure. The infrastructure will always be for dual use. Union funding for the implementation of the dual-use projects should be implemented through the Programme on the basis of work programmes through measurable actions complying with the applicable requirements as defined in the context of the Action Plan.

The introduction of the Action Plan on dual (civil and defence) mobility in the Union is part of the overall objective of improving mobility in the EU while responding to the logistics and mobility challenges set out in the its common security and defence policy (CSDP); to that end, it is vital to harmonise cross-border standards and customs regulations, as well as administrative and legislative procedures. The role of EU joint ventures is, among others, vital to contribute to the harmonisation of administrative and legislative procedures, both for the CEF and for the Action Plan on dual (civil and defence) mobility; Dual (civil and defence) mobility will contribute to the development of the CEF, especially regarding budget matters and measures to meet new and future needs;

In its Communication ‘A stronger and renewed strategic partnership with the EU’s outermost regions’ (3), the Commission highlighted the outermost regions’ specific transport, energy and digital needs and the necessity to provide adequate Union funding to match these needs, including through the Programme by applying co-financing rates up to a maximum of 85 %.

(1) COM(2018)0623.
(2) JOIN(2017)0041.
(3) COM(2017)0623.
Considering the significant investment needs to progress towards completing the TEN-T core network by 2030 (estimated at EUR 350 billion during 2021-2027), the TEN-T comprehensive network by 2050 and decarbonisation-digitalisation-urban investments (estimated at EUR 700 billion during 2021-2027), it is appropriate to keep an adequate budget for the transport sector, in line with the one foreseen at the beginning of the 2014-2020 programming period, and to make the most efficient use of the various Union financing programmes and instruments, thus maximising the value-added of investments supported by the Union. This would be achieved via a streamlined investment process, enabling visibility on the transport pipeline and consistency across relevant Union programmes, notably the Connecting Europe Facility, the European Regional Development Fund (ERDF), the Cohesion Fund and InvestEU. In particular, the enabling conditions as detailed under Annex IV of Regulation (EU) XXX [Regulation of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, and the European Maritime and Fisheries Fund and financial rules for those and for the Asylum and Migration Fund, the Internal Security Fund and the Border Management and Visa Instrument (‘CPR’) ] should be taken into account where relevant.

Regulation (EU) No 347/2013 of the European Parliament and of the Council (1) identifies the trans-European energy infrastructure priorities which need to be implemented in order to meet the Union’s energy and climate policy objectives, identifies projects of common interest necessary to implement those priorities, and lays down measures in the field of the granting of permits, public involvement and regulation to speed up and/or facilitate the implementation of those projects, including criteria for the eligibility of such projects for Union financial assistance. The list of projects of common interest and TEN-E guidelines should be revised to take into account the goals and objectives of the Paris Agreement as well as the Union’s climate and energy targets for 2030 and beyond;

Directive [recast Renewables Directive] stresses the need to set up an enabling framework comprising the enhanced use of Union funds, with explicit reference to enabling actions to support cross-border cooperation in the field of renewable energy.

While completion of network infrastructure remains the priority to achieve the development of renewable energy, integrating cross-border cooperation on renewable energy and developing a smart and efficient energy system including storage and demand response solutions that help balance the grid, reflects the approach adopted under the Clean Energy for all Europeans initiative with a collective responsibility to reach an ambitious target for renewable energy in 2030 and the changed policy context, ensuring a fair and adequate social transition, with ambitious long-term decarbonisation objectives.

Innovative infrastructure technologies that enable the transition to a low emission energy and mobility systems and improve security of supply, seeking greater energy independence for the Union, are essential in view of the Union’s decarbonisation agenda. In particular, in its Communication of 23 November 2017 ‘Communication on strengthening Europe’s energy networks’ (2), the Commission emphasised that the role of electricity, where renewable energy will constitute half of the electricity generation by 2030, will increasingly be driving the decarbonisation of sectors so far dominated by fossil fuels, such as transport, industry and heating and cooling and that accordingly, the focus under the trans-European energy infrastructure policy must be on electricity interconnections, electricity storages, smart grids projects, and gas infrastructure investments. To support the Union’s decarbonisation objectives, internal market integration and security of supply, due consideration and priority should be given to technologies and projects contributing to the transition to a low emission economy. The Commission will aim at increasing the number of cross-border smart grid, innovative storage as well as carbon dioxide transportation projects to be supported under the Programme.


(2) COM(2017)0718.
Support to smart grid projects, where such projects integrate electricity generation, distribution or consumption using real time system management and influencing cross-border energy flows, is needed. The energy projects should further reflect the central role of smart grids in the energy transition and support from the Programme should help to overcome the funding gaps, which are currently hampering investments in the large-scale deployment of smart grid technology.

With regard to electricity interconnection, Regulation (EU) 2018/… of the European Parliament and of the Council [on the Governance of the Energy Union], establishes an electricity interconnection target of 15% among Member States for 2030. The Programme should contribute to achieving this target.

The achievement of the digital single market relies on the underlying digital connectivity infrastructure. The digitalisation of European industry and the modernisation of sectors like transport, energy, healthcare and public administration depend on universal access to reliable, affordable, high and very high capacity networks. Digital connectivity has become one of the decisive factors to close economic, social and territorial divides, supporting the modernisation of local economies, and underpinning the diversification of economic activities. The scope of intervention of the Programme in the area of digital connectivity infrastructure should be adjusted to reflect its increasing importance for the economy and the society at large. Therefore, it is necessary to set out the digital connectivity infrastructure projects of common interest needed to meet Union's digital single market objectives, and to repeal Regulation (EU) No 283/2014 of the European Parliament and of the Council (1).

The Communication on 'Connectivity for a Competitive Digital Single Market — Towards a European Gigabit Society' (2) (the Gigabit Society Strategy) sets out strategic objectives for 2025, in view of optimising investment in digital connectivity infrastructure. Directive (EU) 2018/XXX [European Electronic Communications Code] aims inter alia at creating a regulatory environment which incentivises private investments in digital connectivity networks. It is nevertheless clear that network deployments will urgently require closer attention given their limited cost efficiency throughout the Union, due to various factors such as remoteness and territorial or geographical specificities, low population density, various socio-economic factors. The Programme should therefore aim also to contribute to a balance between rural and urban areas in order to contribute to the achievement of these strategic objectives set out in the Gigabit Society Strategy, complementing the support provided for the deployment of very high capacity networks by other programmes, in particular the European Regional Development Fund (ERDF) and Cohesion Fund and the InvestEU fund.

While all digital connectivity networks which are connected to the Internet are intrinsically trans-European, due mainly to the functioning of the applications and services which they enable, priority for support via the Programme should be given to actions with the highest expected impact on the Digital Single Market, inter alia through their alignment with the objectives of the Gigabit Society Strategy Communication, as well as on the digital transformation of the economy and society, having regard to market failures and implementation obstacles observed.

Schools, universities, libraries, local, regional or national administrations, main providers of public services, hospitals and medical centres, transport hubs and digitally intensive enterprises are entities and places that can influence important socio-economic developments in the area where they are located, including rural and scarcely populated areas. Such socio-economic drivers need to be at the cutting edge of Gigabit connectivity in order to provide access to the best services and applications for European citizens, business and local communities. The Programme should support access to Gigabit connectivity, high speed connectivity, including state-of-the-art mobile connectivity, for these socio-economic drivers with a view to maximising their positive spill-over effects on the wider economy and society, including by generating wider uses demand for connectivity and services.

(2) COM(2016)0587.
(25) In addition, building on the success of the WiFi4EU initiative, the Programme should continue to support the provision of free, secure, high quality, local wireless connectivity in the centres of local public life, including entities with a public mission such as public authorities and providers of public services as well as outdoor spaces accessible to the general public, in order to promote the Union’s digital vision in local communities.

(25a) Digital infrastructure is an important basis for innovations. In order for the programme to maximise its impact it should focus on funding the infrastructure. Individual digital services and applications, such as those involving various distributed ledger technologies or applying artificial intelligence, should therefore be out of scope of the Programme and instead, as appropriate, be addressed through other instruments such as the Digital Europe. It is also important to maximize the synergies between different programmes.

(26) The viability of the anticipated next generation digital services, such as Internet of Things services and applications which are expected to bring significant benefits across various sectors and for society as a whole, will require uninterrupted cross-border coverage with 5G networks, in particular in view of allowing users and objects to remain connected while on the move. However, the cost sharing scenarios for 5G deployment across these sectors remain unclear and the perceived risks of commercial deployment in some key areas are very high. Road corridors and train connections are expected to be key areas for the first phase of new applications in the area of connected mobility and therefore constitute vital cross-border projects for funding under this Programme.

(27) Unconnected territories in all areas of the Union, including in central ones, represent bottlenecks and unexploited potential to the digital single market. In most rural and remote areas, high quality Internet connectivity can play an essential role in preventing digital divide, isolation and depopulation by reducing the costs of delivery of both goods and services and partially compensating for remoteness. High quality Internet connectivity is necessary for new economic opportunities such as precision farming or the development of a bio-economy in rural areas. The Programme should contribute to providing all European households, rural or urban, with very high capacity fixed or wireless connectivity, focusing on those deployments for which a degree of market failure is observed and which can be addressed using low intensity grants. In doing so, the Programme should aim at achieving a comprehensive coverage of households and territories, as gaps in an already covered area are uneconomic to address at a later stage.

(28) The deployment of backbone electronic communications networks, including with submarine cables connecting European territories to third countries on other continents or connecting European islands or overseas territories to the mainland, is needed in order to provide necessary redundancy for such vital infrastructure, and to increase the capacity and resilience of the Union’s digital networks. However, such projects are often commercially non-viable without public support.

(29) Actions contributing to projects of common interest in the area of digital connectivity infrastructure shall deploy the best available and suitable technology while proposing the best balance between state-of-the-art technologies in terms of data flow capacity, transmission security, network resilience, cybersecurity and cost efficiency, and should be prioritised by way of work programmes taking into account criteria set out in this Regulation. Deployments of very high capacity networks can include passive infrastructure, in view of maximising socio-economic as well as environmental benefits. Finally, when prioritising actions, the potential positive spill-overs in terms of connectivity shall be taken into account, for example when a project deployed can improve the business case for future deployments leading to further coverage of territories and population in areas which have remained uncovered so far.

(30) The Union has developed its own satellite Positioning, Navigation and Timing (PNT) technology (EGNOS/Galileo) and its own Earth observation system (Copernicus). Both EGNOS/Galileo and Copernicus offer advanced services which provide important economic benefits to public and private users. Therefore any transport, energy or digital infrastructure funded by the Programme — that makes use of PNT or Earth observations services — should be technically compatible with EGNOS/Galileo and Copernicus.

(31) The positive results of the first Blending Call for proposals launched under the current programme in 2017, confirmed the relevance and added value of using EU grants for blending with financing from the European Investment Bank or National Promotional Banks or other development and public financial institutions as well as from private-sector finance institutions and private-sector investors, including through public private partnerships. Blending should contribute to attract private investment and to provide leverage of the overall public sector
contribution in line with the goals of the Invest EU programme. The Programme should therefore continue to support actions enabling combination between EU grants and other sources of financing. In the transport area Blending operations shall not exceed 10% of the dedicated envelopes.

(31a) In the transport sector, blending operations should primarily be dedicated for projects aiming at the digitalisation of the sector, in particular SESAR and ERTMS, which are expected to have a financial return;

(32) The policy objectives of this Programme will be also addressed through financial instruments and budgetary guarantee under the policy window(s) […] of the InvestEU Fund. The Programme’s actions should be used to boost investment by addressing market failures or sub-optimal investment situations in a proportionate and adequate manner, should not duplicate or crowd out private financing and should provide a clear European added value.

(33) In order to favour an integrated development of the innovation cycle, it is necessary to ensure complementarity between the innovative solutions developed in the context of the Union Research and Innovation framework programmes and the innovative solutions deployed with support from the Connecting Europe Facility. For this purpose, synergies with Horizon Europe will ensure that: (a) research and innovation needs in the areas of transport, energy and in the digital sector within the EU are identified and established during Horizon Europe’s strategic planning process; (b) the Connecting Europe Facility cooperates closely with Horizon Europe for the large-scale roll-out and deployment of innovative technologies and solutions in the fields of transport, energy and digital infrastructure, and in synergies between those fields, in particular those resulting from Horizon Europe; (c) the exchange of information and data between Horizon Europe and the Connecting Europe Facility will be facilitated, for example by highlighting technologies from Horizon Europe with a high market readiness that could be further deployed through the Connecting Europe Facility

(34) This Regulation lays down a financial envelope for the entire period 2021-2027 which is to constitute the prime reference amount, within the meaning of [reference to be updated as appropriate according to the new inter-institutional agreement: point 17 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management for the European Parliament and the Council during the annual budgetary procedure]. This financial envelope should be preserved throughout the duration of the programme and should not be subject to any cut or reassignment to other programmes, in order to preserve the initial balance but also the trade-offs and thematic and territorial allocations throughout the programme period.

(35) At Union level, the European Semester of economic policy coordination is the framework to identify national reform priorities and monitor their implementation. Member States develop their own national multiannual investment strategies in support of these reform priorities. These strategies should be presented alongside the yearly National Reform Programmes as a way to outline and coordinate priority investment projects to be supported by national and/or Union funding. They should also serve to use Union funding in a coherent manner and to maximise the added value of the financial support to be received notably from the European Regional Development Fund (ERDF) and Cohesion Fund, the European Investment Stabilisation Function, InvestEU and the Connecting Europe Facility, where relevant. Financial support should also be used in a manner consistent with Union and national energy and climate plans where relevant.

[separate vote]

(37) The types of financing and the methods of implementation under this Regulation should be chosen on the basis of their ability to achieve the specific objectives of the actions and to deliver results, taking into account, in particular, the costs of controls, the administrative burden, and the expected risk of non-compliance. This should include consideration of the use of lump sums, flat rates and unit costs, as well as financing not linked to costs as referred to in Article 125(1) of the Financial Regulation.
Third countries which are members of the European Economic Area (EEA) may participate in Union programmes in the framework of the cooperation established under the EEA agreement, which provides for the implementation of the programmes by a decision under that agreement. Third countries may also participate on the basis of other legal instruments. A specific provision should be introduced in this Regulation to grant the necessary rights for and access to the authorising officer responsible, the European Anti-Fraud Office (OLAF) as well as the European Court of Auditors to comprehensively exert their respective competences.

The Financial Regulation establishes the rules concerning the award of grants. In order to take into account the specificity of the actions supported by the Programme and to ensure a consistent implementation among the sectors covered by the Programme, it is necessary to provide additional indications as regards eligibility and award criteria. In addition, the Commission and/or the executive agencies responsible for implementing the programme are not empowered to create additional obligations not provided for in this Regulation as regards the selection of operations and their financing. Without derogating from the Financial Regulation, the work programmes may provide for simplified procedures, in certain cases where the objectives of the calls for proposals do not have strategic implications.

In accordance with the Financial Regulation, selection and award criteria are defined in the work programmes. In the transport sector, the quality and relevance of a project should be assessed also taking into account its expected impact on the EU connectivity, its compliance with accessibility requirements and its strategy as regards future maintenance needs.

In accordance with the Financial Regulation, Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council (1), Council Regulation (EC, Euratom) No 2988/95 (2) and Council Regulation (EU) 2017/1939 (3), the financial interests of the Union are to be protected through proportionate measures, including the prevention, detection, correction and investigation of irregularities and fraud, the recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, the imposition of administrative sanctions. In particular, in accordance with Regulation (EU, Euratom) No 883/2013 and Regulation (EC, Euratom) No 2185/96 the European Anti-Fraud Office (OLAF) may carry out administrative investigations, including on-the-spot checks and inspections, with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union. In accordance with Regulation (EU) 2017/1939, the European Public Prosecutor's Office (EPPO) may investigate and prosecute fraud and other criminal offences affecting the financial interests of the Union as provided for in Directive (EU) 2017/1371 of the European Parliament and of the Council (4). In accordance with the Financial Regulation, any person or entity receiving Union funds is to fully cooperate in the protection of the Union's financial interests, to gain the necessary rights and access to the Commission, OLAF, the European Public Prosecutor's Office (EPPO) and the European Court of Auditors (ECA) and to ensure that any third parties involved in the implementation of Union funds grant equivalent rights.

Successful implementation of the Programme is highly dependent on the level of cooperation between the entities participating in a common project. Therefore, the establishment of a joint venture structure should be encouraged, including through a higher level of co-financing.

Pursuant to [reference to be updated as appropriate according to the new decision on OCTs: Article 94 of Council Decision 2013/755/EU (5)] persons and entities established in overseas countries and Territories (OCTs) are eligible for funding subject to the rules and objectives of the Programme and possible arrangements applicable to the Member State to which the relevant overseas country or territory is linked.

The Union should seek coherence and synergies with the Union programmes for external policies, including pre-accession assistance following the engagements taken in the context of the Communication ‘A credible enlargement perspective for and enhanced EU engagement with the Western Balkans’ (1).

When third countries or entities established in third countries participate in actions contributing to projects of common interest or to cross-border projects in the field of renewable energy, financial assistance should only be available if it is indispensable to the achievement of the objectives of these projects.

In accordance with Article 85 of Directive 2014/25/EU, and in the case of third countries with which the Union has not concluded a multilateral or bilateral agreement ensuring comparable and effective access for Union undertakings to the procurement markets of those third countries, any tender submitted for the award of a public supply contract for a project co-financed by the CEF may be rejected where the proportion of the products originating in third countries exceeds 50% of the total value of the products constituting that tender.

Pursuant to paragraph 22 and 23 of the Inter-institutional agreement for Better Law-Making of 13 April 2016 (2), there is a need to evaluate this Programme on the basis of information collected through specific monitoring requirements, such as on climate proofing, while avoiding overregulation and administrative burdens, in particular on Member States. Evaluations should be carried out by the Commission and communicated to the European Parliament, the Council, the European Economic and Social Committee and the Committee of Regions in order to assess the effectiveness and efficiency of the funding and its impact on the overall goals of the Programme and make any adjustments necessary.

Transparent, accountable and adequate monitoring and reporting measures including measurable indicators should be implemented in order to assess and report on the progress of the Programme towards the achievement of the general and specific objectives set out in this Regulation, as well as to promote its achievements. This performance reporting system should ensure that data for monitoring the implementation of the Programme and its results are suitable for an in-depth analysis of the progress achieved and of the difficulties encountered along the core network corridors and that those data and results are collected efficiently, effectively and in a timely manner. It is necessary to impose proportionate reporting requirements on recipients of Union funds in order to collect relevant data for the Programme.

The Programme should be implemented through work programmes. The Commission should prepare by the end of March 2021 a Framework Programme that will include the foreseen time table of the work programmes, calls, their topics and allocated financing and other necessary details necessary to provide transparency and predictability for all period of the Programme and to enhance the quality of the projects.

A comprehensive evaluation of the Programme should be carried out to guarantee consistency of the Programme investment priorities with the Union’s climate change commitments;

In order to supplement this Regulation, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of the adoption of work programmes and the Framework Programme.

In order to adapt, where necessary, the indicators used for the monitoring of the Programme, and the definition of the transport core network corridors, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of amendments to Parts I, II and III of the Annex to this Regulation and military requirements, to establish or amend the list of the parts of the trans-European transport network suitable for military transport, to establish or amend the list of priority projects dual use infrastructure and the assessment procedure regarding the eligibility of the actions connected with military mobility. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with

the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States’ experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

(48) Regulations (EU) No 1316/2013 and (EU) No 283/2014 should, for reasons of clarity, be repealed. However, the effects of Article 29 of Regulation (EU) No 1316/2013, which amends the Annex to Regulation (EU) No 913/2010 of the European Parliament and of the Council (1) as regards the list of freight corridors, should be preserved.

(49) In order to allow for the timely adoption of the implementing acts provided for by this Regulation, it is necessary that it enters into force immediately upon its publication.

H ave ADOPTED THIS REGULATION:

CHAPTER I
GENERAL PROVISIONS

Article 1
Subject matter

This Regulation establishes the Connecting Europe Facility (the ‘Programme’).

It lays down the objectives of the Programme, the budget for the period 2021-2027, the forms of Union funding and the rules for providing such funding.

Article 2
Definitions

For the purposes of this Regulation, the following definitions shall apply:

(a) ‘action’ means any activity which has been identified as financially and technically independent, has a set time-frame and is necessary for the implementation of a project;

(b) ‘alternative fuels’ means alternative fuels for all modes of transport as defined in Article 2(1) of Directive 2014/94/EU;

(c) ‘associated country’ means a third country which is party to an agreement with the Union allowing for its participation in the Programme in accordance with Article 5;

(ca) ‘beneficiary’ means any entity that has been selected to receive Union financial assistance under the eligibility criteria set under Article 11 of this Regulation and in accordance with Article [197] of the Financial Regulation;

(d) ‘Blending operation’ means actions supported by the EU budget, including within blending facilities pursuant to Article [2(6)] of the Regulation (EU, Euratom) 2018/XXX (the ‘Financial Regulation’), combining non-repayable forms of support and/or financial instruments and/or budgetary guarantees from the EU budget with repayable forms of support from development or other public finance institutions, as well as from commercial finance institutions and investors;

(da) ‘bottleneck’ means a physical, technical or functional barrier which leads to a system break affecting the continuity of long-distance or cross-border flows and which can be surmounted by creating new infrastructure, or substantially upgrading existing infrastructure, that could bring significant improvements which will solve the bottleneck constraints;

e) ‘comprehensive network’ means the transport infrastructure identified in accordance with Chapter II of Regulation (EU) No 1315/2013;

(f) ‘core network’ means the transport infrastructure identified in accordance with Chapter III of Regulation (EU) No 1315/2013;

(g) ‘core network corridors’ means an instrument to facilitate the coordinated implementation of the core network as provided for in Chapter IV of Regulation (EU) No 1315/2013 and listed in Part III of the Annex to this Regulation;

(ga) ‘cross-border link’, in the field of transport infrastructure means projects covering a rail, road, inland waterway or maritime section between Member States or a Member State and a third country, or a project, in any mode of transport, carried out in one Member State that demonstrates a high cross-border impact by enhancing cross-border flows between two Member States;

(h) ‘cross-border project in the field of renewable energy’ means a project selected or eligible to be selected under a cooperation agreement or any other kind of arrangements between Member States or arrangements between Member States and third countries as defined in [Article 8, 9, 11 or 13 of] Directive (EU) 2018/… of the European Parliament and of the Council (+1) (+), in the planning or deployment of renewable energy, in accordance with the criteria set out in Part IV of the Annex to this Regulation;

(ha) ‘energy efficiency first’ means taking utmost account, in energy planning, policy and investment decisions, of alternative cost-efficient energy efficiency measures to make energy demand and energy supply more efficient, in particular by means of cost-effective energy enduse savings, demand-side response initiatives and more efficient conversion, transmission and distribution of energy, whilst still achieving the objectives of the respective decisions;

(i) ‘digital connectivity infrastructure’ means very high capacity networks, 5G systems, very high quality local wireless connectivity, backbone networks, as well as operational digital platforms directly associated with transport and energy infrastructure;

(j) ‘5G systems’ means a set of digital infrastructure elements based on globally agreed standards for mobile and wireless communications technology used for connectivity and value-added services with advanced performance characteristics such as very high data rates and capacity, low latency, high reliability, or supporting a high number of connected devices.

(k) ‘5G corridor’ means a transport path, road, railway or inland waterway, fully covered with digital connectivity infrastructure and in particular 5G systems, enabling the uninterrupted provision of synergy digital services such as connected and automated mobility, similar smart mobility services for railways or digital connectivity on inland waterways;

(ka) ‘missing link’ is an all modes transport section of a TEN-T corridor or a transport section that is providing the connection of core or comprehensive networks with the TEN-T corridors which is missing or containing one or more bottleneck affecting the continuity of the TEN-T corridor;

(l) ‘operational digital platforms directly associated with transport and energy infrastructure’ means physical and virtual information communication technology (ICT) resources, operating on top of the communication infrastructure, which support the flow, storage, processing and analysis of transport and/or energy infrastructure data;

(m) ‘project of common interest’ means a project identified in Regulation (EU) No 1315/2013 or Regulation (EU) No 347/2013 or in Article 8 of this Regulation;

(*) OJ: Please insert in the text the number of the Regulation contained in document PE-CONS 55/18 (2016/0375(COD)) and insert the number, date, title and OJ reference of that Directive in the footnote.

(1) OJ …

(*) I please insert title, number and OJ reference of COD 2016/0382 (renewable energy).
(n) ‘studies’ means activities needed to prepare project implementation, such as preparatory, mapping, feasibility, evaluation, testing and validation studies, including in the form of software, and any other technical support measure, including prior action to define and develop a project and decide on its financing, such as reconnaissance of the sites concerned and preparation of the financial package;

(o) ‘socio-economic drivers’ means entities which by their mission, nature or location can directly or indirectly generate important socio-economic benefits to citizens, business and local communities located in their surrounding territory or in their area of influence;

(p) ‘third country’ means a country that is not member of the European Union;

(q) ‘very high capacity networks’ means very high capacity networks as defined in Article 2 (2) of Directive (EU) 2018/XXX [the European Electronic Communications Code]

(r) ‘works’ means the purchase, supply and deployment of components, systems and services including software, the carrying-out of development and construction and installation activities relating to a project, the acceptance of installations and the launching of a project.

(ra) ‘infrastructure for civilian-defence dual-use’ means infrastructure used mainly for civilian purposes but which is also of strategic importance for defence and crisis management purposes and that could be adapted to civilian-military dual-use needs.

Article 3
Objectives

1. The Programme has the general objective to build, develop and modernise the trans-European networks in the fields of transport, energy and digital and to facilitate cross-border cooperation in the field of renewable energy, in order to contribute to increasing European competitiveness, access to internal market, to smart, sustainable and inclusive growth, and to consolidate territorial, social and economic cohesion, contributing to the long-term decarbonisation commitments and with emphasis on synergies among transport, energy and digital sectors to the full.

2. The Programme has the following specific objectives:

(a) In the transport sector:

(i) to contribute to the development of projects of common interest relating to efficient, interconnected, interoperable and multimodal networks and infrastructure for smart, sustainable, inclusive, accessible, safe and secure mobility and European transport area;

(ii) to adapt the parts of the trans-European transport network suitable for military transport to dual (civilian and defence) mobility needs;

(b) In the energy sector, to contribute to the development of projects of common interest relating to further integration of an efficient and competitive internal energy market, interoperability of networks across borders and sectors, facilitating decarbonisation of the economy, and ensuring security of supply and EU energy independence and to facilitate cross-border cooperation in the area of energy, including renewable energy, and to stimulate energy efficiency;

(c) In the digital sector, to contribute to the development of projects of common interest relating to the deployment of very high capacity digital networks and 5G systems, to the increased resilience and capacity of digital backbone networks on EU territories by linking them to neighbouring territories, as well to the digitalisation of transport and energy network.
Article 4
Budget

1. The financial envelope for the implementation of the Programme for the period 2021-2027 is set at EUR 43 850 768 000 in constant prices (EUR XXX in current prices).

2. The distribution of this amount shall be as follows:

(a) EUR 33 513 524 000 in constant prices (EUR XXX in current prices) for the specific objectives referred to in Article 3(2)(a), of which:

   (i) EUR 17 746 000 000 in constant prices (EUR XXX in current prices) from the European Strategic Investment cluster;

   (ii) EUR 10 000 000 000 in constant prices (EUR 11 285 493 000 in current prices) transferred from the Cohesion Fund to be spent in line with this Regulation exclusively in Member States eligible for funding from the Cohesion Fund;

   (iii) EUR 5 767 524 000 in constant prices (EUR 6 500 000 000 in current prices) from the heading Security and Defence for the specific objective referred to in Article 3(2)(a)(ii);

(b) up to EUR 8 650 000 000 for the specific objectives referred to in Article 3(2)(b), out of which 20% for the cross-border projects in the field of renewable energy; [Am. 9]

(c) EUR 2 662 000 000 in constant prices (EUR 3 000 000 000 in current prices) for the specific objectives referred to in Article 3(2)(c).

3. The Commission shall not depart from the amount referred to in subparagraph 2 (a) (ii).

4. Up to 3% of the amount referred to in paragraph 1 may be used also for technical and administrative assistance for the implementation of the Programme and the sector-specific guidelines, such as preparatory, monitoring, control, audit and evaluation activities including corporate information and technology systems. This amount may also be used to finance accompanying measures to support the preparation of projects.

5. Budgetary commitments for actions extending over more than one financial year may be broken down over several years into annual instalments.

5a. Transparency and citizens’ participation shall be guaranteed for large projects. [Am. 27]

6. Without prejudice to the Financial Regulation, expenditure for actions resulting from projects included in the first work programme may be eligible as from 1 January 2021.

7. The amount transferred from the Cohesion Fund shall be implemented in accordance with this Regulation, subject to paragraph 8 and without prejudice to Article 14(2)(b).

8. As regards the amounts transferred from the Cohesion Fund, until 31 December 2022, the selection of projects eligible for financing shall respect the national allocations under the Cohesion Fund. As of 1 January 2023, resources transferred to the Programme which have not been committed to a transport infrastructure project shall be made available, on a competitive basis, to all Member States eligible for funding from the Cohesion Fund to finance transport infrastructure projects in accordance with this Regulation.

9. Resources allocated to a Member State under shared management may, at its request, and in accordance with the relevant managing Authority, be transferred to the Programme, in order for them to be used as part of a blending operation or synergy with other Union programmes action included in a proposal submitted by the Member State concerned and declared eligible by the Commission under a work programme procedure. The Commission shall implement those resources directly in accordance with [point (a) of Article 62(1)] of the Financial Regulation or indirectly in accordance with point (c) of that Article.
Article 5

Third countries associated to the Programme

1. The Programme shall be open to the following third countries:

(a) European Free Trade Association (EFTA) members which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA agreement;

(b) acceding countries, candidates and potential candidates, in accordance with the general principles and general terms and conditions for their participation in Union programmes established in the respective framework agreements and association council decisions, or similar agreements, and in accordance with the specific conditions laid down in agreements between the Union and them;

(c) countries covered by the European Neighbourhood Policy, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective framework agreements and association council decisions, or similar agreements, and in accordance with the specific conditions laid down in agreements between the Union and those countries;

(d) other third countries, in accordance with the conditions laid down in a specific agreement covering the participation of the third country to any Union programme, provided that the agreement:

— ensures a fair balance as regards the contributions and benefits of the third country participating in the Union programmes;

— lays down the conditions of participation in the programmes, including the calculation of financial contributions to individual programmes and their administrative costs. These contributions shall constitute assigned revenues in accordance with Article [21(5)] of the Financial Regulation;

— does not confer to the third country a decisional power on the programme;

— guarantees the rights of the Union to ensure sound financial management and to protect its financial interests.

— provide reciprocity in accessing similar programmes in the third country, especially public procurement.

2. The third countries referred to in paragraph 1, and entities established in these countries, may not receive financial assistance under this Regulation except where it is indispensable to the achievement of the objectives of a given project of common interest and under the conditions set in the work programmes referred to in Article 19 and according to the provisions set by Article 8 of the Regulation (EU) n. 1315/2013.

Article 6

Implementation and forms of EU funding

1. The Programme shall be implemented in direct management in accordance with the Financial Regulation or, in indirect management with bodies referred to in Article [61(1)(c)] of the Financial Regulation.

2. The Programme may provide funding in the forms of grants and procurement as laid down in the Financial Regulation. Funding provided by the Programme may be used within blending operations including with funds as provided in Article 3(2)(a) of the InvestEU Regulation. In the transport sector, blending operations shall not exceed 10% of the dedicated envelope and shall be primarily intended for horizontal priorities as listed in Annex — part III — point - 1(new). Blending operations decided under this Programme shall be implemented in accordance with the InvestEU Regulation and Title X of the Financial Regulation.

3. The Commission may delegate power to implement part of the Programme to executive agencies in accordance with Article [69] of the Financial Regulation with a view to the optimum management and efficiency requirements of the Programme in the transport, energy and digital sectors.

4. Contributions to a mutual insurance mechanism may cover the risk associated with the recovery of funds due by recipients and shall be considered a sufficient guarantee under the Financial Regulation. The provisions laid down in [Article X of] Regulation XXX [successor of the Regulation on the Guarantee Fund] shall apply.
Article 6a

Adaptation of TEN-T networks to civilian-defence dual-use

1. Projects of common interest shall contribute to the adaptation of the TEN-T networks as defined by Regulation (EU) No 1315/2013, with the purpose of enabling a civilian-defence dual use of infrastructure, in accordance with the dual (civilian and defence) mobility requirements, hereafter ‘dual mobility requirements’, and priority dual-use infrastructure projects identified in paragraph 2 of this Article.

2. By 31 December 2019, the Commission shall adopt delegated acts in accordance with Article 24 of this Regulation in order to further specify the dual mobility requirements, list the parts of the trans-European transport network suitable for military transport, list priority dual-use infrastructure projects and the assessments procedure regarding the eligibility of the actions connected with civilian-defence dual-use of infrastructure. The specification of the priority projects shall reflect on the situation of Member States in the East and in the South of the Union.

3. Studies with the aim of developing and identifying projects of common interest of parts of the trans-European transport network suitable for military transport, which will be always based on existing TEN-T feasibility studies, projects and implementation, shall include also the actions necessary to comply with dual mobility requirements validated by the Council and the priority dual-use civil-defence infrastructure projects.

All proposed projects shall include measurable actions to integrate the dual mobility requirements validated by the Council.

Proposals including only actions connected with military mobility shall be eligible only when adding to an existing civil infrastructure.

All actions connected with compliance with dual mobility requirements shall be financed from the funds provided in Article 4 (2)(a)(iii) and shall enable civilian-defence dual-use of infrastructure.

4. By 31 December 2025 the Commission shall perform an evaluation of the amount already spent and the spending perspective of the amount specified in Article 4(2)(a)(iii). Depending on the result of this evaluation, the Commission shall decide to transfer the money that has not been committed from Article 4(2)(a)(iii) to Article 4(2)(a)(i).

Article 6b

Cross-border projects in the field of transport

1. Member States, regional authorities or other entities participating in a cross-border transport project may set up a joint body (one stop shop) for project management. These joint bodies shall have extensive coordinating powers, with EU rules prevailing, facilitating the management of all environmental impact assessments and planning and building permits.

2. In order to address difficulties in coordinating procedures for the concession of cross-border TEN-T infrastructure projects, European coordinators shall monitor the coordination of the projects and propose procedures to facilitate their synchronisation and completion.

3. Given the need to ensure coordination and cooperation between the Member States through the designated single competent authority, as well as the need to set joint deadlines for the granting of cross-border permits and the launching of public procurement for joint cross-border projects, the requisite measures shall be in accordance with the Regulation of the European Parliament and of the Council on streamlining measures for advancing the realisation of the trans-European transport network (COM(2018)0277).
Article 7
Cross-border projects in the field of renewable energy

1. Cross-border projects in the field of renewable energy shall contribute to decarbonisation, completing the internal energy market and enhancing the security of supply, shall involve at least two Member States, and shall be included in a cooperation agreement or any other kind of arrangement between Member States, including, where appropriate at a regional level, or arrangements between Member States and third countries as set out in Article 8, 9, 11 or 13 of Directive (EU) 2018/… of the European Parliament and of the Council (+). These projects shall be identified in accordance with the general criteria and process laid down in Part IV of the Annex to this Regulation.

2. By 31 December 2019, the Commission shall adopt a delegated act in accordance with Article 23(d) of this Regulation to further specify, without prejudice to the award criteria laid down in Article 13, the specific selection criteria and lay down details of the selection process of the projects and shall publish the methodologies for assessing the contribution of the projects to the general criteria and for assessing the cost-benefit analysis specified in Part IV of the Annex.

3. Studies aiming at the development and identification of cross-border projects in the field of renewable energy shall be eligible for funding under this Regulation.

4. Cross-border projects in the field of renewable energy shall be eligible for Union funding for works if they meet the following additional criteria:

   (a) the project specific cost-benefit analysis pursuant to point 3 of Part IV of the Annex shall be compulsory for all supported projects, shall be performed in a transparent, comprehensive and complete manner and shall provide evidence concerning the existence of significant cost savings and/or benefits in terms of sustainability, system integration, security of supply or innovation, and;

   (b) the applicant demonstrates, that the project would not materialise in the absence of the grant, or that the project cannot be commercially viable in the absence of the grant. This analysis shall take into account any revenues resulting from support schemes.

5. The amount of the grant for works shall be proportionate to the cost savings and/or benefits referred to in point 2 (b) of Part IV of the Annex, shall not exceed the amount required to ensure that the project materialises or becomes commercially viable and shall respect the provisions of Article 14(3).

Article 8
Projects of common interest in the area of digital connectivity infrastructure

1. Projects of common interest in the area of digital connectivity infrastructure are those projects that make a significant contribution:

   (a) to completing the European Digital Single Market

   (b) to the Union’s strategic connectivity objectives and

   (c) provide the underlying network infrastructure supporting the digital transformation of the economy and society.

1a. Projects of common interest in the area of digital connectivity infrastructure shall comply with the criteria below:

   (a) contribute to the specific objective provided for in point (c) of Article 3(2);

   (b) deploy the best available technology while proposing the best balance in terms of data flow capacity, transmission security, network resilience, cyber security and cost efficiency.

2. Studies aiming at the development and identification of projects of common interest in the area of digital connectivity infrastructure shall be eligible for funding under this Regulation.

3. Without prejudice to the award criteria laid down in Article 13, priority for funding shall be determined taking into account the following criteria:

(a) actions contributing to access to very high capacity networks capable of providing Gigabit connectivity, including 5G or other state-of-the-art mobile connectivity, for socio-economic drivers shall be prioritised. The Union’s global competitiveness and capacity to absorb investment are taking into account in addition to the socio-economic drivers, the relevance of the digital services and applications enabled by providing the underlying connectivity, and the potential socio-economic benefits to citizens, business and local communities, including the potential positive spill-overs in terms of connectivity, in accordance with Part V of the Annex;

(b) actions contributing to the provision of very high-quality local wireless connectivity in local communities, in accordance with Part V of the Annex;

(c) with regard to actions contributing to the deployment of 5G systems, priority shall be given to deployment of 5G corridors along major terrestrial transport paths, including the trans-European transport networks and to socio-economic hubs. The extent to which the action contributes to ensuring coverage along major transport paths enabling the uninterrupted provision of synergy digital services, while maximising potential positive spill-overs for territories and population in the vicinity of the project deployment area shall also be taken into account. An indicative list of projects that could benefit from support is included in Part V of the Annex;

(d) projects aiming at the deployment of cross-border very high capacity and backbone networks linking the Union to third countries and reinforcing links within the Union territory, including with submarine cables, shall be prioritised according to the extent to which they significantly contribute to increasing the resilience and capacity of electronic communications networks in Union territory;

(e) with regard to coverage with very high capacity networks, priority shall be given to actions contributing to coverage of territories and population, in inverse proportion to the intensity of the grant support that would be required to allow the project to be implemented, relative to the applicable maximum co-financing rates laid down in Article 14. The extent to which the action contributes to ensuring comprehensive coverage of the territory and population within a certain project deployment area, while maximising potential positive spill-overs for territories and population in the vicinity of the project deployment area shall also be taken into account.

(f) with regard to projects deploying operational digital platforms, priority shall be given to actions based on state-of-the-art technologies, taking into account aspects such as interoperability, cybersecurity, data privacy and re-use.

| Article 8a |
| Awarding public contracts and/or supply contracts |

1. When awarding contracts with the support of the Programme, beneficiaries should not base the award of contracts solely on the tender offering best value for money, but should also take a cost-effectiveness approach into account, focusing on qualitative, social and environmental data.

2. Any tender submitted for the award of a public procurement and/or supply contract, benefitting from the programme, shall be considered admissible where the proportion of the products originating in third countries, with which the Union has not concluded an agreement ensuring comparable and effective access for Union undertakings to the markets of those third countries, does not exceed 50 % of the total value of the products constituting the tender.

[Am. 35]
CHAPTER II

ELIGIBILITY

Article 9

Eligible actions

1. Only actions contributing to the achievement of the objectives referred to in Article 3 and which have been subject to climate proofing are eligible for funding. Such actions include in particular studies, works and other accompanying measures necessary for the management and implementation of the Programme and the sector-specific guidelines. Studies are eligible only when relating to projects eligible under this Programme and included in a call for proposal under work programmes. The selection of operations and their funding under this Regulation may not be subject to any additional obligation not laid down herein.

2. In the transport sector, the following actions shall be eligible to receive Union financial assistance under this Regulation:

   (a) Actions relating to efficient, interconnected, interoperable and multimodal networks:

      (i) actions implementing the core network in accordance with Chapter III of Regulation (EU) No 1315/2013, including actions relating to urban nodes, rail interoperability, multimodal logistics platforms, airports, maritime and inland waterways ports, inland waterways navigability, hinterland ports and rail-road terminals of the core network as defined at Annex II to Regulation (EU) No 1315/2013, mainly the actions listed in Part III, heading 1 of the Annex to this Regulation, as well as interconnection between networks. Actions implementing the core network may include related elements located on the comprehensive network when necessary to optimize the investment and according to modalities specified in the work programmes referred to in Article 19 of this Regulation;

      (ii) actions implementing and stimulating cross-border links of the comprehensive network in accordance with Chapter II of Regulation (EU) No 1315/2013, notably the sections listed in Part III (2) of the Annex to this Regulation;

      (iia) measures for the harmonisation of cross-border and customs regulations and for administrative and legislative procedures (with the aim of establishing a pan-EU regulatory framework for dual (civilian and defence mobility);

      (iib) actions to re-establish missing regional cross-border rail connections that were abandoned or dismantled;

      (iii) actions implementing sections of the comprehensive network located in outermost regions in accordance with Chapter II of Regulation (EU) No 1315/2013, including actions relating to the relevant urban nodes, airports, multimodal logistics platforms, maritime ports, inland ports and rail-road terminals of the comprehensive network as defined at Annex II to Regulation (EU) No 1315/2013;

      (iiiia) actions to remove interoperability barriers, notably when delivering corridor/network effects, particularly with regard to promoting an increase in rail freight traffic; [Am. 33]

      (iv) actions supporting projects of common interest in order to connect the trans-European network with infrastructure networks of neighbouring countries as defined in Article 8(1) of Regulation (EU) No 1315/2013;

   (b) Actions relating to smart, interoperable, sustainable, multimodal, inclusive, accessible, safe and secure mobility:

      (i) actions supporting motorways of the sea as provided for in Article 21 of Regulation (EU) No 1315/2013 with a focus on cross-border short sea shipping;

      (ii) actions supporting telematic applications systems, inter alia ERTMS and SESAR projects, including for safety purposes, in accordance with Article 31 of Regulation (EU) No 1315/2013;
(iii) actions supporting freight transport services in accordance with Article 32 of Regulation (EU) No 1315/2013;

(iv) actions supporting new technologies and innovation, including automation, enhanced transport services, modal integration and alternative fuels infrastructure for all modes of transport, and decarbonisation of the transport sector, in accordance with Article 33 of Regulation (EU) No 1315/2013;

(v) actions to remove interoperability barriers notably in urban nodes as defined in Article 30 of Regulation (EU) No 1315/2013 and notably when delivering corridor/network effects;

(vi) actions implementing safe and secure infrastructure and mobility, including road safety, in accordance with Article 34 of Regulation (EU) No 1315/2013;

(vii) actions improving transport infrastructure resilience to climate change and natural disasters;

(viii) actions improving transport infrastructure accessibility for all means of transport and all users especially users with reduced mobility, in accordance with Article 37 of Regulation (EU) No 1315/2013;

(ix) actions improving transport infrastructure accessibility and availability for security and civil protection purposes;

(ix a) actions to reduce rail freight noise.

(c) Under the specific objective referred to in Article 3(2)(a)(ii) and in accordance with Article 6a:

(i) specific activities within an action, supporting parts, new or existing, of the trans-European transport network suitable for military transport, in order to adapt it to dual mobility requirements with the purpose of enabling a civilian-military dual-use of the infrastructure;

(ia) actions improving transport infrastructure accessibility and availability for security and civil protection purposes;

(ib) actions increasing the resilience against cyber security threats.

3. In the energy sector, the following actions shall be eligible to receive Union financial assistance under this Regulation:

(a) actions relating to projects of common interest as set out at Article 14 of Regulation (EU) No 347/2013;

(b) actions supporting cross-border projects in the field of renewable energy, including their conception, as defined in Part IV of the Annex to this Regulation, subject to the fulfilment of the conditions laid down in Article 7 of this Regulation.

4. In the digital sector, the following actions shall be eligible to receive Union financial assistance under this Regulation:

(a) actions supporting Gigabit and 5G connectivity of socio-economic drivers;

(b) actions supporting the provision of very high-quality local wireless connectivity in local communities that is free of charge and without discriminatory conditions;

(c) actions implementing uninterrupted coverage with 5G systems of all major terrestrial transport paths, including the trans-European transport networks;

(d) actions supporting deployment and integration of new or existing backbone networks including with submarine cables, across Member States and between the Union and third countries;
(e) actions supporting access of European households to very high capacity networks and implementing the EU strategic connectivity targets;

(f) actions implementing digital connectivity infrastructure requirements related to cross-border projects in the areas of transport or energy and/or supporting operational digital platforms directly associated to transport or energy infrastructures.

An indicative list of eligible projects in the digital sector is provided for in Part V of the Annex.

Article 10

Synergies between the transport, energy and digital sectors

1. Actions contributing simultaneously to the achievement of one or more objectives of at least two sectors, as provided for in Article 3(2)(a), (b) and (c) shall be eligible to receive Union financial assistance under this Regulation and to benefit from a higher co-funding rate, in accordance with Article 14. Such actions shall be implemented through work programmes addressing at least two sectors including specific award criteria and financed with budget contributions from the sectors involved.

2. Within each of the transport, energy or digital sectors, actions eligible in accordance with Article 9 may include synergic elements relating with any of the other sectors, which are not related to eligible actions as provided for in Article 9(2), (3) or (4) respectively, provided that they comply with all of the following requirements:

(a) the cost of these synergic elements does not exceed 20% of the total eligible costs of the action; and

(b) these synergic elements relate to the transport, energy or digital sector; and

(c) these synergic elements allow to significantly improve the socio-economic, climate or environmental benefits of the action.

Article 11

Eligible entities

1. The eligibility criteria set out in this Article shall apply in addition to the criteria set out in Article [197] of the Financial Regulation.

2. The following entities are eligible:

(a) legal entities established in a Member State including joint ventures;

(b) legal entities established in a third country associated to the Programme;

(c) legal entities created under Union law and international organisations where provided for in the work programmes.

3. Natural persons are not eligible.

4. Legal entities established in a third country which is not associated to the Programme are exceptionally eligible to receive support under the Programme where this is indispensable for the achievement of the objectives of a given project of common interest in the field of transport, energy and digital or of a cross-border project in the field of renewable energy.

5. The work programmes referred to in Article 19 may provide that only proposals submitted by one or more Member States or by joint undertakings, or, in consultation with the Member States concerned, by regional or local authorities, or international organisations, or public or private undertakings or bodies are eligible.

CHAPTER III

GRANTS

Article 12

Grants

Grants under the Programme shall be awarded and managed in accordance with Title [VIII] of the Financial Regulation.
Article 13

Award criteria

1. The award criteria shall be defined in the work programmes referred to in Article 19 and in the calls for proposals, and shall include, to the extent applicable, the following elements:

(a) economic, social and environmental impact (benefits and costs), including soundness, comprehensiveness and transparency of the analysis;

(aa) compliance with provisions of Articles 82 and 85 of Directive 2014/25/EU;

(b) innovation, safety, digitalisation, interoperability and accessibility aspects;

(c) cross-border dimension and interconnection dimension;

(ca) connectivity and territorial accessibility, including for outermost regions and islands;

(cb) European added value;

(d) synergies between the transport, energy and digital sectors;

(e) maturity of the action in the project development;

(ea) life cycle of projects and soundness of the maintenance strategy proposed for the completed project;

(f) soundness of the implementation plan proposed;

(g) catalytic effect of Union financial assistance on investment;

(h) need to overcome financial obstacles such as insufficient commercial viability, high upfront costs or the lack of market finance;

(ha) contribution to the integration of dual (civilian and defence) mobility requirements;

(hb) accessibility to persons with reduced mobility;

(i) contribution to the Union and national energy and climate plans;

(ia) decarbonisation achieved by projects;

(ib) contribution to the energy efficiency first principle;

2. The assessment of proposals against the award criteria shall take into account, where relevant, the resilience to the adverse impacts of climate change through a climate vulnerability and risk assessment including the relevant adaptation measures.

3. The assessment of proposals against the award criteria shall ensure that where relevant, as specified in the work programmes, actions supported by the Programme that include Positioning, Navigation and Timing (PNT) technology are technically compatible with EGNOS/Galileo and Copernicus.

4. In the transport sector, the assessment of proposals against the award criteria referred to in paragraph 1 shall, where applicable, ensure that proposed actions are consistent with the corridor work plans and implementing acts pursuant to Article 47 of Regulation (EU) No 1315/2013 and take into account the opinion of the responsible European Coordinator pursuant to Article 45 (8) thereof. The assessment shall also evaluate whether the implementation of actions financed by the CEF risks causing disruption to freight and passenger flows on the section of the line concerned by the project and eventually offer solutions.

5. As regards actions relating to cross-border projects in the field of renewable energy, the award criteria defined in the work programmes and the calls for proposals shall take into account the conditions laid down in paragraph 4 of Article 7.

6. As regards actions relating to digital connectivity projects of common interest, the award criteria defined in the work programmes and the calls for proposals shall take into account the conditions laid down in paragraph 3 of Article 8.

13.11.2020

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Article 14
Co-financing rates

1. For studies, the amount of Union financial assistance shall not exceed 50% of the total eligible cost. For studies financed with the amounts transferred from the Cohesion Fund, the maximum co-financing rates shall be those applicable to the Cohesion Fund as specified in paragraph 2 (b).

2. For works in the transport sector, the following maximum co-financing rates shall apply:

(a) for works relating to the specific objectives referred to in Article 3 (2) (a), the amount of Union financial assistance shall not exceed 30% of the total eligible cost. The co-financing rates may be increased to a maximum of 50% for actions relating to cross-border links involving any transport mode under the conditions specified in point (c) of this paragraph, for actions supporting telematic applications systems, for actions supporting inland waterways, railway or Motorways of the Sea, for actions supporting new technologies and innovation, for actions supporting improvements of infrastructure safety in line with relevant Union legislation and for actions located in outermost regions and for actions supporting improvements to territorial accessibility and to connectivity. For works in outermost regions the co-financing rates shall be set to a maximum of 85%;

(b) as regards the amounts transferred from the Cohesion Fund, the maximum co-financing rates shall be those applicable to the Cohesion Fund as referred to in the Regulation (EU) XXX [CPR]. These co-financing rates may be increased to a maximum of 85% for actions relating to cross-border and missing links under the conditions specified in point (c) of this paragraph and actions relating to the improvement of territorial connectivity and accessibility;

(c) as regards actions relating to cross-border links, the increased maximum co-financing rates as provided for in points (a) and (b) may only apply to actions that demonstrate a particularly high degree of integration in the planning and implementation of the action for the purpose of the award criterion referred to in Article 13(1)(c) or 13(1)(ca), notably through the establishment of a single project company, a joint governance structure and a bilateral legal framework or implementing act pursuant to Article 47 of Regulation (EU) No 1315/2013 or through a written agreement between the Member States or regional authorities concerned; in addition, the co-financing rate applicable to projects carried out by a joint venture, in accordance with point (a) of Article 11(2), may be increased by 10%; the co-financing rate shall not be higher that 90% of the total eligible cost;

(ca) as regards actions relating to the specific objective referred to in Article 3 (2) (a) (ii) the co-financing rates may be increased to a maximum of 85% for actions relating to cross-border links under the conditions specified in point (c) of this paragraph.

3. For works in the energy sector, the following maximum co-financing rates shall apply:

(a) for works relating to the specific objectives referred to in Article 3 (2) (b), the amount of Union financial assistance shall not exceed 50% of the total eligible cost for works in outermost regions the co-financing rates shall be to a maximum of 85%:

(b) The co-financing rates may be increased to a maximum of 75% for actions contributing to the development of projects of common interest which have a significant impact on reducing CO₂ emissions or, based on the evidence referred to in Article 14(2) of Regulation (EU) No 347/2013, provide a high degree of regional or Union-wide security of supply, strengthen the solidarity of the Union or comprise highly innovative solutions.

4. For works in the digital sector, the following maximum co-financing rates shall apply: for works relating to the specific objectives referred to in Article 3 (2) (c), the amount of Union financial assistance shall not exceed 30% of the total eligible cost. For works in outermost regions the co-financing rates shall be to a maximum of 85%. The co-financing rates may be increased up to 50% for actions with a strong cross-border dimension, such as uninterrupted coverage with 5G systems along major transport paths or deployment of backbone networks between Member States and between the Union and third countries, and up to 75% for actions implementing the Gigabit connectivity of socio-economic drivers. Actions in the field of providing local wireless connectivity in local communities shall be funded by Union financial assistance covering up to 100% of the eligible costs, without prejudice to the principle of co-financing.
5. The maximum co-funding rate applicable to actions referred to in Article 10 shall be the highest maximum co-funding rate applicable to the sectors concerned. In addition, the co-financing rate applicable to these actions may be increased by 10%; the co-financing rate shall not be higher than 90% of the total eligible cost.

5a. After the co-financing rate has been decided and at the point when the grant is awarded the Commission shall provide project promoters with a list of all opportunities and means whereby to obtain in due course the remaining financial support.

Article 15
Eligible costs

The following cost-eligibility criteria shall apply, in addition to the criteria set out in Article [186] of the Financial Regulation:

(a) only expenditure incurred in Member States may be eligible, except where the project of common interest or cross-border projects in the field of renewable energy involves the territory of one or more third countries as referred to in Article 5 or Article 11 paragraph 4 of this Regulation or international waters and where the action is indispensable to the achievement of the objectives of the project concerned;

(b) the cost of equipment, facilities and infrastructure which is treated as capital expenditure by the beneficiary may be eligible up to its entirety;

(c) expenditure related to the purchase of land shall not be an eligible cost;

(d) eligible costs shall not include value added tax (‘VAT’);

(da) expenditure related to military requirements shall be eligible from the action eligibility start date regardless of the date of entry into force of the delegated acts referred to in Article 6a(2).

Article 16
Combination of grants with other sources of financing

1. Grants may be used for combination with financing from the European Investment Bank or National Promotional Banks or other development and public financial institutions as well as from private-sector finance institutions and private-sector investors, including through Public Private Partnerships.

2. The use of grants referred to in paragraph 1 may be implemented through dedicated calls for proposals.

Article 17
Reduction or termination of the grants

1. In addition to the grounds specified in [paragraph 4 of Article 131] of the Financial Regulation, the amount of the grant, except in duly justified cases, may be reduced on the following grounds

(a) the action has not started within one year following the starting date indicated in the grant agreement in case of studies, or within two years for all other actions eligible for financial assistance under this Regulation;

(b) following a review of the progress of the action, it is established that the implementation of the action has overrun the deadlines for the successive stages laid down by Article 6 of [Regulation No. XXX — Smart TEN-T] or suffered such major delays that the objectives of the action are likely not to be achieved;

2. The grant agreement may be terminated on the basis of the grounds specified in paragraph 1.

(2a) The amount resulting from the application of paragraph 1 or paragraph 2 shall be distributed to other work programmes proposed under the corresponding financial envelop as laid out in Article 4.2.
Article 18

Synergies with other Union Programmes

1. An action that has received a contribution under the Programme may also receive a contribution from any other Union programme, including Funds under shared management, provided that the contributions do not cover the same costs. The implementation shall respect the rules provided in Article [xxx] of the Financial Regulation. The cumulative funding shall not exceed the total eligible costs of the action and the support from the different Union programmes may be calculated on a pro-rata basis in accordance with the documents setting out the conditions for support.

2. Actions which comply with the all of following cumulative conditions:

(a) they have been assessed in a call for proposals under the Programme;
(b) they comply with the minimum quality requirements of that call for proposals;
(c) they may not be financed under that call for proposals due to budgetary constraints;

may receive support from the European Regional Development Fund or the Cohesion Fund in accordance with [paragraph 5 of Article 67] of Regulation (EU) XXX [CPR], without any further assessment, and provided that such actions are consistent with the objectives of the programme concerned. The rules of the Fund providing support shall apply.

CHAPTER IV

PROGRAMMING, MONITORING, EVALUATION AND CONTROL

Article 19

Work programmes

1. The Programme shall be implemented by work programmes referred to in Article 110 of the Financial Regulation.

1a. The Commission shall prepare by the end of March 2021 a Framework Programme that will include the time table of the work programmes and calls, their topics and allocated financing and other necessary details necessary to provide transparency and predictability for all period of the Programme and to enhance the quality of the projects. The Framework Programme will be adopted through a delegated act in accordance with Article 24.

1b. Upon the publication of a work programme, the Commission shall make public a notice of the calls for proposals foreseen under the work programme; such notice shall contain, in accordance with Article 194 of the Financial Regulation, at least the following information for each call listed:

(a) Priorities;
(b) Indicative opening date;
(c) Indicative closing date;
(d) Estimated budget.

2. The work programmes shall be adopted by the Commission by means of a delegated act in accordance with Article 24 of this Regulation.

2a. In accordance with the Article 200.2 of the Regulation (EU, Euratom) 2018/1046, all calls shall include a two-step selection procedure and shall be implemented as follows:

(a) Applicants shall submit a simplified dossier containing relatively brief information for the purposes of project eligibility preselection;
(b) Applicants short-listed at the first stage shall submit a complete dossier after closure of the first stage;
(c) The Commission shall publish the calls for proposals at least three months before commencement of the procedure.
Article 20
Monitoring and reporting

-1. The Commission shall define a methodology to provide for qualitative indicators for an accurate assessment of the progress achieved project by project along the TEN-T network and towards the achievement of the objectives laid out in Article 3 through the Programme. On the basis of this methodology the Commission shall complement the Part I of the Annex, at the latest by 1 January 2021 and by way of a delegated act, in accordance with Article 24.

1. Indicators to report progress of the Programme towards the achievement of the general and specific objectives set out in Article 3 are set in Part I of the Annex.

2. To ensure effective assessment of progress of the Programme towards the achievement of its objectives, the Commission shall be empowered to adopt delegated acts, in accordance with Article 24, to amend Part I of the Annex to review or complement the indicators where considered necessary and to supplement this Regulation with provisions on the establishment of a monitoring and evaluation framework.

3. The performance reporting system shall ensure that data for monitoring programme implementation and results are suitable for an in-depth analysis of the progress achieved and the difficulties encountered along the core network corridors and are collected efficiently, effectively and in a timely manner. To that end, proportionate reporting requirements shall be imposed on recipients of Union funds and, where relevant, Member States.

3a. The Commission shall establish a dedicated internet site to publish in real time a map with the projects in implementation together with relevant data (impact assessments, value, beneficiary, implementing entity, state of play).

Article 21
Evaluation and review

1. Evaluations shall be carried out in a timely manner, but at least every two years, to feed into the decision-making process.

(1a) Evaluations shall assess the implementation of the Programme, according to its general and sectorial objectives as laid out in Article 3, clarifying whether the different sectors are on the track, if the total budgetary commitment is in line with the total amount allocated, if the on-going projects reached a sufficient degree of completeness, if they are still feasible and convenient to be delivered.

2. The interim evaluation of the Programme shall be performed once there is sufficient information available about the implementation of the Programme on the basis of the monitoring conducted in accordance with Article 20, but no later than four years after the start of the programme implementation. It shall also include a comprehensive evaluation of the fitness of the procedures, objectives and eligibility criteria towards the achievement of the general and sectorial objectives as laid out in Article 3. Based on the results of this interim evaluation, recommendations for a review of the Programme shall be proposed.

3. At the end of the implementation of the Programme, but no later than two years after the end of the period specified in Article 1, a final evaluation of the Programme shall be carried out by the Commission.

4. The Commission shall communicate the conclusions of the evaluations accompanied by its observations, to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

Article 22
Committee procedure

1. The Commission shall be assisted by the CEF Coordination Committee. The Committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.
Article 23

Delegated acts

The Commission shall be empowered to adopt delegated acts in accordance with Article 24 of this Regulation:

(a) to amend Part I of the Annex regarding the indicators and to establish a monitoring and evaluation framework;

(c) to amend Part III of the Annex regarding the definition of the transport core network corridors and pre-identified sections; and pre-identified sections on the comprehensive network;

(d) to amend Part IV of the Annex regarding the identification of cross-border projects in the field of renewable energy;

(e) to amend Part V of the Annex regarding the identification of digital connectivity projects of common interest;

(ea) to adopt the Work programme;

(eb) to adopt the Framework programme;

(ec) to specify or amend the military requirements, to establish or amend list of the parts of the trans-European transport network suitable for military transport, to establish or amend the list of priority projects dual use infrastructure and the assessment procedure regarding the eligibility of the actions connected with military mobility set out in Article 6a;

(ed) to define the methodology to provide for qualitative indicators for an accurate assessment of the progress achieved project by project along the TEN-T network through the Programme.

Article 24

Exercise of the delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.

2. The power to adopt delegated acts referred to in Article 23 shall be conferred on the Commission until 31 December 2028.

3. The delegation of power referred to in Article 23 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016.

5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

6. A delegated act adopted pursuant to Article 23 shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.
Article 25

Information, communication and publicity

1. The recipients of Union funding shall acknowledge the origin and ensure the visibility of the Union funding (in particular when promoting the actions and their results), by providing coherent, effective and proportionate targeted information to multiple audiences, including the media and the public.

2. The Commission shall implement information and communication actions relating to the Programme, and its actions and results. Financial resources allocated to the Programme shall also contribute to the corporate communication of the political priorities of the Union, as far as they are related to the objectives referred to in Article 3.

Article 26

Protection of the financial interests of the Union

Where a third country participates in the programme by a decision under an international agreement or by virtue of any other legal instrument, the third country shall grant the necessary rights and access required for the authorizing officer responsible, the European Anti-Fraud Office (OLAF), the European Court of Auditors to comprehensively exert their respective competences. In the case of OLAF, such rights shall include the right to carry out investigations, including on-the-spot checks and inspections, provided for in Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council concerning investigations conducted by the European Anti-Fraud Office (OLAF).

In accordance with Regulation (EU) 2017/1939, the European Public Prosecutor’s Office (EPPO) may investigate and prosecute fraud and other criminal offences affecting the financial interests of the Union as provided for in Directive (EU) 2017/1371 of the European Parliament and of the Council.

CHAPTER VI

TRANSITIONAL AND FINAL PROVISIONS

Article 27

Repeal and transitional provisions

1. Regulations (EU) No 1316/2013 and (EU) No 283/2014 shall be repealed.

2. Without prejudice to paragraph 1, this Regulation shall not affect the continuation or modification of the actions concerned, until their closure, pursuant to Regulation (EU) No 1316/2013, which shall continue to apply to the actions concerned until their closure.

2a. Regulation (EU) No 347/2013 shall be revised in time for the next MFF, in order to align the guidelines with the Union energy and climate targets for 2030 and the EU long-term decarbonisation commitment, and to integrate the energy efficiency first principle. [Am. 10]

3. The financial envelope for the Programme may also cover technical and administrative assistance expenses necessary to ensure the transition between the Programme and the measures adopted under its predecessor, the Connecting Europe Facility under Regulation (EU) No 1316/2013.

4. If necessary, appropriations may be entered in the budget beyond 2027 to cover the expenses provided for in Article 4(5) of this Regulation, to enable the management of actions not completed by 31 December 2027.
Article 28

Entry into force

This Regulation shall enter into force on the day following that of its publication in the Official Journal of the European Union. It shall apply from 1 January 2021.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at….

For the European Parliament

For the Council

The President

The President
PART I — INDICATORS

The Programme will be monitored closely on the basis of a set of indicators intended to measure the extent to which the
general and specific objectives of the Programme have been achieved and with a view to minimising administrative burdens
and costs. To that end, data will be collected as regards the following set of key indicators:

<table>
<thead>
<tr>
<th>Sectors</th>
<th>Specific Objectives</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transport:</td>
<td>Efficient and interconnected networks and infrastructure for smart, interoperable, sustainable, multimodal, inclusive, safe and secure mobility</td>
<td>Number of cross-border and missing links addressed with the support of CEF (including actions relating to urban nodes, regional cross-border rail connections, maritime ports, inland ports, airports, and rail-road terminals of the TEN-T core and comprehensive network)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of CEF supported actions contributing to the digitalisation of transport (ERTMS, SESAR)</td>
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<tr>
<td></td>
<td></td>
<td>Number of alternative fuel supply points built or upgraded with the support of CEF</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of CEF supported actions contributing to the safety of transport</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of CEF actions contributing to transport accessibility for persons with disabilities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of CEF supported actions contributing to reduce rail freight noise</td>
</tr>
<tr>
<td></td>
<td>Adaptation to dual mobility (civil and defence) requirements</td>
<td>Number of transport infrastructure components adapted to meet dual mobility (civil and defence) requirements</td>
</tr>
<tr>
<td>Energy</td>
<td>Contribution to interconnectivity and integration of markets</td>
<td>Number of CEF actions contributing to projects interconnecting MS networks and removing internal constraints</td>
</tr>
<tr>
<td></td>
<td>Security of energy supply</td>
<td>Number of CEF actions contributing to projects ensuring resilient gas network</td>
</tr>
<tr>
<td></td>
<td>Sustainable development through enabling decarbonisation</td>
<td>Number of CEF actions contributing to the smartening and digitalisation of grids and increasing energy storage capacity</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of CEF actions contributing to cross-border cooperation in the area of renewables</td>
</tr>
</tbody>
</table>
PART II: INDICATIVE PERCENTAGES FOR THE TRANSPORT SECTOR

The budgetary resources referred to in Article 4 paragraph 2 (a) (i) and (ii) shall be distributed as follows:

— 60 % for the actions listed at Article 9 paragraph 2 (a): ‘Actions relating to efficient and interconnected networks’;
— 40 % for the actions listed at Article 9 paragraph 2 (b): ‘Actions relating to smart, sustainable, inclusive, safe and secure mobility’.

Budgetary resources used to finance actions listed in Article 9 paragraph 2 (a) shall be distributed as follows: 75 % should be allocated to actions on the core network corridors, 10 % to actions on the core network outside the core network corridors and 15 % to actions on the comprehensive network.

PART III: HORIZONTAL PRIORITIES, TRANSPORT CORE NETWORK CORRIDORS AND PRE-IDENTIFIED SECTIONS; PRE-IDENTIFIED SECTIONS ON THE COMPREHENSIVE NETWORK

-1a. Horizontal priorities

SESAR, ERTMS, ITS, RIS, VTMIs smart technology devices

1. Core network corridors and pre-identified sections

Core network corridor ‘Atlantic’

<table>
<thead>
<tr>
<th>Alignment</th>
<th>Gijón — León — Valladolid</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A Coruña — Vigo — Orense — León—</td>
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<td></td>
<td>Zaragoza — Pamplona/Logroño — Bilbao</td>
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<td></td>
<td>Bordeaux — Toulouse</td>
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<td></td>
<td>Tenerife/Gran Canaria — Huelva/Sanlúcar de Barrameda — Sevilla — Córdoba</td>
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<tr>
<td></td>
<td>Algeciras — Bobadilla — Madrid</td>
</tr>
<tr>
<td></td>
<td>Madeira Island/Sines — Ermidas/Lisboa — Madrid — Valladolid</td>
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<tr>
<td></td>
<td>Lisboa — Aveiro — Leixões/Porto — Douro river/Vigo</td>
</tr>
<tr>
<td></td>
<td>Aveiro — Valladolid — Vitoria-Gasteiz — Bergara — Bilbao/Bordeaux — La Rochelle — Tours — Paris — Le Havre/Metz — Mannheim/Strasbourg</td>
</tr>
</tbody>
</table>

**Core network corridor ‘Baltic — Adriatic’**

#### Alignment

| Gdynia — Gdańsk — Katowice/Śląsków |
| Gdańsk — Warszawa — Katowice |
| Katowice — Ostrava — Brno — Wien |
| Szczecin/Świnoujście — Poznań — Wrocław — Ostrava |
| Katowice — Žilina — Bratislava — Wien |
| Wien — Graz — Villach — Udine — Trieste |
| Udine — Venezia — Padova — Bologna — Ravenna — Ancona — Foggia |
| Graz — Maribor — Ljubljana — Koper/Trieste |

#### Pre-identified sections

<table>
<thead>
<tr>
<th>Cross-border</th>
<th>Rail</th>
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<tbody>
<tr>
<td>Katowice — Ostrava</td>
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<tr>
<td>Katowice — Žilina</td>
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<td>Opole — Ostrava</td>
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<td>Bratislava — Wien</td>
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<td>Graz — Maribor</td>
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<td>Trieste — Divaca</td>
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<tr>
<td>Katowice — Žilina</td>
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<tr>
<td>Brno — Wien</td>
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</tbody>
</table>

| Missing link |
| Paris (link Orly-Versailles and Orly-Ch. De Gaulle airport) |

**Multimodal**

- Pre-identified sections
- Cross-border
### Core network corridor 'Mediterranean'

**Alignment**

- Algeciras — Bobadilla — Madrid — Zaragoza — Tarragona

- **Zaragoza** — Teruel — Valencia/Sagunto

- **Sagunto** — Valencia — Madrid

- Sevilla — Bobadilla — Murcia

- Cartagena — Murcia — Valencia — Tarragona/Palma de Mallorca — Barcelona


- **Toulouse** — Narbonne

- Ljubljana/Rijeka — Zagreb — Budapest — UA border

**Pre-identified sections**

**Cross-border**

- Lyon — Torino: base tunnel and access routes

  - **Barcelona** — Perpignan

  - Nice — Ventimiglia

  - Trieste — Divača

  - Ljubljana — Zagreb

  - Zagreb — Budapest

  - Budapest — Miskolc — UA border

  - Lendava — Letenye

  - Vásárosnamény — UA border

**Missing link**

- Perpignan — Montpellier

  - **Madrid** — Zaragoza — Barcelona

  - Koper — Divača

  - Rijeka — Zagreb

- Milano — Cremona — Mantova — **Ferrara** — Porto Levante/Venezia — Trieste/Ravenna — **Porto Garibaldi**

**Rail**

**Road**

**Inland Waterways**
## Core network corridor ‘North Sea — Baltic’

### Alignment

<table>
<thead>
<tr>
<th>Section</th>
<th>Cities</th>
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<tbody>
<tr>
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<tr>
<td>Ventspils — Riga</td>
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<td>Riga — Kaunas</td>
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<td>Klaipeda — Kaunas — Vilnius</td>
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<td>Kaunas — Warszawa</td>
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<td>BY border — Warszawa — Łódź/Poznań — Frankfurt/Oder — Berlin — Hamburg — Kiel</td>
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<td>Łódź — Katowice/Wrocław</td>
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<td>Szczecin/Świnoujście — Berlin — Magdeburg — Braunschweig — Hannover</td>
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<td>Hannover — Bremen — Bremerhaven/Wilhelmshaven</td>
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<td>Hannover — Osnabrück — Kleve — Nijmegen — Hengelo — Almelo — Deventer — Utrecht</td>
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<td>Utrecht — Rotterdam — Antwerpen</td>
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<td>Hannover — Köln — Antwerpen</td>
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### Pre-identified sections

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<td>Świnoujście/Szczecin/ Karniner Bridge — Berlin</td>
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<td>Rhine, Waal</td>
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<tr>
<td>Noordzeekanaal, IJssel, Twentekanaal</td>
<td></td>
</tr>
</tbody>
</table>
### Core network corridor 'North Sea — Mediterranean'

**Upgrading (doubletrack)**

| Ruhrgebiet — Münster — Osnabrück — Hamburg |

**Rail**

| Core network corridor 'North Sea — Mediterranean' |

**Alignment**

| Derry — Sligo — Galway — Shannon Foynes/Cork |

| Baile Átha Cliath/Dublin/Corcaigh/Cork — Zeebrugge/Antwerpen/Rotterdam |

| Dublin — Cork — Calais — Dunkerque — Zeebrugge — Anvers — Rotterdam |

| UK Border — Lille — Brussel/Bruxelles |

| London — Lille — cross-border rail link Bruxelles-Quiévrain-Valenciennes — Brussel/Bruxelles |

| Amsterdam — Rotterdam — Antwerp — Brussel/Bruxelles — Luxembourg |

| Luxembourg — Metz — Dijon — Macon — Lyon — Marseille |

| Luxembourg — Metz — Strasbourg — Basel |

| Antwerpen/Zeebrugge — Gent — Dunkerque/Lille — Paris |

**Pre-identified sections**

| Cross-border |

| Brussel/Bruxelles — Luxembourg — Strasbourg |

| Rail |

| Inland Waterways |

| Terneuzen — Gent |

| Seine — Escaut Network and the related Seine, Escaut and Meuse river basins |

| Rhine-Scheldt corridor |

| Missing link |

| Albertkanaal/Canal Bocholt-Herentals |

| Inland Waterways |

| Dunkerque — Lille |

**Core network corridor 'Orient/East-Med'**

**Alignment**

| Hamburg — Berlin |

| Rostock — Berlin — Dresden |

| Bremerhaven/Wilhelmshaven — Magdeburg — Dresden |
### Pre-identified sections

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**Craiova — Vidin**

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<tr>
<td>Thessaloniki — Kavala</td>
<td></td>
</tr>
</tbody>
</table>

**Budapest Kelenföld — Ferencváros**

| Szolnok train station |   |

### Core network corridor ‘Rhine — Alpine’

**Alignment**

| Genova — Milano — Lugano — Basel |

**Milano — Verona — Trento — Bozen — Innsbruck — München, including the Brenner Corridor**

| Köln — Düsseldorf — Duisburg — Nijmegen/Arnhem — Utrecht — Amsterdam |   |
### Core network corridor ‘Rhone — Danube’

#### Alignment

<table>
<thead>
<tr>
<th></th>
<th>Paris — Strasbourg — Stuttgart — Augsburg — München — Salzburg — Wels/Linz</th>
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<td>München/Nürnberg — Praha — Ostrava/Přerov — Žilina — Košice — UA border</td>
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<td>Wels/Linz — Wien — Bratislava — Budapest — Vukovar</td>
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<td>Wien/Bratislava — Budapest — Arad — Brașov/Craiova — București — Focșani — Alba (MD border)</td>
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<td>Constanta — Sulina</td>
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#### Pre-identified sections

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<td>Strasbourg — Kehl Appenweier</td>
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<td>Hranice — Žilina</td>
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<td>Danube (Kehlheim — Constanța/Midia/Sulina) and the related Sava and Tisza river basins</td>
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<td></td>
<td>Zlín — Žilina</td>
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<tr>
<td>Inland waterways</td>
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<td>Rail</td>
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<td>Road</td>
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<tr>
<td>Missing link</td>
<td>Stuttgart — Ulm</td>
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<td>Salzburg — Linz</td>
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<td>Arad — Craiova</td>
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<td>București — Constanța</td>
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<td>Arad — Brasov</td>
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<td>Brasov — Predeal</td>
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<td>București — Craiova</td>
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Core network corridor ‘Scandinavian — Mediterranean’

<table>
<thead>
<tr>
<th>Alignment</th>
<th>RU border — Hamina/Kotka — Helsinki — Turku/Naantali — Stockholm — Örebro — Malmö</th>
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<tbody>
<tr>
<td></td>
<td>Narvik/Oulu — Luleå — Umeå — Stockholm</td>
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<td>Oslo — Göteborg — Malmö — Trelleborg</td>
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<td></td>
<td>Malmö — Köbenhavn — Fredericia — Aarhus — Aalborg — Hirtshals/Frederikshavn</td>
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<td>Köbenhavn — Kolding/Lübeck — Hamburg — Hannover</td>
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<td>Bremerhaven — Bremen — Hannover — Nürnberg</td>
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<td>Rostock — Berlin — Halle/Leipzig — Erfurt/Weimar — München</td>
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<td>Nürnberg — München — Innsbruck — Verona — Bologna — Ancona/Firenze</td>
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<td>Livorno/La Spezia — Firenze — Roma — Napoli — Bari — Taranto — Valletta</td>
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<td>Napoli — Cagliari</td>
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<thead>
<tr>
<th>Pre-identified sections</th>
<th>Cross-border</th>
<th>RU border — Helsinki</th>
<th>Rail</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>Köbenhavn — Hamburg: Fehmarn belt fixed link access routes</td>
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<tr>
<td></td>
<td></td>
<td>München — Wörgl — Innsbruck — Fortezza — Bolzano — Trento — Verona: Brenner base tunnel and its access routes</td>
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<tr>
<td></td>
<td></td>
<td>Trelleborg — Malmö — Göteborg — No border (cross-border, rail)</td>
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<td>Göteborg-Oslo</td>
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<td>Helsingborg-Helsingør</td>
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<td>Copenhagen-Malmö</td>
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<td></td>
<td>Köbenhavn — Hamburg: Fehmarn belt fixed link</td>
<td>Rail/Road</td>
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</tbody>
</table>
2. Pre-identified sections on the comprehensive network

The related elements located on the comprehensive network referred to at Article 9(2)(a)(i) and the cross-border links of the comprehensive network referred to at Article 9(2)(a)(ii) of this Regulation include notably the following sections:

<table>
<thead>
<tr>
<th>Road Link</th>
<th>Rail Link</th>
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<tr>
<td>Dublin — Strabane — Letterkenny</td>
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<tr>
<td><strong>Derry — Sligo — Galway</strong></td>
<td><strong>Rail</strong></td>
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<tr>
<td>Pau — Huesca</td>
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<tr>
<td>Lyon — CH border</td>
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<td>Athus — Mont-Saint-Martin</td>
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<td>Mons — Valenciennes</td>
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<td>Gent — Terneuzen</td>
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<td>Heerlen — Aachen</td>
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<td>Groningen — Bremen</td>
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<tr>
<td>Stuttgart — CH border</td>
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<tr>
<td>Berlin — Rzepin/Horka — Wroclaw</td>
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<tr>
<td>Prague — Linz</td>
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<tr>
<td>Villach — Ljubljana</td>
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<tr>
<td><strong>Ancona — Foggia</strong></td>
<td><strong>Rail/Road</strong></td>
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<td>Pivka — Rijeka</td>
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<tr>
<td>Plzeň — České Budějovice — Wien</td>
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<td>Wien — Gyor</td>
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<tr>
<td>Graz — <strong>Celldömölk</strong> — Gyor</td>
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<tr>
<td>Neumarkt-Kalham — Mühldorf</td>
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<tr>
<td><strong>Amber Corridor PL-SK-HU</strong></td>
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<tr>
<td>Via Carpathia Corridor BY/UA border-PL-SK-HU-RO</td>
<td>Road</td>
</tr>
<tr>
<td>Budapest — Osijek — Svilaj (BiH border)</td>
<td>Road</td>
</tr>
<tr>
<td><strong>Timișoara — Moravița</strong></td>
<td><strong>Road</strong></td>
</tr>
<tr>
<td>Faro — Huelva</td>
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</table>
ANNEX — PART IV: IDENTIFICATION OF CROSS-BORDER PROJECTS IN THE FIELD OF RENEWABLE ENERGY

1. Objective of cross-border projects in the field of renewable energy

Cross-border projects in the field of renewable energy shall promote the cross-border cooperation between Member States in the field of planning, development and cost-effective exploitation of renewable energy sources with the aim of contributing to the Union’s long term decarbonisation targets.

2. General criteria

In order to qualify as a cross-border project in the field of renewable energy, a project shall meet all of the following general criteria:

(a) it shall be included in a cooperation agreement or any other kind of arrangement between Member States and/or between Member States and third countries as set out in Articles 6, 7, 9 or 11 of Directive 2009/28/EC;

(b) it shall provide cost savings in the deployment of renewables and/or benefits for system integration, security of supply or innovation in comparison to an alternative cross-border energy project or a renewable energy project implemented by one of the participating Member States alone;

(c) the potential overall benefits of cooperation outweigh its costs, including in the longer term, as assessed on the basis of the cost-benefit analysis as referred to in point 3 and applying the methodology referred to in Article [7]

3. Cost-benefit analysis

The cost-benefit analysis referred to in point 2(c) above shall take into account for each of the participating Member States or third countries the impact inter alia on the following aspects:

(a) costs of electricity generation;

(b) system integration costs;

(c) cost of support;

(d) greenhouse gas emissions;

(e) security of supply;

(f) air and other local pollution or effects on local nature and the environment

(g) innovation.
4. Process

Promoters of a project, including Member States, potentially eligible for selection as a cross-border project in the field of renewable energy under a cooperation agreement or any other kind of arrangement in the field of renewable energy between Member States and/or between Member States and third countries as set out in Articles 9 or 11 of Directive (EU) 2018/… of the European Parliament and of the Council (+)(1)(+) and seeking to obtain the status of cross-border projects in the field of renewable energy, shall submit an application for selection as a cross-border projects in the field of renewable energy to the Commission. The application shall include the relevant information to allow the Commission to evaluate the project against the criteria laid down in points 2 and 3, in line with the methodologies referred to in Article 7.

The Commission shall ensure that promoters are given the opportunity to apply for the status of cross-border projects in the field of renewable energy at least once a year.

The Commission shall conduct appropriate consultations on the list of projects submitted to become cross-border projects in the field of renewable energy.

The Commission shall evaluate the applications against the criteria laid down in points 2 and 3.

The Commission shall, when selecting the cross-border projects in the field of renewable energy, aim for a manageable total number. The Commission shall endeavour to ensure an appropriate geographical balance in the identification of cross-border projects in the field of renewable energy. Regional groupings may be used for the identification of projects.

A project shall not be selected as a cross-border projects in the field of renewable energy, or have the status withdrawn, if its evaluation was based on incorrect information which was a determining factor in the evaluation, or if the project does not comply with Union law.

The Commission shall publish on its website the list of selected cross border projects in the field of renewable energy.

PART V — DIGITAL CONNECTIVITY INFRASTRUCTURE PROJECTS OF COMMON INTEREST

1. Gigabit and 5G or other state-of-art mobile connectivity to socio-economic drivers

Actions shall be prioritised taking into account the function of the socio-economic drivers, the relevance of the digital services and applications enabled by providing the underlying connectivity, and the potential socio-economic benefits to citizens, business and local communities, including the potential spill-overs in terms of connectivity. The available budget shall be allocated in a geographically balanced manner across Member States.

Priority shall be given to actions contributing to:

— Gigabit connectivity for hospitals and medicals centres, in line with the efforts to digitalise the healthcare system, with a view to increasing the well-being of EU citizens and changing the way health and care services are delivered to patients (1);

— Gigabit Connectivity for education and research centres, in the context of the efforts to facilitate the use of inter alia high-speed computing, cloud applications and big data, close digital divides and to innovate in education systems, to improve learning outcomes, enhance equity and improve efficiency. (2)

— 5G or very-high capacity wireless broadband connectivity for education and research centres, hospitals and medical centres in the context of the efforts to bring uninterrupted 5G wireless broadband coverage to all urban centres by 2025.

(+): OJ: Please insert in the text the number of the Regulation contained in document PE-CONS 55/18 (2016/0375(COD)) and insert the number, date, title and OJ reference of that Directive in the footnote.

(1): OJ …


2. Wireless connectivity in local communities

Actions aiming at the provision of local wireless connectivity that is free of charge and without discriminatory conditions in centres of local public life, including outdoor spaces accessible to the general public that play a major role in the public life of local communities shall be subject to the following conditions in order to receive funding:

— are implemented by a public sector body as referred to in the paragraph below which is capable of planning and supervising the installation, as well as ensuring for a minimum of three years the financing of operating costs, of indoor or outdoor local wireless access points in public spaces;

— build on very high capacity digital networks enabling delivery of very high quality internet experience to users that:

— is free of charge and without discriminatory conditions, easy to access, secured, and uses most recent and best available equipment, capable of delivering high-speed connectivity to its users; and

— supports equal access to innovative digital services;

— use the common visual identity available in multiple languages to be provided by the Commission and link to the associated online tools;

— commit to procure the necessary equipment and/or related installation services in accordance with applicable law to ensure that projects do not unduly distort competition.

Financial assistance shall be available to public sector bodies as defined in point (1) of Article 3 of Directive (EU) 2016/2102 of the European Parliament and of the Council (1) undertaking to provide, in accordance with national law, local wireless connectivity that is free of charge and without discriminatory conditions through the installation of local wireless access points.

Funded actions shall not duplicate existing free private or public offers of similar characteristics, including quality in the same public space.

The available budget shall be allocated in a geographically balanced manner across Member States.

3. Indicative list of 5G corridors and cross-border connections eligible for funding

In line with the Gigabit society objectives set out by the Commission to ensure that major terrestrial transport paths have uninterrupted 5G coverage by 2025 (2), actions implementing uninterrupted coverage with 5G systems pursuant to Article 9 paragraph 4 (c) include, as a first step, actions on the cross-border sections for CAM (3) experimentation, and, as a second step, actions on more extensive sections in view of a larger scale deployment of CAM along the corridors, as indicated in the table below (indicative list). The TEN-T corridors are used as a basis for this purpose but the deployment of 5G is not necessarily confined to those corridors (4).

Core network corridor ‘Atlantic’

<table>
<thead>
<tr>
<th>Cross-border sections for CAM experimentation</th>
<th>Porto-Vigo and Merida-Evora</th>
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<tbody>
<tr>
<td></td>
<td>Azores/Madeira Islands — Lisbon — Paris — Amsterdam — Frankfurt</td>
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<tr>
<td></td>
<td>Aveiro — Salamanca</td>
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(3) Connected and Automated Mobility.

(4) Sections in italics are located outside of the TEN-T core network corridors but included in the 5G corridors.
<p>| More extensive section for larger scale deployment of CAM | Metz — Paris — Bordeaux — Bilbao — Vigo — Porto — Lisbon — Bilbao — Madrid — Lisbon |
| Core network corridor ‘Baltic — Adriatic’ |
| Cross-border sections for CAM experimentation | — |
| More extensive section for larger scale deployment of CAM | Gdansk — Warsaw — Brno — Vienna — Graz — Ljubljana — Trieste |
| Core network corridor ‘Mediterranean’ |
| Cross-border sections for CAM experimentation | — Submarine cable networks Lisbon — Marseille — Milan |
| More extensive section for larger scale deployment of CAM | Budapest — Zagreb — Ljubljana / Rijeka / Split |
| Core network corridor ‘North Sea — Baltic’ |
| Cross-border sections for CAM experimentation | Baltic corridor (to be defined) |
| More extensive section for larger scale deployment of CAM | Tallinn — Kaunas |
| Core network corridor ‘North Sea — Mediterranean’ |
| Cross-border sections for CAM experimentation | Metz-Merzig-Luxembourg |
| Rotterdam-Antwerp-Eindhoven |
| More extensive section for larger scale deployment of CAM | Amsterdam — Rotterdam — Breda — Lille — Paris |
| Brussels — Metz — Basel |
| Mulhouse — Lyon — Marseille |
| Core network corridor ‘Orient/East-Med’ |
| Cross-border sections for CAM experimentation | Sofia-Thessaloniki-Belgrade |
| More extensive section for larger scale deployment of CAM | Berlin — Prague — Brno — Bratislava |</p>
<table>
<thead>
<tr>
<th>Core network corridor ‘Rhine — Alpine’</th>
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<tbody>
<tr>
<td>Cross-border sections for CAM experimentation</td>
<td>Bologna-Innsbruck-München (Brenner corridor)</td>
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<tr>
<td>More extensive section for larger scale deployment of CAM</td>
<td>Rotterdam — Oberhausen — Frankfurt (M)</td>
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<td>Basel — Milan — Genova</td>
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<tr>
<th>Core network corridor ‘Rhine — Danube’</th>
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<tr>
<td>Cross-border sections for CAM experimentation</td>
<td>Munchen — Salzburg</td>
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<tr>
<td>More extensive section for larger scale deployment of CAM</td>
<td>Frankfurt (M) — Passau — Vienna — Budapest — Iasi /Constanta</td>
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<td>Karlsruhe — München — Salzburg — Wels</td>
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<td></td>
<td>Frankfurt (M) — Strasbourg</td>
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<tr>
<th>Core network corridor ‘Scandinavian — Mediterranean’</th>
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<tbody>
<tr>
<td>Cross-border sections for CAM experimentation</td>
<td>Oulu-Tromsø</td>
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<td></td>
<td>Oslo- Stockholm-Helsinki</td>
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<tr>
<td>More extensive section for larger scale deployment of CAM</td>
<td>Turku — Helsinki –Russian border</td>
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<td>Stockholm / Oslo — Malmo</td>
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<td>Malmo — Copenhagen — Hamburg — Würzburg</td>
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<td>Nürnberg — München — Verona</td>
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<td>Rosenheim — Bologna — Napoli — Catania — Palermo</td>
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<td>Napoli — Bari — Taranto</td>
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P8_TA(2018)0519

Expedit ed settlement of commercial disputes

European Parliament resolution of 13 December 2018 with recommendations to the Commission on expedited settlement of commercial disputes (2018/2079(INL))

(2020/C 388/43)

The European Parliament,

— having regard to Article 225 of the Treaty on the Functioning of the European Union (TFEU),

— having regard to Article 67(4) TFEU and 81(2) TFEU,

— having regard to Article 19(1) of the Treaty on European Union (TEU) and Article 47 of the Charter of Fundamental Rights of the European Union ('the Charter'),

— having regard to the study from the Directorate General for internal policies entitled 'Building competence in commercial law in the Member States',

— having regard to the 2018 EU Justice Scoreboard,

— having regard to the 2016 European Judicial Training Network (EJTN) 'Judicial Training Principles' (1),

— having regard to the Union acquis in the area of judicial cooperation in civil matters,

— having regard to Rules 46 and 52 of its Rules of Procedure,

— having regard to the report of the Committee on Legal Affairs (A8-0396/2018),

A. whereas the right to a fair and public hearing within a reasonable time, as enshrined in Article 47 of the Charter and in Article 6 of the European Convention on Human Rights, constitutes one of the fundamental guarantees of the rule of law and of democracy and is an intrinsic part of civil proceedings as a whole;

B. whereas the introduction of a European Expedited Civil Procedure could contribute to the modernisation of national proceedings, a level playing field for businesses and increased economic growth thanks to effective and efficient judicial systems, while at the same time facilitating access to justice in the Union and helping to uphold the fundamental freedoms of the Union;

C. Whereas the 2018 Justice Scoreboard showed that the availability of legal aid and the level of court fees have a key impact on access to justice, in particular for citizens in poverty;

D. whereas judicial cooperation has been promoted, supported and encouraged by several procedural acts of secondary law of the Union, including the Small Claims Regulation, the Legal Aid Directive, the Regulation on taking of evidence and the Regulation on service of documents;

E. whereas the goals of judicial cooperation between Member States are, inter alia, to ensure the full respect of the right to effective remedy and a fair trial in cross-border cases, to guarantee effective and smooth judicial procedures also in those situations and to establish mutual trust in judiciary systems, which is the basis for further mutual recognition of judgments across the Union;

F. whereas many issues with regard to procedural law in the area of civil justice are regulated at the national level, thus procedural law in this area differs from one Member State to another, which is in line with principle of subsidiarity and proportionality; whereas an accelerated procedure could lead to the necessary approximation of procedural regimes in the Union;

G. whereas it is necessary to step up enhanced cooperation between the Member State authorities and judicial systems at Union level, with a view to removing any obstacles that might arise from incompatibilities between different judicial and administrative systems;

H. whereas the Brussels I Regulation sets basic rules on jurisdiction, recognition and enforcement of civil and commercial cross-border matters in the Union; whereas the recast version, which applies from 2015 (Brussels Ia), introduced a number of key adjustments for the resolution of EU cross-border disputes, saving time and money for businesses and individuals;

I. whereas the Rome I Regulation lays down rules on law applicable to civil and commercial contractual obligations;

J. whereas procedural rules should guarantee both protection of the rights of the parties and speedy settlement of disputes;

K. whereas settlement of commercial matters in public courts in the Member States is, in general, slow and fails to meet the expectations of parties involved in commercial disputes, a fact that is accentuated by the introduction of the European small claims procedure, which has, by contrast, led to substantially faster settlement of consumer disputes; and whereas proper use of Information and Communication Technologies in courts contributes to speeding up proceedings and to reducing costs.

L. whereas the slow settlement of commercial disputes in the Union might lead commercial parties to seek alternative dispute settlement, or dispute settlement in non-member States and choose to apply the national law of a non-member State to contracts;

M. whereas high quality settlement of commercial disputes depends on a high level of competence and experience in these matters in courts, among judges and lawyers and legal practitioners;

N. whereas the availability of a rapid and cost-effective fast-track procedure supported by highly experienced and competent judges and lawyers in the Member States would make a decision to choose the national law of a Member State more likely and as a consequence enrich the competence in civil and commercial matters in the Member States;

O. whereas it seems necessary to find a suitable solution as regards the different language regimes which could consist of harmonised forms, available in all the official languages of the Union;

P. whereas courts and chambers specialised in commercial matters will guarantee a higher level of competence and independence in such matters and thereby attract such cases to the courts of the Member States;

1. Notes that the settlement of commercial matters is far slower than it could be, taking on average between three and four years and that this leads to substantial losses for business, and not only in economic terms but also as regards time, energy and other resources that could be diverted for other opportunities;

2. Stresses the need to ensure the full respect of the right of the parties to an effective remedy and to a fair trial, as established in the Charter of Fundamental Rights of the European Union, and to guarantee the high quality of judicial proceedings in commercial matters;

3. Highlights the successful implementation of the European small claims procedure (ESCP), which provided a way of solving consumer and other cross-border disputes regarding small amounts within the Union in a swift and cost-effective way while upholding protection for the rights of the parties;
4. Emphasises that mutual trust is a complex notion and that many factors play a role in building that trust, such as judicial education and upskilling, cross-border judicial cooperation and exchange of experience and best practices between judges;

5. Stresses that, with regard to fair trial and access to justice, cooperation networks and databases enhancing judicial cooperation and exchange of information should be maintained and further expanded, including the European Judicial Network and the European e-Justice Portal, which is to become a one-stop-shop in the area of justice in the Union;

6. Contends that the adoption of a regulation similar to the ESCP, the European Expedited Civil Procedure (EECP) applicable to cross-border commercial disputes would be the best way to address the long waiting times for commercial disputes in the Union, possibly making great savings for European businesses and mobilising unused capital;

7. Contends that commercial parties will be better placed to pay for representation and prepare for a court case which means that they have better prospects of protecting their rights, which would allow for a faster procedure;

8. Observes that such a procedure could build on requirements for thorough preparations by the parties before the procedure is launched, strict deadlines, few possibilities to add facts or evidence during the process and no separate appeal to procedural decisions, thus achieving a fast-track procedure;

9. Is of the opinion that such a strict procedural system is compatible with the protection of the rights of the parties on condition that the EECP should be voluntary and should only apply:

— where the parties have agreed to make use of the procedure after the dispute has arisen, or

— where the defendant accepts to participate in the procedure after the claimant has brought an action under the EECP, provided that the defendant has enough time to adequately prepare before the start of the procedure;

10. Believes that the EECP should in any case be valid only where the parties have been duly informed in advance of the consequences of consenting to use such a procedure; considers that the costs of the EECP should not be excessive for the parties, in order to guarantee the respect of the right of access to justice;

11. Stresses that parties to a dispute often only reach an amicable resolution when the circumstances and arguments are fully developed, which means that in a procedural system that required the parties to investigate the circumstances and develop their arguments further before going to court, more disputes would be resolved amicably at an earlier stage;

12. Observes that the aim to provide expedited and more cost-effective settlement of commercial disputes in the Union cannot be achieved solely through the introduction of a harmonised fast-track procedural system; to this aim, courts, judges, lawyers and legal practitioners that are highly proficient and experienced in commercial law and private international law would be needed in order to make such a procedural system efficient;

13. Emphasises that the current distribution in choice of law in commercial contracts between the different European jurisdictions is not equal across Member States;

14. Observes that choices of applicable law often are based on complex considerations, but that the combination of a foreign law and court often exposes a party to substantial economic risks, and that such provisions are specifically questionable if agreed as part of standard contracts or in situations where one of the parties has little or no chance of influencing the agreement in that respect;

15. Understands that language barriers could be an additional obstacle and thus another reason for choosing one law over another to be applicable;

16. Underlines that the availability of uniform standard forms, available in all the official languages of the Union, would facilitate access to the EECP;
17. Suggests, that in order to ensure uniform standard forms, implementing powers should be conferred on the Commission, exercised in accordance with the Inter-institutional Agreement of 13 April 2016 on Better Law-Making;

18. Calls on the Commission to assess the need to review the Rome I, Rome II and Brussels Ia Regulations in order to strengthen the connection between the aim and subject matter of contracts and the law chosen while at the same time to ensure that the weaker parties in business-to-business relations and contracts are protected, and to preserve the autonomy of the parties in relation to the choice of law;

19. Emphasises that legislative measures cannot address these issues alone, practical measures to raise the expertise both of courts and of lawyers are also necessary, such as improved training in commercial matters and better access to Union law and the national law of the Member States, in particular case law;

20. Observes that commercial law and private international law are areas less codified than other areas of law, which means that there is a more important role for academic research, thus one of the measures to strengthen competence in commercial matters in the Member States is to make more resources available for research in this field;

21. Welcomes therefore the EJTN’s nine judicial training principles adopted at its 2016 General Assembly, in that they provide a common foundation and framework for Europe’s judiciary and judicial training institutions alike;

22. Stresses that also the quality of the law applicable to commercial matters and the degree to which it is well adapted to the practices and developments in the commercial sector is of great importance;

23. Pursuant to Article 225 TFEU, requests therefore the Commission to submit by 1 January 2020, on the basis of Article 81(2) TFEU, a proposal for a legislative act on a European Expedited Civil Procedure and, in accordance with the recommendations set out in the Annex hereto, following the assessment of the Commission of the need for such a review, a possible proposal for amendments to the Rome I and Rome II and Brussels Ia Regulations;

24. Invites the Commission and the Member States to supplement these proposals with other supporting measures aimed at raising the expertise in the Member States in commercial law and international private law.

25. Confirms that the recommendations annexed to this resolution respect fundamental rights, the principle of national procedural autonomy and the principles of subsidiarity and proportionality;

26. Considers that any financial implications of the proposal, in particular the costs of proceedings brought under the EECP, would be offset by equivalent savings, as the EEPC is likely to be substantially more cost-effective than the ordinary procedures of the Member States and given that the disputes in question would not be brought under the general procedural system of the Member State in question;

27. Emphasises that commercial law is only one of the areas in which further actions at Union level are needed to ensure better access to justice, higher quality of proceedings, stronger safeguards for the parties and quicker settlement of disputes;

28. Instructs its President to forward this resolution and the accompanying recommendations to the Commission and the Council, and to the parliaments and governments of the Member States.
ANNEX TO THE RESOLUTION:

RECOMMENDATIONS FOR MEASURES TO INTRODUCE AND SUPPORT A EUROPEAN EXPEDITED CIVIL PROCEDURE

PRINCIPLES AND AIMS OF THE PROPOSALS REQUESTED

I. European Expedited Civil Procedure

The main aim of the following proposal is to introduce a voluntary European Expedited Civil Procedure in order to provide European companies a possibility to reach a settlement of purely commercial business-to-business disputes of a cross-border nature within a reasonable time frame.

A European Expedited Civil Procedure could build on the following principles:

1. It should apply to cross-border commercial disputes to which the European Small Claims Procedure does not apply;
2. It should apply if the parties so agree after the dispute arises or if the claimant launches a claim under the procedure and the defendant accepts it;
3. It should apply only if the parties have been duly informed in advance of the consequences of consenting to use this procedure;
4. It should require the parties to prepare their claims to a high degree before going to court; paired with early preclusion of the possibility to raise new facts or new evidence in court;
5. It should not allow separate appeal against procedural decisions;
6. It could in principle be a written procedure, allowing for oral hearings where at least one of the parties so request;
7. It should, as a starting point, apply very short deadlines to the procedure, allowing the court, in agreement with the parties, to apply longer deadlines in cases of higher complexity;
8. Encourage in- and out-of-court amicable settlement of cross-border commercial disputes, including by way of mediation;
9. Encourage the use of modern technologies for the purpose of oral hearings, taking of evidence and service of documents;
10. The costs of the procedure should be limited, in order to guarantee the respect of the right of access to justice;
11. Allow for recognition and enforcement of the final judgment under the procedure in the simplest and most user-friendly way available under Union law.

II. Possible changes to Rome I, Rome II and Brussels Ia Regulations

The proposal on European Expedited Civil Procedure could be supported by a proposal to amend the Rome I and Rome II and Brussels Ia Regulations to achieve a stronger connection between the purpose and aim of agreements and the law chosen within the Union also to afford the parties to purely commercial contracts further autonomy while ensuring the protection of the weaker parties in business-to-business relations.

Amendments to the Rome I Regulation could include:

1. Consideration of reinforcement of the connection between the law chosen and the content, aim and purpose of the contract and of the parties;
2. Reconsideration of the rules applicable to the validity of a choice of law, this ought to be considered under the default law applicable to the contract.
III. Other measures to build competence in commercial matters in Member States

1. These proposals ought to be further supported by actions by the Commission and the Member States to build competence in commercial matters, such as:
   a) training of judges and lawyers and legal practitioners in commercial matters;
   b) simplified and enhanced access to Union and Member States’ national law, including jurisprudence;
   c) further focus on commercial law and international private law in legal education;
   d) additional resources to academic research in the fields of commercial law and international private law; and
   e) the mastering of a foreign language and its legal terminology.

2. Furthermore, Member States are invited to ensure that courts applying the European Expedited Civil Procedure possess specific competence in the field of commercial law, for example by designating or reinforcing existing commercial courts or chambers.

3. In addition, the Commission is invited to further study the possibility to establish a European Commercial Court to supplement the courts of the Member States and offer litigants an additional, international forum specialised in settlement of commercial disputes.

4. As a final measure, Member States are invited to consider reviewing their laws applicable to commercial matters in business-to-business situations, as one of the important factors for choice of law is how well the effectiveness and the quality of the commercial law of a country.
Establishing the space programme of the Union and European Union Agency for the Space Programme


(Ordinary legislative procedure: first reading)

(2020/C 388/44)

Amendment 1
Draft legislative resolution
Citation 5 a (new)

Draft legislative resolution


Amendment 2
Draft legislative resolution
Citation 5 b (new)

Draft legislative resolution

— having regard to the Commission communication of 14 September 2016 entitled ‘5G for Europe: An Action Plan’ (COM(2016)0588) and the accompanying Commission staff working document (SWD(2016)0306),

(1) The matter was referred back for interinstitutional negotiations to the committee responsible, pursuant to Rule 59(4), fourth subparagraph (A8-0405/2018).
Amendment 3
Proposal for a regulation
Recital 1

Text proposed by the Commission

(1) Space technology, data and services have become indispensable in the daily lives of Europeans and play an essential role in preserving many strategic interests. The Union’s space industry is already one of the most competitive in the world. However, the emergence of new players and the development of new technologies are revolutionising traditional industrial models. It is therefore crucial that the Union remains a leading international player with extensive freedom of action in the space domain, that it encourages scientific and technical progress and support the competitiveness and innovation capacity of space sector industries within the Union, in particular small and medium-sized enterprises, start-ups and innovative businesses.

Amendment

(1) Space technology, data and services have become indispensable in the daily lives of Europeans and play an essential role in preserving many strategic interests. The Union's space industry is already one of the most competitive in the world. However, the emergence of new players and the development of new technologies are revolutionising traditional industrial models. It is therefore crucial that the Union remains a leading international player with extensive freedom of action in the space domain, that it encourages scientific and technical progress and support the competitiveness and innovation capacity of space sector industries within the Union, in particular small and medium-sized enterprises, start-ups and innovative businesses. At the same time, it is important to create the appropriate conditions to ensure a global level playing field for companies active in the space sector.

Amendment 4
Proposal for a regulation
Recital 2

Text proposed by the Commission

(2) The space sector’s development has historically been linked to security. In many cases, the equipment, components and instruments used in the space sector are dual-use goods. The possibilities that space offers for the security of the Union and its Member States should therefore be exploited.

Amendment

(2) The space sector's development has historically been linked to security. In many cases, the equipment, components and instruments used in the space sector are dual-use goods. The possibilities that space and autonomous access to space offers for the security and independence of the Union and its Member States should therefore be exploited.
Amendment 5
Proposal for a regulation
Recital 3

Text proposed by the Commission

(3) The Union has been developing its own space initiatives and programmes since the end of the 1990s, namely the European Geostationary Navigation Overlay Service (EGNOS) and then Galileo and Copernicus, which respond to the needs of Union citizens and the requirements of public policies. **Not only should** the continuity of those initiatives be ensured **but** they must also be improved, so that they remain at the forefront in view of new technology development and the transformations in the digital and information and communications technology domains, meet the new needs of users and are able to meet political priorities such as climate change, including monitoring changes in the Arctic, security and defence.

Amendment

(3) The Union has been developing its own space initiatives and programmes since the end of the 1990s, namely the European Geostationary Navigation Overlay Service (EGNOS) and then Galileo and Copernicus, which respond to the needs of Union citizens and the requirements of public policies. The continuity of those initiatives, **as well as their uptake and use, should** be ensured **and** must also be improved, so that they remain at the forefront in view of new technology development and the transformations in the digital and information and communications technology domains, meet the new needs of users and are able to meet political priorities. **The Programme should promote space-based services also so that all Member States and their citizens can fully reap the benefits of the Programme.**

Amendment 6
Proposal for a regulation
Recital 4

Text proposed by the Commission

(4) The Union needs to ensure its freedom of action and autonomy to have access to space and be able to use it safely. It is therefore essential that it maintains autonomous, reliable and cost-effective access to space, especially as regards critical infrastructure and technology, public security and the security of the Union and its Member States. The Commission should therefore have the possibility to aggregate launch services at European level, both for its own needs and, at their request, for those of other entities, including Member States, in conformity with the provisions of Article 189(2) of the Treaty. It is also crucial that the Union continues to have modern, efficient and flexible launch infrastructure facilities. In addition to measures taken by Member States and the European Space Agency, the Commission should consider ways to support such facilities. In particular, where space ground infrastructure necessary to perform launches in line with the needs of the Programme is to be maintained or upgraded, it should be possible to partially fund such adaptations under the Programme, in line with the Financial Regulation and where a clear EU value added can be established, with the view of achieving a better cost efficiency for the Programme.

Amendment

(4) The Union needs to ensure its freedom of action and autonomy to have access to space and be able to use it safely. It is therefore essential that it maintains autonomous, reliable and cost-effective access to space, **including alternative launching technologies and innovative systems or services**, especially as regards critical infrastructure and technology, public security and the security of the Union and its Member States. The Commission should therefore have the possibility to aggregate launch services at European level, both for its own needs and, at their request, for those of other entities, including Member States, in conformity with the provisions of Article 189(2) of the Treaty. It is also crucial that the Union continues to have modern, efficient and flexible launch infrastructure facilities. In addition to measures taken by Member States and the European Space Agency, the Commission should consider ways to support such facilities. In particular, where space ground infrastructure necessary to perform launches in line with the needs of the Programme is to be maintained or upgraded, it should be possible to partially fund such adaptations under the Programme, in line with the Financial Regulation and where a clear EU value added can be established, with the view of achieving a better cost efficiency for the Programme.
Amendment 7
Proposal for a regulation
Recital 5

(5) To strengthen the competitiveness of the Union space industry and gain capacities in designing, building and operating its own systems, the Union should support the creation, growth, and development of the entire space industry. The emergence of a business- and innovation-friendly model should be supported at European, regional and national levels by establishing space hubs that bring together the space, digital and user sectors. The Union should foster the expansion of Union-based space companies to help them succeed, including by supporting them in accessing risk finance in view of the lack, within the Union, of appropriate access to private equity for space start-ups and by creating innovation partnerships (first contract approach).

Amendment 8
Proposal for a regulation
Recital 6

(6) Owing to its coverage and its potential to help resolve global challenges, the space programme of the Union ('Programme') has a strong international dimension. The Commission should therefore be enabled to manage, on behalf of the Union, and coordinate activities on the international scene on behalf of the Union, in particular to defend the interests of the Union and its Member States in international fora, including in the area of frequencies, to promote the Union’s technology and industry, and to encourage cooperation in the field of training, bearing in mind the need to ensure the reciprocity of the rights and obligations of the parties. It is particularly important that the Union be represented by the Commission in the bodies of the International Cospas-Sarsat Programme or in relevant sectoral UN bodies including the Food and Agriculture Organisation, as well as the World Meteorological Organisation.

(6) Owing to its coverage and its potential to help resolve global challenges, the space programme of the Union ('Programme') has a strong international dimension. The Commission should therefore be enabled to manage, on behalf of the Union, and coordinate activities on the international scene on behalf of the Union, in particular to defend the interests of the Union and its Member States in international fora, including in the area of frequencies. The Commission should strengthen economic diplomacy to promote the Union’s technology and industry, and to encourage cooperation in the field of training, bearing in mind the need to ensure the reciprocity of the rights and obligations of the parties and fair competition at international level. It is particularly important that the Union be represented by the Commission in the bodies of the International Cospas-Sarsat Programme or in relevant sectoral UN bodies including the Food and Agriculture Organisation, as well as the World Meteorological Organisation.
Amendment 9
Proposal for a regulation
Recital 7

Text proposed by the Commission

(7) The Commission should promote, alongside the Member States and the High Representative, responsible behaviour in space and outer space and explore the possibility for accession to the relevant UN Conventions.

Amendment

(7) The Commission should promote, alongside the Member States and the High Representative, responsible behaviour in space and outer space, in particular in finding solutions against the space debris proliferation and explore the possibility for accession to the relevant UN Conventions, including the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, including the Moon and Other Celestial Bodies (the Outer Space Treaty).

Amendment 10
Proposal for a regulation
Recital 8

Text proposed by the Commission

(8) The Programme shares similar objectives with other Union programmes, notably Horizon Europe, InvestEU Fund, European Defence Fund and Funds under Regulation (EU) [Common Provisions Regulation]. Therefore, cumulative funding from those programmes should be foreseen, provided they do cover the same cost items, in particular through arrangements for complementary funding from Union programmes where management modalities permit — either in sequence, in an alternating way, or through the combination of funds including for the joint funding of actions, allowing, where possible, innovation partnerships and blending operations. During the implementation of the Programme, the Commission should therefore promote synergies with other related Union programmes which would allow, where possible, use of access to risk finance, innovation partnerships, cumulative or blended funding.

Amendment

(8) The Programme shares similar objectives with other Union programmes, notably Horizon Europe, InvestEU Fund, European Defence Fund and Funds under Regulation (EU) [Common Provisions Regulation]. Therefore, cumulative funding from those programmes should be foreseen, provided they do cover the same costs, in particular through arrangements for complementary funding from Union programmes where management modalities permit — either in sequence, in an alternating way, or through the combination of funds including for the joint funding of actions, allowing, where possible, innovation partnerships and blending operations. During the implementation of the Programme, the Commission should therefore promote synergies with other related Union programmes which would allow, where possible, use of access to risk finance, innovation partnerships, cumulative or blended funding. It is important to ensure continuity between the solutions developed through Horizon Europe and other Union programmes and the components of the Programme.
Amendment 11
Proposal for a regulation
Recital 10 a (new)

Text proposed by the Commission

(10 a) Around 200,000 professionals are employed in the Union space sector. Therefore, it is essential to continue developing the state-of-the-art infrastructure of that sector and thereby stimulate upstream and downstream economic activities. In addition, to ensure the competitiveness of the European space industry in the future, the Programme should support the development of advanced skills in space-related fields and support education and training activities, with a special focus on girls and women, in order to realise the full potential of Union citizens in that area.

Amendment 12
Proposal for a regulation
Recital 13 a (new)

Text proposed by the Commission

(13a) The Programme should exploit the synergies between the space and transport sectors, taking into consideration that space technologies play a strategic role in making land, maritime, air and space transport smarter, more efficient, safer, more secure, sustainable and integrated and at the same time a growing, innovative transport sector will increase the request of innovative and up-to-date space technologies.

Amendment 13
Proposal for a regulation
Recital 14

Text proposed by the Commission

(14) Any revenue generated by the Programme should accrue to the Union in order to partially offset the investments that it has already made, and that revenue should be used to support the objectives of the Programme. For the same reason, it should be possible to provide for a revenue-sharing mechanism in contracts concluded with private sector entities.

Amendment

(14) Revenue generated by the components of the Programme should accrue to the Union in order to partially offset the investments that it has already made, and that revenue should be used to support the achievement of the objectives of the Programme. For the same reason, it should be possible to provide for a revenue-sharing mechanism in contracts concluded with private sector entities.
Amendment 14
Proposal for a regulation
Recital 16

(16) The Programme relies on complex and constantly changing technologies. The reliance on such technologies results in uncertainty and risk for public contracts concluded under this programme, insofar as those contracts involve long-term commitments to equipment or services. Specific measures concerning public contracts are therefore required in addition to the rules laid down in the Financial Regulation. It should thus be possible to award a contract in the form of a conditional stage-payment contract, introduce an amendment, under certain conditions, in the context of its performance, or impose a minimum level of subcontracting. Lastly, given the technological uncertainties that characterise the components of the Programme, contract prices cannot always be forecast accurately and it should therefore be possible to conclude contracts without stipulating a firm fixed price and to include clauses to safeguard the financial interests of the Union.

Amendment 15
Proposal for a regulation
Recital 25

(25) Sound public governance of the Programme requires the strict distribution of responsibilities and tasks among the different entities involved to avoid duplication and reduce cost overruns and delays.

Text proposed by the Commission  Amendment
Amendment 16
Proposal for a regulation
Recital 25 a (new)

Text proposed by the Commission

(25a) The Space Programmes are user-driven and therefore require the continuous, effective involvement of users’ representatives for their implementation and development.

Amendment

Amendment 17
Proposal for a regulation
Recital 26

Text proposed by the Commission

(26) Member States have long been active in the field of space. They have systems, infrastructure, national agencies and bodies linked to space. They can therefore make a big contribution to the Programme, especially to its implementation, and should be required to cooperate fully with the Union to promote the Programme’s services and applications. The Commission should be able to mobilise the means at Member States’ disposal, might entrust the Member States with non-regulatory tasks in the execution of the Programme and benefit from their assistance. Moreover, the Member States concerned should take all necessary measures to ensure the protection of the ground stations established on their territories. In addition, Member States and the Commission should work together and with appropriate international bodies and regulatory authorities to ensure that the frequencies necessary for the Programme are available and protected to allow for the full development and implementation of applications based on the services offered, in compliance with Decision No 243/2012/EU of the European Parliament and of the Council of 14 March 2012 establishing a multiannual radio spectrum policy programme (15).

Amendment

(26) Member States have long been active in the field of space. They have systems, infrastructure, national agencies and bodies linked to space. They can therefore make a big contribution to the Programme, especially to its implementation, and should be required to cooperate fully with the Union to promote the Programme’s services and applications. The Commission should be able to mobilise the means at Member States’ disposal, might entrust the Member States with non-regulatory tasks in the execution of the Programme and benefit from their assistance. Moreover, the Member States concerned should take all necessary measures to ensure the protection of the ground stations established on their territories. In addition, Member States and the Commission should work together and with appropriate international bodies and regulatory authorities to ensure that the frequencies necessary for the Programme are available and have adequate protection to allow for the full development and implementation of applications based on the services offered, in compliance with Decision No 243/2012/EU of the European Parliament and of the Council of 14 March 2012 establishing a multiannual radio spectrum policy programme (15).


Amendment 18
Proposal for a regulation
Recital 27

Text proposed by the Commission

(27) As promoter of the Union’s general interest, it falls to the Commission to implement the Programme, assume overall responsibility and promote their use. In order to optimise the resources and competences of the various stakeholders, the Commission should be able to delegate certain tasks. Moreover the Commission is the best placed to determine the main technical and operational specifications necessary to implement systems and services evolution.

Amendment

(27) As promoter of the Union’s general interest, it falls to the Commission to supervise the implementation of the Programme, assume overall responsibility and promote their use. In order to optimise the resources and competences of the various stakeholders, the Commission should be able to delegate certain tasks. Moreover the Commission is the best placed to determine the main requirements necessary to implement systems and services evolution.

Amendment 19
Proposal for a regulation
Recital 28

Text proposed by the Commission

(28) The mission of the European Union Agency for the Space Programme (‘the Agency’), which replaces and succeeds the European GNSS Agency established by Regulation (EU) No 912/2010, is to contribute to the Programme, particularly as regards security. Certain tasks linked to the security and promotion of the Programme should therefore be assigned to the Agency. In relation to security in particular, and given its experience in this area, the Agency should be responsible for the security accreditation tasks for all the Union actions in the space sector. Furthermore, it should perform the tasks which the Commission confers on it by means of one or more contribution agreements covering various other specific tasks associated with the programme.

Amendment

(28) The mission of the European Union Agency for the Space Programme (‘the Agency’), which replaces and succeeds the European GNSS Agency established by Regulation (EU) No 912/2010, is to contribute to the Programme, particularly as regards security, cybersecurity and promotion of the services and the downstream sector. Tasks linked to those areas should therefore be assigned to the Agency. In relation to security in particular, and given its experience in this area, the Agency should be responsible for the security accreditation tasks for all the Union actions in the space sector. Building on its positive track record in promoting the user and market uptake of Galileo and EGNOS and with a view to promoting the programmes as a package, the Agency should also be entrusted with undertaking promotional and commercialisation activities for Copernicus. Furthermore, it should perform the tasks which the Commission confers on it by means of one or more contribution agreements covering various other specific tasks associated with the programme.
Amendment 20
Proposal for a regulation
Recital 29

Text proposed by the Commission

(29) The European Space Agency is an international organisation with extensive expertise in the space domain and which entered into a Framework Agreement with the European Community in 2004. It is therefore an important partner in the implementation of the Programme, with which any appropriate relations should be established. In this regard, and in compliance with the Financial Regulation, it is important to conclude a financial framework partnership agreement with the European Space Agency that governs all financial relations between the Commission, the Agency and the European Space Agency and ensures their consistency and conform to the Framework Agreement with the European Space Agency, in particular with Article 5 thereof. However, as the European Space Agency is not a Union body and is not subject to Union law, it is essential, in order to protect the interests of the Union and its Member States, that such an agreement be conditional on the introduction of appropriate operating rules in the European Space Agency. The agreement should also contain all the clauses necessary to safeguard the Union’s financial interests.

Amendment

Amendment

Amendment 21
Proposal for a regulation
Recital 31

Text proposed by the Commission

(31) To structurally embed the user representation in the governance of GOVSATCOM and to aggregate user needs and requirements across national and civil-military boundaries, the relevant Union entities with close user-ties, such as the European Defence Agency, the European Border and Coast Guard Agency, the European Maritime Safety Agency, the European Fisheries Control Agency, the European Union Agency for Law Enforcement Cooperation, the Military Planning and Conduct Capability/ Civilian Planning and Conduct Capability and the Emergency Response Coordination Centre should have coordinating roles for specific user groups. At an aggregated level the Agency and the European Defence Agency should respectively represent the civilian and military user communities and may monitor operational use, demand, conformance to requirements and evolving needs and requirements.

Amendment

Amendment

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Amendment

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Amendment 22
Proposal for a regulation
Recital 36

Text proposed by the Commission

(36) To ensure the secure circulation of information, appropriate rules should be established to ensure equivalence of security rules for the different public and private entities, as well as natural persons, involved in the implementation of the Programme.

Amendment

(36) To ensure the secure circulation of information, appropriate rules should be established to ensure equivalence of security rules for the different public and private entities, as well as natural persons, involved in the implementation of the Programme, with the establishment of several levels of access to information and, implicitly, security of access to information.

Amendment 23
Proposal for a regulation
Recital 36 a (new)

Text proposed by the Commission

(36a) The cybersecurity of European space infrastructures, both ground and space, is key to ensuring the continuity of the operations of the systems, and their effective ability to carry out the tasks continuously and to provide the services required.

Amendment

(36a) The cyber security of European space infrastructures, both ground and space, is key to ensuring the continuity of the operations of the systems, and their effective ability to carry out the tasks continuously and to provide the services required.

Amendment 24
Proposal for a regulation
Recital 38

Text proposed by the Commission

(38) A growing number of key economic sectors, in particular transport, telecommunications, agriculture and energy, increasingly use satellite navigation systems, not to mention the synergies with activities linked to the security and defence of the Union and its Member States. Having full control of satellite navigation should therefore guarantee the Union’s technological independence, including in the longer term for the components of infrastructure equipment, and ensure its strategic autonomy.

Amendment

(38) A growing number of key economic sectors, in particular transport, telecommunications, agriculture and energy, increasingly use satellite navigation systems. Satellite navigation also plays a role in the context of the security of the Union and its Member States. Having full control of satellite navigation should therefore guarantee the Union’s technological independence, including in the longer term for the components of infrastructure equipment, and ensure its strategic autonomy.
The aim of EGNOS is to improve the quality of open signals from existing global navigation satellite systems, in particular those emitted by the Galileo system. The services provided by EGNOS should cover, as a priority, the Member States’ territories geographically located in Europe, including for this purpose the Azores, the Canary Islands and Madeira, with the aim to cover those territories by the end of 2025. Subject to technical feasibility and, for the safety of life, on the basis of international agreements, the geographical coverage of the services provided by EGNOS could be extended to other regions of the world. Without prejudice to Regulation [2018/XXX] [EASA Regulation] and the necessary monitoring of Galileo service quality for aviation purposes, it should be noted that while the signals emitted by Galileo may effectively be used to facilitate the positioning of aircraft, only local or regional augmentation systems such as EGNOS in Europe may constitute air-traffic management (ATM) services and air navigation services (ANS).

EGNOS can assist precision agriculture and help European farmers to eliminate waste, decrease over-application of fertilisers and herbicides, and optimise crop yields. EGNOS already has an important ‘user community’, but the number of farming machinery compatible with navigation technology is more limited. That issue should be tackled.
Amendment 27
Proposal for a regulation
Recital 41

Text proposed by the Commission

(41) It is imperative that the continuity, sustainability and future availability of the services provided by the Galileo and EGNOS systems be ensured. In a changing environment and rapidly developing market, their development should also continue and new generations of these systems should be prepared.

Amendment

(41) It is imperative that the continuity, sustainability, security, reliability, accuracy and future availability of the services provided by the Galileo and EGNOS systems be ensured. In a changing environment and rapidly developing market, their development should also continue and new generations of these systems should be prepared.

Amendment 28
Proposal for a regulation
Recital 44 a (new)

Text proposed by the Commission

(44a) In order to support the exploitation of the services provided by Galileo and EGNOS and to support downstream services, in particular in the transport sector, the competent authorities should develop, common standards and certifications at international level.

Amendment

deleted

Amendment 29
Proposal for a regulation
Recital 45

Text proposed by the Commission

(45) Considering the importance for Galileo and EGNOS of their ground-based infrastructure and the impact thereof on their security, the determination of the location of the infrastructure should made by the Commission. The deployment of the ground-based infrastructure of the systems should continue to follow an open and transparent process.

Amendment

deleted
Amendment 30  
Proposal for a regulation  
Recital 46

To maximise the socio-economic benefits of Galileo and EGNOS, notably in the area of security, the use of the services provided by EGNOS and Galileo in other Union policies should be promoted where this is justified and beneficial.

Amendment 31  
Proposal for a regulation  
Recital 47

Copernicus should ensure an autonomous access to environmental knowledge and key technologies for Earth observation and geo-information services, thereby enabling the Union to achieve independent decision-making and actions in the fields of the environment, climate change, civil protection, security, as well as the digital economy, among others.

Copernicus should ensure an autonomous access to environmental knowledge and key technologies for Earth observation and geo-information services, thereby enabling the Union to achieve independent decision-making and actions in the fields of the environment, including agriculture, biodiversity, land use, forestry, rural development and fisheries, climate change, cultural heritage sites, civil protection, security, including of infrastructures, as well as the digital economy, among others.
(48) Copernicus should build on and ensure continuity with the activities and achievements under Regulation (EU) No 377/2014 of the European Parliament and of the Council (17) establishing the Union Earth observation and monitoring programme (Copernicus) as well as Regulation (EU) No 911/2010 of the European Parliament and of the Council on the European Earth monitoring programme (GMES) and its initial operations (18) establishing the predecessor Global Monitoring for Environment and Security (GMES) programme and the rules for implementation of its initial operations, taking into account recent trends in research, technological advances and innovations impacting the Earth observation domain, as well as developments in big data analytics and Artificial Intelligence and related strategies and initiatives at Union level (19). To the greatest extent possible, it should make use of capacities for space-borne observations of the Member States, the European Space Agency, EUMETSAT (20), as well as other entities, including commercial initiatives in Europe, thereby also contributing to the development of a viable commercial space sector in Europe. Where feasible and appropriate, it should also make use of the available in situ and ancillary data provided mainly by the Member States in accordance with Directive 2007/2/EC (21). The Commission should work together with the Member States and the European Environment Agency to ensure an efficient access and use of the in-situ data sets for Copernicus.

(48) Existing capacities should be built on and should be complemented by new assets, which may be developed in common among the responsible entities. To that end, the Commission should work closely with the European Space Agency, Member States and, where applicable, other entities owning relevant space and in situ assets. Copernicus should build on and ensure continuity with the activities and achievements under Regulation (EU) No 377/2014 of the European Parliament and of the Council (17) establishing the Union Earth observation and monitoring programme (Copernicus) as well as Regulation (EU) No 911/2010 of the European Parliament and of the Council on the European Earth monitoring programme (GMES) and its initial operations (18) establishing the predecessor Global Monitoring for Environment and Security (GMES) programme and the rules for implementation of its initial operations, taking into account recent trends in research, technological advances and innovations impacting the Earth observation domain, as well as developments in big data analytics and Artificial Intelligence and related strategies and initiatives at Union level (19). To the greatest extent possible, it should make use of capacities for space-borne observations of the Member States, the European Space Agency, EUMETSAT (20), as well as other entities, including commercial initiatives in Europe, thereby also contributing to the development of a viable commercial space sector in Europe. Where feasible and appropriate, it should also make use of the available in situ and ancillary data provided mainly by the Member States in accordance with Directive 2007/2/EC (21). The Commission should work together with the Member States and the European Environment Agency to ensure an efficient access and use of the in-situ data sets for Copernicus.
The full potential of Copernicus for the Union society and economy should be fully unleashed beyond direct beneficiaries by means of an intensification of user uptake measures, which requires further action to render the data usable by non-specialists and thereby stimulate growth, job creation and knowledge transfers.
With regard to data acquisition, the activities under Copernicus should aim at completing and maintaining the existing space infrastructure, preparing the long-term replacement of the satellites at the end of their lifetime, as well as initiating new missions addressing new observation systems to support meeting the challenge of global climate change (e.g. anthropogenic CO\textsubscript{2} and other greenhouse gas emissions monitoring). Activities under Copernicus should expand their global monitoring coverage over the polar regions and support environmental compliance assurance, statutory environmental monitoring and reporting and innovative environmental applications (e.g. for crops monitoring, water management and enhanced fire monitoring). In doing so, Copernicus should leverage and take maximum advantage of the investments made under the previous funding period (2014-2020), while exploring new operational and business models to further complement the Copernicus capacities. Copernicus should also build on successful partnerships with Member States to further develop its security dimension under appropriate governance mechanisms, in order to respond to evolving user needs in the security domain.
### Amendment 35

**Proposal for a regulation**

**Recital 53**

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<td>(53) As part of the data and information processing function, Copernicus should ensure the long-term sustainability and further development of the core Copernicus services, providing information in order to satisfy public sector needs and those arising from the Union's international commitments, and to maximise opportunities for commercial exploitation. In particular, Copernicus should deliver, at the local, national, European and global scale, information on the state of the atmosphere; information on the state of the oceans; information in support of land monitoring supporting the implementation of local, national and Union policies; information in support of climate change adaptation and mitigation; geospatial information in support of emergency management, including through prevention activities, environmental compliance assurance, as well as civil security including support for the Union's external action. The Commission should identify appropriate contractual arrangements fostering the sustainability of service provision.</td>
<td>(53) As part of the data and information processing function, Copernicus should ensure the long-term sustainability and further development of the core Copernicus services, providing information in order to satisfy public sector needs and those arising from the Union's international commitments, and to maximise opportunities for commercial exploitation. In particular, Copernicus should deliver, at the local, national, European and global scale, information on the state of the atmosphere, including air quality; information on the state of the oceans; information in support of land monitoring supporting the implementation of local, national and Union policies; information in support of climate change adaptation and mitigation; geospatial information in support of emergency management, including through prevention activities, environmental compliance assurance, as well as civil security including support for the Union's external action. The Commission should identify appropriate contractual arrangements fostering the sustainability of service provision.</td>
</tr>
</tbody>
</table>

### Amendment 36

**Proposal for a regulation**

**Recital 54 a (new)**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(54a) In order to achieve the objectives of Copernicus on a sustainable basis, a committee (the Copernicus subcommittee) could be established to assist the Commission in ensuring the coordination of contributions to Copernicus by the Union, the User Fora, the Member States and inter-governmental organisations as well as the private sector, making the best use of existing capacities and identifying gaps to be addressed at Union level.</td>
<td></td>
</tr>
</tbody>
</table>
Amendment 37
Proposal for a regulation
Recital 55

Text proposed by the Commission

(55) The implementation of the Copernicus services should facilitate the public uptake of services as users would be able to anticipate the availability and evolution of services as well as cooperation with Member States and other parties. To this end, the Commission and its entrusted entities providing services should engage closely with different user communities across Europe in further developing the Copernicus services and information portfolio to ensure that evolving public sector and policy needs are met and thus the uptake of Earth observation data can be maximised. The Commission and Member States should work together to develop the in-situ component of Copernicus and to facilitate the integration of in-situ datasets with space datasets for upgraded Copernicus services.

Amendment 38
Proposal for a regulation
Recital 56 a (new)

Text proposed by the Commission

(56a) Member States, the Commission and the responsible entities should periodically run the Copernicus information campaigns regarding the benefits of the programme, giving all potential users access to the relevant information and data.

Amendment 39
Proposal for a regulation
Recital 57 a (new)

Text proposed by the Commission

(57a) Copernicus’ Climate Change services, although still in a pre-operational phase, are already well on track as the number of users doubled between 2015 and 2016. All Climate Change services should become fully operational as soon as possible and thereby provide the continuous flow of data necessary for effective climate change mitigation and adaptation actions.
Amendment 40
Proposal for a regulation
Recital 59

Text proposed by the Commission

To promote and facilitate the use of Earth observation data and technologies both by local authorities, by small and medium-sized enterprises, scientists and researchers, dedicated networks for Copernicus data distribution, including national and regional bodies, should be promoted through user uptake activities. To this end, the Commission and the Member States should strive to establish closer links between Copernicus and Union and national policies in order to drive the demand for commercial applications and services and enable enterprises, particularly small and medium-sized enterprises and start-ups, to develop applications based on Copernicus data and information aiming at developing a competitive Earth observation data eco-system in Europe.

Amendment

To promote and facilitate the use of Earth observation data and technologies both by local and regional authorities, by small and medium-sized enterprises, scientists and researchers, dedicated networks for Copernicus data distribution, including national and regional bodies, should be promoted through user uptake activities. To this end, the Commission and the Member States should strive to establish closer links between Copernicus and Union and national policies in order to drive the demand for commercial applications and services and enable enterprises, particularly small and medium-sized enterprises and start-ups, to develop applications based on Copernicus data and information aiming at developing a competitive Earth observation data eco-system in Europe.

Amendment 41
Proposal for a regulation
Recital 59 a (new)

Text proposed by the Commission

Given the major potential of satellite imagery for sustainable and efficient resource management, providing reliable and timely information on crop and soil conditions for example, that service should be further enhanced to meet end-user needs and ensure data linkage.

Amendment

Given the major potential of satellite imagery for sustainable and efficient resource management, providing reliable and timely information on crop and soil conditions for example, that service should be further enhanced to meet end-user needs and ensure data linkage.
Amendment 42

Proposal for a regulation

Recital 62

Text proposed by the Commission

(62) Following the requests of the European Parliament and of the Council and, the Union established a support framework for space surveillance and tracking (SST) by means of Decision No 541/2014/EU of the European Parliament and of the Council of 16 April 2014 establishing a Framework for Space Surveillance and Tracking Support (\textsuperscript{(24)}). Space debris has become a serious threat to the security, safety and sustainability of space activities. The SST is therefore primordial to preserve the continuity of the Programme’s components and their contributions to Union policies. By seeking to prevent the proliferation of space debris, SST contributes to ensuring the sustainable and guaranteed access to and use of space, which is a global common.

\textsuperscript{(24)} OJ L 158, 27.5.2014, p. 227.

Amendment

(62) Following the requests of the European Parliament and of the Council and, the Union established a support framework for space surveillance and tracking (SST) by means of Decision No 541/2014/EU of the European Parliament and of the Council (\textsuperscript{(24)}). Space debris has become a serious threat to the security, safety and sustainability of space activities. The SST is therefore primordial to preserve the continuity of the Programme’s components and their contributions to Union policies. By seeking to prevent the proliferation of space debris, SST contributes to ensuring the sustainable and guaranteed access to and use of space, which is a global common. The SST is intended also to facilitate the preparation of European earth orbit ‘clean-up’ projects.


Amendment 43

Proposal for a regulation

Recital 63

Text proposed by the Commission

(63) The SST should further develop the performance and autonomy of SST capabilities. To this end, it should lead to the establishment of an autonomous European catalogue of space objects, building on data from the network of SST sensors. The SST should also continue to support operation and delivery of SST services. As SST is a user-driven system, appropriate mechanisms should be put in place to collect user requirements, including those relating to security.

Amendment

(63) The SST should further develop the performance and autonomy of SST capabilities. To this end, it should lead to the establishment of an autonomous European catalogue of space objects, building on data from the network of SST sensors. The catalogue could follow the example of other space capable nations and make some of its data available for non-commercial and research purposes. SST should also continue to support operation and delivery of SST services. As SST is a user-driven system, appropriate mechanisms should be put in place to collect user requirements, including those relating to security and the transmission of relevant information to and from public institutions to improve the effectiveness of the system.
In addition, the SST should be complementary to existing mitigation measures, such as the Space Debris Mitigation Guidelines of the Committee on the Peaceful Uses of Outer Space (COPUOS) and Guidelines for the Long-term Sustainability of Outer Space Activities, or other initiatives, to ensure the safety, security and sustainability of outer space activities. With a view to reducing risks of collision, the SST would also seek synergies with initiatives of active removal and passivation measures of space debris. The SST should contribute to ensuring the peaceful use and exploration of outer space. The increase in space activities may have implications on the international initiatives in the area of the space traffic management. The Union should monitor those developments and may take them into consideration in the context of the mid-term review of the current MFF.
Extreme and major space weather events may threaten the safety of citizens and disrupt the operations of space-based and ground-based infrastructure. A space weather function should therefore be established as part of the Programme with an aim of assessing the space weather risks and corresponding user needs, raising the awareness of space weather risks, ensuring the delivery of user-driven space weather services, and improving Member States' capabilities to produce space weather service. The Commission should prioritise the sectors to which the operational space weather services are to be provided taking into account the user needs, risks and technological readiness. In the long term, the needs of other sectors may be addressed. The delivery of services at Union level according to the users' needs will require targeted, coordinated and continued research and development activities to support space weather services evolution. The delivery of the space weather services should build on the existing national and Union capabilities and enable a broad participation of Member States and involvement of the private sector.
Amendment 46
Proposal for a regulation
Recital 73

Text proposed by the Commission

(73) GOVSATCOM is a user-centric programme with a strong security dimension. The use-cases may be analysed for three main families: crisis management, which may include civilian and military Common Security and Defence missions and operations, natural and man-made disasters, humanitarian crises, and maritime emergencies; surveillance, which may include border surveillance, pre-frontier surveillance sea-border surveillance, maritime surveillance, surveillance of illegal trafficking; and key infrastructures, which may include diplomatic network, police communications, digital infrastructure (e.g. data centres, servers), critical infrastructures (e.g. energy, transport, water barriers such as dams) and space infrastructures.

Amendment

(73) GOVSATCOM is a user-centric programme with a strong security dimension. The use-cases may be analysed for three main families: crisis management, natural and man-made disasters, humanitarian crises, and maritime emergencies; surveillance, which may include border surveillance, pre-frontier surveillance sea-border surveillance, maritime surveillance, surveillance of illegal trafficking; and key infrastructures, which may include diplomatic network, police communications, digital infrastructure (e.g. data centres, servers), critical infrastructures (e.g. energy, transport, water barriers such as dams) and space infrastructures.

Amendment 47
Proposal for a regulation
Recital 78

Text proposed by the Commission

(78) For users of satellite communications the user equipment is the all-important operational interface. The EU GOVSATCOM approach makes it possible for most users to continue to use their existing user equipment for GOVSATCOM services in so far as they make use of Union technologies.

Amendment

(78) For users of satellite communications the user equipment is the all-important operational interface. The EU GOVSATCOM approach should make it possible for users to continue to use their existing user equipment for GOVSATCOM services.
Amendment 48
Proposal for a regulation
Recital 86

Text proposed by the Commission

(86) Infrastructure dedicated to the Programme may require additional research and innovation, which may be supported under Horizon Europe, aiming for coherence with activities in this domain by the European Space Agency. Synergies with Horizon Europe should ensure that research and innovation needs of the space sector are identified and established as part of the strategic research and innovation planning process. Space data and services made freely available by the Programme will be used to develop breakthrough solutions through research and innovation, including in Horizon Europe, in particular for sustainable food and natural resources, climate monitoring, smart cities, automated vehicles, security and disaster management. The strategic planning process under Horizon Europe will identify research and innovation activities that should make use of Union-owned infrastructures such as Galileo, EGNOS and Copernicus. Research infrastructures, in particular in situ observing networks will constitute essential elements of the in situ observation infrastructure enabling the Copernicus services and disaster management. The strategic planning process under Horizon Europe will identify research and innovation activities that should make use of Union-owned infrastructures such as Galileo, EGNOS and Copernicus. Research infrastructures, in particular in situ observing networks will constitute essential elements of the in situ observation infrastructure enabling the Copernicus services.

Amendment

(86) Infrastructure dedicated to the Programme may require additional research and innovation, which may be supported under Horizon Europe, aiming for coherence with activities in this domain by the European Space Agency. Synergies with Horizon Europe should ensure that research and innovation needs of the space sector are identified and established as part of the strategic research and innovation planning process. It is important to assure continuity between the solutions developed through Horizon Europe and the operations of the components of the Programme. Space data and services made freely available by the Programme will be used to develop breakthrough solutions through research and innovation, including in Horizon Europe, on the main European policies. The strategic planning process under Horizon Europe will identify research and innovation activities that should make use of Union-owned infrastructures such as Galileo, EGNOS and Copernicus. Research infrastructures, in particular in situ observing networks will constitute essential elements of the in situ observation infrastructure enabling the Copernicus services.

Amendment 49
Proposal for a regulation
Recital 87

Text proposed by the Commission

(87) Regulation (EU) No 912/2010 established a Union agency, called the European GNSS Agency, to manage certain aspects of the Galileo and EGNOS satellite navigation programmes. The present Regulation provides in particular that the European GNSS Agency will be entrusted with new tasks, not only in respect of Galileo and EGNOS but also for other components of the Programme, especially security accreditation. The name, tasks and organisational aspects of the European GNSS Agency must therefore be adapted accordingly.

Amendment

(87) Regulation (EU) No 912/2010 established a Union agency, called the European GNSS Agency, to manage certain aspects of the Galileo and EGNOS satellite navigation programmes. The present Regulation provides in particular that the European GNSS Agency will be entrusted with new tasks, not only in respect of Galileo and EGNOS but also for other components of the Programme, especially security accreditation and cybersecurity. The name, tasks and organisational aspects of the European GNSS Agency must therefore be adapted accordingly.
Amendment 50
Proposal for a regulation
Recital 88

Text proposed by the Commission
(88) In view of its extended scope, which will no longer be limited to Galileo and EGNOS, the European GNSS Agency should henceforth be changed. However, the continuity of the activities of the European GNSS Agency, including continuity as regards rights and obligations, staff and the validity of any decisions taken, should be ensured under the Agency.

Amendment
(88) In view of its extended scope, which will no longer be limited to Galileo and EGNOS, the European GNSS Agency should henceforth be changed. Where it entrusts tasks to the Agency, the Commission should ensure appropriate funding for the management and execution of those tasks, including adequate human and financial resources. However, the continuity of the activities of the European GNSS Agency, including continuity as regards rights and obligations, staff and the validity of any decisions taken, should be ensured under the Agency.

Amendment 51
Proposal for a regulation
Article 2 — paragraph 1 — point 2

Text proposed by the Commission
(2) ‘space weather events’ means naturally occurring variations in the space environment between the Sun and the Earth, including solar flares, solar energetic particles, solar wind, and coronal mass ejections that can lead to solar storms (geomagnetic storms, solar radiation storms and ionospheric disturbances) potentially impacting Earth;

Amendment
(2) ‘space weather events’ means naturally occurring variations in the space environment between the Sun and the Earth, including solar flares, solar energetic particles, solar wind, and coronal mass ejections that can lead to solar storms (geomagnetic storms, solar radiation storms and ionospheric disturbances) potentially impacting Earth or space-based infrastructures;

Amendment 52
Proposal for a regulation
Article 2 — paragraph 1 — point 5

Text proposed by the Commission
(5) ‘space situational awareness’ (‘SSA’) means a holistic approach towards the main space hazards, encompassing collision between satellites and space debris, space weather phenomena, and near earth objects;

Amendment
(5) ‘space situational awareness’ (‘SSA’) means comprehensive knowledge and understanding of the main space hazards, encompassing collision between satellites and space debris, space weather phenomena, and near earth objects;
Amendment 53
Proposal for a regulation
Article 2 — paragraph 1 — point 6

Text proposed by the Commission

(6) ‘blending operation’ means actions supported by the EU budget, including within blending facilities pursuant to Article 2(6) of the Financial Regulation, combining non-repayable forms of support and/or financial instruments from the EU budget with repayable forms of support from development or other public finance institutions, as well as from commercial finance institutions and investors;

Amendment

(6) ‘blending operation’ means actions supported by the EU budget, including within blending facilities pursuant to Article 2(6) of the Financial Regulation, combining non-repayable forms of support and/or financial instruments and/or budgetary guarantees from the EU budget with repayable forms of support from development or other public finance institutions, as well as from commercial finance institutions and investors;

Amendment 54
Proposal for a regulation
Article 2 — paragraph 1 — point 10

Text proposed by the Commission

(10) ‘SST data’ means physical parameters of space objects acquired by SST sensors or orbital parameters of space objects derived from SST sensors’ observations in the framework of the space surveillance and tracking (SST) component;

Amendment

(10) ‘SST data’ means physical parameters of space objects, including space debris, acquired by SST sensors or orbital parameters of space objects derived from SST sensors’ observations in the framework of the space surveillance and tracking (SST) component;

Amendment 55
Proposal for a regulation
Article 2 — paragraph 1 — point 14 a (new)

Text proposed by the Commission

(14a) ‘Copernicus third-party-information’ means information licensed and provided for use within Copernicus activities which originate from sources other than Copernicus Sentinels;

Amendment

(14a) ‘Copernicus third-party-information’ means information licensed and provided for use within Copernicus activities which originate from sources other than Copernicus Sentinels;
Amendment 56
Proposal for a regulation
Article 2 — paragraph 1 — point 23 — subparagraph 1

Text proposed by the Commission

‘Copernicus core users’ which benefit from Copernicus data and Copernicus information and have the additional role of driving the evolution of Copernicus, comprising the Union institutions and bodies and European national, or regional public bodies entrusted with a public service mission for the definition, implementation, enforcement or monitoring of environmental, civil protection, safety or security policies;

Amendment

‘Copernicus core users’ which benefit from Copernicus data and Copernicus information and have the additional role of driving the evolution of Copernicus, comprising the Union institutions and bodies and European national, or regional public bodies entrusted with a public service mission for the definition, implementation, enforcement or monitoring of environmental, civil protection, safety, including safety of infrastructure or security policies;

Amendment 57
Proposal for a regulation
Article 2 — paragraph 1 — point 23 — subparagraph 2 a (new)

Text proposed by the Commission

‘Copernicus core services’ means the operational services clustered in the data and information processing component or service component, which are of general and common interest of the Member States and the Union;

Amendment

‘Copernicus core services’ means the operational services clustered in the data and information processing component or service component, which are of general and common interest of the Member States and the Union;

Amendment 58
Proposal for a regulation
Article 2 — paragraph 1 — point 23 a (new)

Text proposed by the Commission

(23 a) ‘space sector’ means:

‘the upstream sector’, which includes activities leading to an operational space system, and space exploration;

‘the downstream sector’ which includes activities relating to exploiting satellite data to develop space-related products and services to end-users.
Amendment 59
Proposal for a regulation
Article 3 — paragraph 1 — point a

Text proposed by the Commission

(a) an autonomous civil global navigation satellite system (GNSS) under civil control comprising a constellation of satellites, centres and a global network of stations on the ground, offering positioning, navigation and time measurement services and fully integrating the needs and requirements of security ('Galileo');

Amendment

(a) an autonomous civil global navigation satellite system (GNSS) under civil control comprising a constellation of satellites, centres and a global network of stations on the ground, offering positioning, navigation and time measurement services and, where appropriate, integrating the needs and requirements of security ('Galileo');

Amendment 60
Proposal for a regulation
Article 3 — paragraph 1 — point c

Text proposed by the Commission

(c) an autonomous, user-driven, Earth observation system under civil control, offering geo-information data and services, comprising satellites, ground infrastructure, data and information processing facilities, and distribution infrastructure, and fully integrating the needs and requirements of security ('Copernicus');

Amendment

(c) an autonomous, user-driven, Earth observation system under civil control, offering geo-information data and services based on a free and open data policy, comprising satellites, ground infrastructure, data and information processing facilities, and distribution infrastructure, and fully integrating the needs and requirements of security ('Copernicus');

Amendment 61
Proposal for a regulation
Article 3 — paragraph 1 — point d

Text proposed by the Commission

(d) a space surveillance and tracking system aiming to improve, operate and provide data, information and services related to the surveillance and tracking of active and inactive spacecraft, discarded launchers stages, debris and debris fragments that orbit around the Earth and complemented by observational parameters related to space weather events and the risk of near earth objects (NEOs) approaching earth monitoring ('SST');

Amendment

(d) a space surveillance and tracking system aiming to improve, operate and provide data, information and services related to the surveillance and tracking of active and inactive spacecraft and space, debris that orbit around the Earth and complemented by observational parameters related to space weather events and the risk of near earth objects (NEOs) approaching earth monitoring ('SST');
Amendment 62
Proposal for a regulation
Article 3 — paragraph 2

Text proposed by the Commission

Additionally, the Programme shall include measures for ensuring efficient access to space for the Programme and for fostering an innovative space sector.

Amendment

Additionally, the Programme shall include measures for ensuring autonomous access to space, for tackling cyber threats, for fostering an innovative and competitive space sector, upstream and downstream, and for supporting space diplomacy.

Amendment 63
Proposal for a regulation
Article 4 — paragraph 1 — introductory part

Text proposed by the Commission

1. The Programme shall the following general objectives:

Amendment

1. The Programme shall have the following general objectives:

Amendment 64
Proposal for a regulation
Article 4 — paragraph 1 — point a

Text proposed by the Commission

(a) provide, or contribute to the provision of, high-quality and up-to-date and, where appropriate, secure space-related data, information and services without interruption and wherever possible at global level, meeting existing and future needs and able to meet the Union’s political priorities, including as regards climate change and security and defence;

Amendment

(a) provide, or contribute to the provision of, high-quality and up-to-date and, where appropriate, secure space-related data, information and services without interruption and wherever possible at global level, meeting existing and future needs and able to meet the Union’s political priorities, including climate change; and support the evidence-based and independent decision-making capacity of the Union and its Member States;
Amendment 65
Proposal for a regulation
Article 4 — paragraph 1 — point b

Text proposed by the Commission
(b) maximise the socio-economic benefits, including by promoting the widest possible use of the data, information and services provided by the Programme’s components;

Amendment
(b) maximise the socio-economic benefits, in particular by strengthening the European downstream sector, thereby enabling growth and job creation in the Union and promoting the widest possible uptake of services and use of the data, information and services provided by the Programme’s components both within and outside the Union;

Amendment 66
Proposal for a regulation
Article 4 — paragraph 1 — point c

Text proposed by the Commission
(c) enhance the security of the Union and its Member States, its freedom of action and its strategic autonomy, in particular in terms of technologies and evidence-based decision-making;

Amendment
(c) enhance the security, including cybersecurity, of the Union and its Member States, and reinforce its strategic autonomy, in particular in industrial and technological terms;

Amendment 67
Proposal for a regulation
Article 4 — paragraph 1 — point c a (new)

Text proposed by the Commission

Amendment
(ca) strengthen the European industrial and scientific ecosystem in the field of space, by establishing a coherent framework that combines the excellence of European training and know-how, the development of high-level design, manufacturing capabilities and the strategic vision needed in an increasingly competitive sector;
Amendment 68
Proposal for a regulation
Article 4 — paragraph 1 — point d

Text proposed by the Commission
(d) promote the role of the Union in the international arena as a leading actor in the space sector and strengthening its role in tackling global challenges and supporting global initiatives, including with regards to climate change and sustainable development.

Amendment
(d) promote the role of the Union in the international arena as a leading actor in the space sector and strengthening its role in tackling global challenges and supporting global initiatives, including with regard to sustainable development.

Amendment 69
Proposal for a regulation
Article 4 — paragraph 1 — point d a (new)

Text proposed by the Commission
(da) strengthen the Union’s space diplomacy and encourage international cooperation to raise awareness of space as a common heritage of mankind;

Amendment
(da) strengthen the Union’s space diplomacy and encourage international cooperation to raise awareness of space as a common heritage of mankind;

Amendment 70
Proposal for a regulation
Article 4 — paragraph 1 — point d b (new)

Text proposed by the Commission
(db) promote Union technology and industry and foster the principle of reciprocity and fair competition at international level;

Amendment
(db) promote Union technology and industry and foster the principle of reciprocity and fair competition at international level;

Amendment 71
Proposal for a regulation
Article 4 — paragraph 1 — point d c (new)

Text proposed by the Commission
(dc) enhance the safety of the Union and its Member States in various fields, in particular in transportation (aviation, including unmanned aerial vehicles, rail transports, navigation, road transports, autonomous driving), infrastructure building and monitoring, land monitoring and environment.
Amendment 72
Proposal for a regulation
Article 4 — paragraph 2 — point a

Text proposed by the Commission

(a) for Galileo and EGNOS: to provide state-of-the-art and, where appropriate, secure positioning, navigation and timing services;

ะ Amendment

(a) for Galileo and EGNOS: to provide long-term and continuous state-of-the-art and, where appropriate, secure positioning, navigation and timing services;

Amendment 73
Proposal for a regulation
Article 4 — paragraph 2 — point b

Text proposed by the Commission

(b) for Copernicus: to deliver accurate and reliable Earth Observation data and information, supplied on a long-term basis, to support the implementation and monitoring of the Union and its Member States’ policies in the fields of the environment, climate change, agriculture and rural development, civil protection, safety and security, as well as the digital economy;

 Amendment

(b) for Copernicus: to deliver accurate and reliable Earth Observation data and information, supplied on a long-term basis, to support the implementation and monitoring of the Union and its Member States’ user-driven policies and actions;

Amendment 74
Proposal for a regulation
Article 4 — paragraph 2 — point c

Text proposed by the Commission

(c) for Space Situational Awareness (SSA): to enhance SST capabilities to monitor, track and identify space objects, to monitor space weather and to map and network Member States NEO capacities;

 Amendment

(c) for Space Situational Awareness (SSA): to enhance SST capabilities to monitor, track and identify space objects and space debris, to monitor space weather and to map and network Member States NEO capacities;

Amendment 75
Proposal for a regulation
Article 4 — paragraph 2 — point e

Text proposed by the Commission

(e) to contribute, where this is required for the needs of the Programme, to an autonomous, secure and cost-efficient capability to access space;

 Amendment

(e) to ensure an autonomous, secure and cost-efficient capability to access to space;
Amendment 76
Proposal for a regulation
Article 4 — paragraph 2 — point f

Text proposed by the Commission

(f) support and reinforce the competitiveness, entrepreneurship, skills and capacity to innovate of legal and natural persons from the Union active or wishing to become active in that sector, with particular regard to the position and needs of small and medium-sized enterprises and start-ups.

Amendment

(f) to foster the development of a strong and competitive Union space economy and maximise opportunities for Union enterprises of all sizes and all Union regions.

Amendment 77
Proposal for a regulation
Article 5 — paragraph 1 — introductory part

Text proposed by the Commission

The Programme shall support:

Amendment

The Programme, in synergy with other Union and European Space Agency programmes and funding schemes, shall support:

Amendment 78
Proposal for a regulation
Article 5 — paragraph 1 — point a

Text proposed by the Commission

(a) provision of launching services for the needs of the Programme;

Amendment

(a) provision of launching services for the Programme including aggregate launching service for the Union and for other entities, at their request, taking into account the essential security interests of the Union in accordance with Article 25, in order to enhance the competitiveness of European launchers and industries on the global market;

Amendment 79
Proposal for a regulation
Article 5 — paragraph 1 — point b

Text proposed by the Commission

(b) development activities linked to autonomous, reliable and cost-efficient access to space;

Amendment

(b) development activities linked to autonomous, reliable and cost-efficient access to space including alternative launching technologies and innovative systems or services, taking into account the essential security interests of the Union and its Member States, in accordance with Article 25;
Amendment 80
Proposal for a regulation
Article 5 — paragraph 1 — point c

Text proposed by the Commission

(c) where this is required for the needs of the Programme, the necessary adaptations to the space ground infrastructure.

Amendment

(c) where this is required for the objectives of the Programme, the necessary support for the maintenance, adaptations and developments of the space ground infrastructure, in particular existing infrastructures, rocket ranges and research centres.

Amendment 81
Proposal for a regulation
Article 6 — title

Text proposed by the Commission

Actions in support of an innovative Union space sector

Amendment

Actions in support of an innovative and competitive Union space sector

Amendment 82
Proposal for a regulation
Article 6 — paragraph 1 — point a

Text proposed by the Commission

(a) innovation activities for making best use of space technologies, infrastructure or services;

Amendment

(a) innovation activities for developing and making best use of space technologies, infrastructure or services;

Amendment 83
Proposal for a regulation
Article 6 — paragraph 1 — point a a (new)

Text proposed by the Commission

(aa) appropriate measures to facilitate the uptake of innovative solutions resulting from research and innovation activities, in particular through synergies with other Union Funds, such as Horizon Europe and InvestEU, in order to support the development of downstream sectors of all the components of the Programme;
Amendment 84
Proposal for a regulation
Article 6 — paragraph 1 — point a (new)

Text proposed by the Commission

Ab) strengthening the European space sector in the export market;

Amendment

(b) the establishment of space-related innovation partnerships to develop innovative products or services and for the subsequent purchase of the resulting supply or services;

Amendment 85
Proposal for a regulation
Article 6 — paragraph 1 — point b

Text proposed by the Commission

(b) the establishment of space-related innovation partnerships to develop innovative products or services and for the subsequent purchase of the resulting products or services for the needs of the Programme;

Amendment

(ba) design, testing, implementation and deployment of data-driven interoperable space solutions for public services, fostering innovation and establishing common frameworks in order to realise the full potential of public administrations’ services for citizens and businesses;

Amendment 86
Proposal for a regulation
Article 6 — paragraph 1 — point b a (new)

Text proposed by the Commission

(c) entrepreneurship, from early stage to scaling-up, in accordance with Article 21 and other access to finance provisions as referred to in Article 18 and Chapter I of Title III;

Amendment

(c) entrepreneurship, including from early stage to scaling-up, in accordance with Article 21 and by relying on other access to finance provisions as referred to in Article 18 and Chapter I of Title III;
Amendment 88
Proposal for a regulation
Article 6 — paragraph 1 — point d

Text proposed by the Commission
(d) cooperation between undertakings in the form of space hubs bringing together, at regional and national levels, actors from the space and digital sectors, as well as users, and providing support to citizens and companies to foster entrepreneurship and skills;

Amendment
(d) cooperation in the form of a network of space hubs bringing together, in particular at regional and national levels, actors from the space and digital sectors, as well as users, and providing support, facilities and services to citizens and companies to foster entrepreneurship and skills; fostering cooperation between the space hubs and the digital innovation hubs established under the Digital Europe Programme;

Amendment 89
Proposal for a regulation
Article 6 — paragraph 1 — point d a (new)

Text proposed by the Commission
(da) the possible development of a ‘first contract approach strategy’ with all relevant public and private sector actors to support the development of space start-ups;

Amendment
(d) the possible development of a ‘first contract approach strategy’ with all relevant public and private sector actors to support the development of space start-ups;

Amendment 90
Proposal for a regulation
Article 6 — paragraph 1 — point d b (new)

Text proposed by the Commission
(db) Synergies with the transport, space and digital sectors in order to foster the broader use of new technologies (such as e-call, digital tachograph, traffic supervisions and management, autonomous driving, unmanned vehicles and drones) and tackle the needs of secure and seamless connectivity, robust positioning, inter modality and interoperability, thus enhancing the competitiveness of transport services and industry;
Amendment 91
Proposal for a regulation
Article 6 — paragraph 1 — point e

Text proposed by the Commission
(e) provision of education and training activities;

Amendment
(e) provision of education and training activities in order to develop advanced space skills;

Amendment 92
Proposal for a regulation
Article 6 — paragraph 1 — point f

Text proposed by the Commission
(f) access to processing and testing facilities;

Amendment
(f) access to processing and testing facilities for private and public sector professionals, students and entrepreneurs;

Amendment 93
Proposal for a regulation
Article 7 — paragraph 2 — point c

Text proposed by the Commission
(c) does not confer to the third country or international organisation a decisional power on the programme;

Amendment
(c) does not confer to the third country or international organisation a decisional power on the programme or, where appropriate, access to sensitive or classified information;

Amendment 94
Proposal for a regulation
Article 7 — paragraph 2 — point d a (new)

Text proposed by the Commission

Amendment
(da) preserves, where appropriate, the strategic and sovereign interests of the Union in all relevant areas, including European technological or industrial strategic autonomy;
Amendment 95
Proposal for a regulation
Article 9 — paragraph 3

Text proposed by the Commission

3. The Commission shall take the necessary steps to ensure that the contracts, agreements or other arrangements relating to the activities referred to in the first paragraph contain provisions setting out the appropriate ownership regime for those assets and, as regards point (c) that the Union can freely use the PRS receivers in accordance with Decision 1104/2011/EU.

Amendment

3. The Commission shall take the necessary steps to ensure that the contracts, agreements or other arrangements relating to the activities referred to in the second paragraph contain provisions setting out the appropriate ownership and use regime for those assets and, as regards point (c) that the Union can freely use and grant the use of the PRS receivers in accordance with Decision 1104/2011/EU.

Amendment 96
Proposal for a regulation
Article 10 — paragraph 1

Text proposed by the Commission

The services, data and information provided by the Programme’s components shall be provided without any express or implied guarantee as regards their quality, accuracy, availability, reliability, speed and suitability for any purpose. To that aim, the Commission shall take the necessary steps to ensure that the users of those services, data and information are informed, in an appropriate manner, of the absence of any such guarantee.

Amendment

The services, data and information provided by the Programme’s components shall be provided without any express or implied guarantee as regards their quality, accuracy, availability, reliability, speed and suitability for any purpose, unless such a guarantee is required by applicable Union law for the provision of the services concerned. To that aim, the Commission shall take the necessary steps to ensure that the users of those services, data and information are informed, in an appropriate manner, of the absence of any such guarantee.

Amendment 97
Proposal for a regulation
Article 11 — paragraph 1 — subparagraph 1

Text proposed by the Commission

The financial envelope for the implementation of the Programme for the period 2021 — 2027 shall be EUR [16] billion in current prices.

Amendment

The financial envelope for the implementation of the Programme for the period 2021 — 2027 shall be EUR [16,9] billion in current prices.
Amendment 98
Proposal for a regulation

**Article 11 — paragraph 1 — subparagraph 2 — point b**

Text proposed by the Commission

(b) for Copernicus: EUR [5,8] billion;

Amendment

(b) for Copernicus: EUR [6] billion;

Amendment 99
Proposal for a regulation

**Article 11 — paragraph 1 — subparagraph 2 — point c**

Text proposed by the Commission

(c) for SSA/GOVSATCOM: EUR [0,5] billion.

Amendment

(c) for SSA/GOVSATCOM: EUR [1,2] billion.

Amendment 100
Proposal for a regulation

**Article 11 — paragraph 2**

Text proposed by the Commission

2. Cross-cutting activities as foreseen by **Article 3** shall be financed under the Programme’s components.

Amendment

2. Cross-cutting activities as foreseen by **Articles 3, 5 and 6** shall be financed under the Programme’s components.

Amendment 101
Proposal for a regulation

**Article 14 — paragraph 1 — point a**

Text proposed by the Commission

(a) to promote **in all Member States**, throughout the supply chain, the widest and most open participation possible of start-ups, new entrants and small and medium sized enterprises and other economic operators, including the requirement of sub-contracting by the tenderers;

Amendment

(a) to promote **throughout the Union and** throughout the supply chain, the widest and most open participation possible of all economic operators, and in particular start-ups, new entrants and small and medium sized enterprises, including the requirement of sub-contracting by the tenderers;
Amendment 102
Proposal for a regulation
Article 14 — paragraph 1 — point d

Text proposed by the Commission
(d) to foster the autonomy of the Union, in particular in technological terms;

Amendment
(d) to foster the strategic autonomy of the Union, in particular in industrial and technological terms, throughout the entire value chain;

Amendment 103
Proposal for a regulation
Article 14 — paragraph 1 — point d a (new)

Text proposed by the Commission
(da) to follow the principles of open access and fair competition throughout the industrial supply chain, tendering on the basis of the provision of transparent and timely information, clear communication of the applicable procurement rules, selection and award criteria and any other relevant information allowing a level-playing field for all potential bidders;

Amendment

Amendment 104
Proposal for a regulation
Article 17 — paragraph 1

Text proposed by the Commission
1. To encourage new entrants, small and medium enterprises and start-ups, and to offer the widest possible geographic coverage while protecting the Union’s strategic autonomy, the contracting authority may request that the tenderer subcontract part of the contract by competitive tendering at the appropriate levels of subcontracting to companies other than those which belong to the tenderer’s group.

Amendment
1. To encourage new entrants, in particular small and medium-sized enterprises and start-ups, and to offer the widest possible geographic coverage while protecting the Union’s strategic autonomy, the contracting authority shall endeavour to request the tenderer to subcontract part of the contract by competitive tendering at the appropriate levels of subcontracting to companies other than those which belong to the tenderer’s group.
<table>
<thead>
<tr>
<th>Amendment 105</th>
<th>Proposal for a regulation</th>
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</thead>
<tbody>
<tr>
<td><strong>Article 17 — paragraph 2</strong></td>
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<tr>
<td><strong>Text proposed by the Commission</strong></td>
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<tr>
<td>2. The contracting authority shall express the requisite share of the contract to be subcontracted in the form of a range from a minimum to a maximum percentage.</td>
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<tr>
<td><strong>Amendment</strong></td>
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<tr>
<td>2. The contracting authority shall express the requisite share of the contract to be subcontracted to industry at all levels, pursuant to paragraph 1, in the form of a range from a minimum to a maximum percentage.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Amendment 106</th>
<th>Proposal for a regulation</th>
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<tbody>
<tr>
<td><strong>Article 17 — paragraph 3</strong></td>
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<tr>
<td><strong>Text proposed by the Commission</strong></td>
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<tr>
<td>3. Any derogation from a request in accordance with paragraph 1 shall be justified by the tenderer.</td>
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<tr>
<td><strong>Amendment</strong></td>
<td></td>
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<tr>
<td>3. Any derogation from a request in accordance with paragraph 1 shall be justified by the tenderer and assessed by the contracting authority.</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Amendment 107</th>
<th>Proposal for a regulation</th>
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</thead>
<tbody>
<tr>
<td><strong>Article 19 — paragraph 2</strong></td>
<td></td>
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<tr>
<td><strong>Text proposed by the Commission</strong></td>
<td></td>
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<tr>
<td>In the case of a joint call, joint procedures shall be established for selection and evaluation of proposals. The procedures must involve a balanced group of experts appointed by each party.</td>
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<tr>
<td><strong>Amendment</strong></td>
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<tr>
<td>In the case of a joint call, joint procedures shall be established for selection and evaluation of proposals. The procedures shall involve a balanced group of experts appointed by each party. Such experts shall not evaluate, advise or assist on matters in relation to which they have a conflict of interests.</td>
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<table>
<thead>
<tr>
<th>Amendment 108</th>
<th>Proposal for a regulation</th>
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<tbody>
<tr>
<td><strong>Article 24 — paragraph 1</strong></td>
<td></td>
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<tr>
<td><strong>Text proposed by the Commission</strong></td>
<td></td>
</tr>
<tr>
<td>1. In addition to the provisions of [Article 165] of the Financial Regulation, the Commission and the Agency may carry out joint procurement procedures with the European Space Agency or other international organisations involved in implementing the components of the Programme.</td>
<td></td>
</tr>
<tr>
<td><strong>Amendment</strong></td>
<td></td>
</tr>
<tr>
<td>1. In addition to the provisions of [Article 165] of the Financial Regulation, the Commission or the Agency may carry out joint procurement procedures with the European Space Agency or other international organisations involved in implementing the components of the Programme.</td>
<td></td>
</tr>
</tbody>
</table>
Amendment 110
Proposal for a regulation
Article 27 — paragraph 1 — point a

Text proposed by the Commission
(a) strict distribution of tasks and responsibilities between the entities involved in the implementation of the Programme, in particular between the Member States, the Commission, the Agency and the European Space Agency;

Amendment
(a) strict distribution of tasks and responsibilities between the entities involved in the implementation of the Programme, in particular between the Member States, the Commission, the Agency and the European Space Agency, based on each entity’s competences, improving transparency, effectiveness and cost-efficiency and avoidance of overlap of activities;

Amendment 111
Proposal for a regulation
Article 27 — paragraph 1 — point b

Text proposed by the Commission
(b) strong control of the Programme, including strict adherence to cost and schedule by all the entities, within their respective fields of competence in accordance with this Regulation;

Amendment
(b) strong control of the Programme, including strict adherence to cost and technical performance by all the entities, within their respective fields of responsibility in accordance with this Regulation;

Amendment 112
Proposal for a regulation
Article 27 — paragraph 1 — point d

Text proposed by the Commission
(d) systematic consideration of the needs of users of the services provided by the Programme’s components, as well as of scientific and technological evolutions relating to those services;

Amendment
(d) systematic consideration of the needs of users of the services provided by the Programme’s components, as well as of scientific and technological evolutions relating to those services, also through the consultation of the advisory User Fora at national and Union level.
Amendment 113
Proposal for a regulation
Article 28 — paragraph 2

2. The Commission or, for the tasks referred to in Article 30, the Agency may entrust specific tasks to Member States or national agencies or to groups of these Member States or national agencies. The Member States shall take all the necessary measures to ensure the smooth functioning of the Programme and the promotion of their use, including by helping to protect the frequencies required for this programme.

Amendment 114
Proposal for a regulation
Article 28 — paragraph 2 a (new)

2a. The Member States shall pursue a proactive and coordinated consultation of end-users’ communities, in particular regarding Galileo, EGNOS and Copernicus, including through advisory User Fora.

Amendment 115
Proposal for a regulation
Article 29 — paragraph 1

1. The Commission shall have overall responsibility for the implementation of the Programme, including in the field of security. It shall, in accordance with this Regulation, determine the priorities and long-term evolution of the Programme and shall supervise its implementation, having due regard to its impact on other policies of the Union.

Amendment 116
Proposal for a regulation
Article 29 — paragraph 2

2. The Commission shall manage the component of the Programme where such management is not entrusted to another entity.
Amendment 117
Proposal for a regulation
Article 29 — paragraph 3

Text proposed by the Commission

3. The Commission shall ensure a clear division of tasks between the various entities involved in the Programme and coordinate the activities of those entities.

Amendment

3. The Commission shall ensure a clear division of tasks between the various entities involved in the Programme and coordinate the activities of those entities and shall ensure the full protection of the interest of the Union, the sound management of its funds and the application of its rules, in particular those related to procurement. Therefore the Commission shall conclude with the Agency and the European Space Agency a Financial Framework Partnership agreement, related to the tasks entrusted to the two entities, as referred to in Article 31a.

Amendment 118
Proposal for a regulation
Article 29 — paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. Concerning the specific provision on the functioning and the governance of space weather and NEO functions, and GOVSATCOM, the Commission shall adopt delegated acts, in accordance with Article 105.

Amendment 119
Proposal for a regulation
Article 29 — paragraph 4 — subparagraph 1

Text proposed by the Commission

When necessary for the smooth functioning of the Programme and the smooth provision of the services provided by the Programme’s components, the Commission shall, by means of implementing acts, determine the technical and operational specifications required for the implementation of and evolution of those components and of the services they provide after having consulted users and all the other relevant stakeholders. When determining those technical and operational specifications, the Commission shall avoid reducing the general security level and to meet a backward compatibility imperative.

Amendment

When necessary for the smooth functioning of the Programme and the smooth provision of the services provided by the Programme’s components, the Commission shall, by means of delegated acts, determine the high-level requirements for the implementation of and evolution of those components and of the services they provide after having consulted users and all the other relevant stakeholders, including the downstream sector. When determining those high-level requirements, the Commission shall avoid reducing the general security level and to meet a backward compatibility imperative.
### Amendment 120

**Proposal for a regulation**  
**Article 29 — paragraph 4 — subparagraph 2**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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</thead>
<tbody>
<tr>
<td>Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 107(3).</td>
<td>Those delegated acts shall be adopted in accordance with Article 21.</td>
</tr>
</tbody>
</table>

### Amendment 121

**Proposal for a regulation**  
**Article 29 — paragraph 5**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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<tbody>
<tr>
<td>5. The Commission shall promote and ensure the uptake and use of the data and services provided by the Programme’s components in the public and private sectors, including by supporting appropriate development of those services and by fostering a stable long-term environment. It shall develop synergies between the applications of the various components of the Programme. It shall ensure complementarity, consistency, synergies and links between the Programme and other Union actions and programmes.</td>
<td>5. The Commission shall ensure complementarity, consistency, synergies and links between the Programme and other Union actions and programmes. It shall, in close cooperation with the Agency and, where applicable, the European Space Agency and the Copernicus entrusted entities support and contribute to:</td>
</tr>
<tr>
<td>— the activities relating to the uptake and use of the data and services provided by the Programme’s components in the public and private sectors;</td>
<td>— the development of synergies between the applications;</td>
</tr>
<tr>
<td>— the appropriate development of those services;</td>
<td>— fostering a stable long-term environment.</td>
</tr>
</tbody>
</table>

### Amendment 122

**Proposal for a regulation**  
**Article 29 — paragraph 6**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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<tbody>
<tr>
<td>6. Where appropriate, it shall ensure the coordination with activities carried out in the space sector at Union, national and international level. It shall encourage cooperation between the Member States and promote convergence of their technological capacities and developments in the space domain.</td>
<td>6. Where appropriate and in cooperation with the Agency and the European Space Agency, it shall ensure the coordination with activities carried out in the space sector at Union, national and international level. It shall encourage cooperation between the Member States and promote convergence of their technological capacities and developments in the space domain.</td>
</tr>
</tbody>
</table>
Amendment 123
Proposal for a regulation
Article 30 — paragraph 1 — point b a (new)

Text proposed by the Commission

(ba) promote and ensure the uptake and use of the data and services provided by the Programme’s components, including the development of downstream applications and services based on the Programme’s components;

Amendment 124
Proposal for a regulation
Article 30 — paragraph 1 — point b b (new)

Text proposed by the Commission

(bb) implement actions in support of an innovative Union Space Sector in accordance with Article 6;

Amendment 125
Proposal for a regulation
Article 30 — paragraph 1 — point b c (new)

Text proposed by the Commission

(b c) support access to finance through the financial instruments under Title III and InvestEU, as well as, in cooperation with EIB, through the financial instruments established by the latter addressing in particular SMEs;

Amendment 126
Proposal for a regulation
Article 30 — paragraph 1 — point c

Text proposed by the Commission

(c) undertake communication and promotion activities, and activities relating to the commercialisation of the services offered by Galileo and EGNOS;
Amendment 127
Proposal for a regulation
Article 30 — paragraph 1 — point c a (new)

Text proposed by the Commission

| (ca) as regards Galileo and EGNOS: managing Galileo and EGNOS, as referred to in Article 43; |

Amendment

Amendment 128
Proposal for a regulation
Article 30 — paragraph 1 — point d

Text proposed by the Commission

| (d) provide technical expertise to the Commission. |

Amendment

| (d) provide technical expertise to the Commission, avoiding duplication with ESA tasks under Article 27 and 31. |

Amendment 129
Proposal for a regulation
Article 30 — paragraph 2 — point a

Text proposed by the Commission

| (a) managing the exploitation of EGNOS and Galileo, as referred to in Article 43; |

Amendment

| deleted |

Amendment 130
Proposal for a regulation
Article 30 — paragraph 2 — point b a (new)

Text proposed by the Commission

| (ba) provide recommendations to the Commission on the priorities of space domain in Horizon Europe and participate in its implementation; |

Amendment
Amendment 131
Proposal for a regulation
Article 30 — paragraph 2 — point c

Text proposed by the Commission

(c) implementing activities relating to the development of downstream applications and services based on the components of the Programme.

Amendment

deleted

Amendment 132
Proposal for a regulation
Article 30 — paragraph 3

Text proposed by the Commission

3. The Commission may entrust other tasks to the Agency, including undertaking communication, promotion, and marketing of data and information activities, as well as other activities related to user uptakes with regard to the Programme’s components other than Galileo and EGNOS.

Amendment

3. The Commission may entrust other tasks to the Agency, avoiding duplication and on the basis of improved efficiency in the implementation of the Programme’s objectives.

Amendment 133
Proposal for a regulation
Article 30 — paragraph 3 a (new)

Text proposed by the Commission

3a. The Agency may sign partnership agreements or other agreements with national space agencies, a group of national space agencies or other entities for the purpose of fulfilment of its tasks.

Amendment

Amendment 134
Proposal for a regulation
Article 30 — paragraph 4

Text proposed by the Commission

4. The tasks referred to in paragraphs 2 and 3 shall be entrusted by the Commission by means of a contribution agreement in accordance with [Article 2(18)] and [Title VI] of the Financial Regulation.

Amendment

4. The tasks referred to in paragraphs 2 and 3 shall be entrusted by the Commission by means of a contribution agreement in accordance with [Article 2(18)] and [Title VI] of the Financial Regulation and shall be reviewed in accordance with Article 102(6) of this Regulation, in particular regarding the Copernicus component.
Amendment 135
Proposal for a regulation
Article 30 — paragraph 4 a (new)

Text proposed by the Commission

4a. Whenever entrusting tasks to the Agency the Commission shall ensure appropriate funding for their management and execution including adequate human and administrative resources.

Amendment 136
Proposal for a regulation
Article 31 — paragraph 1 — point a

Text proposed by the Commission

(a) as regards Copernicus: development, design and construction of the Copernicus space infrastructure, including the operations of that infrastructure;

Amendment

(a) as regards Copernicus: development, design and construction of the Copernicus space and ground infrastructure, including the operations of that infrastructure;

Amendment 137
Proposal for a regulation
Article 31 — paragraph 1 — point b

Text proposed by the Commission

(b) as regards Galileo and EGNOS: systems evolution, development of the ground segment and the design and development of satellites;

Amendment

(b) as regards Galileo and EGNOS: support to the Agency in the execution of its core tasks. When provided for in specific agreements concluded between the Agency and the European Space Agency, procurement in the name and on behalf of the Agency of systems evolution, design and development of the ground segment and the design and development of the space segment;

Amendment 138
Proposal for a regulation
Article 31 — paragraph 1 — point c

Text proposed by the Commission

(c) as regards all the components of the Programme with research and development activities in its fields of expertise.

Amendment

(c) as regards all the components of the Programme with research and development activities concerning the Programme components infrastructures.
Amendment 139
Proposal for a regulation
Article 31 — paragraph 1 — point c a (new)

Text proposed by the Commission

Amendment

(ca) encouragement of the cooperation between the Member States and promotion of the convergence of their technological capacities and developments in the space segment.

Amendment 140
Proposal for a regulation
Article 31 — paragraph 2

Text proposed by the Commission

Amendment

2. The Commission shall conclude with the Agency and the European Space Agency a financial framework partnership agreement as provided for in [Article 130] of the Financial Regulation. That financial framework partnership agreement shall:

— clearly define the responsibilities and obligations of the European Space Agency with regard to the Programme;

— require that the European Space Agency complies with the security rules of the Union programme, in particular with regard to the processing of classified information;

— stipulate the conditions of the management of funds entrusted to the European Space Agency, particularly with regard to public procurement, management procedures, the expected results measured by performance indicators, applicable measures in the event of deficient or fraudulent implementation of the contracts in terms of costs, schedule and results, as well as the communication strategy and the rules regarding ownership of all tangible and intangible assets; these conditions shall be in conformity with Titles III and V of this regulation and the Financial Regulation;

— require the participation of the Commission and, when relevant, the Agency in the Tender Evaluation Board meetings of the European Space Agency with regard to the Programme;
— establish the monitoring and control measures, which shall include, in particular, a cost forecast system, the systematic provision of information to the Commission or, where appropriate, to the Agency, on costs and schedule, and in the event of a discrepancy between the planned budgets, performance and schedule, corrective action ensuring performance of the tasks assigned within the limits of the allocated budgets and penalties against the European Space Agency where this discrepancy is directly attributable to it;

— establish the principles for the remuneration of the European Space Agency, which shall be proportionate to the difficulty of the tasks to be carried out, in line with market prices and the fees of the other entities involved, including the Union, and may, where appropriate, be based on performance indicators; those fees shall not cover general overheads which are not associated with the activities entrusted to the European Space Agency by the Union.

**Amendment 141**

Proposal for a regulation

Article 31 — paragraph 3

3. The conclusion of the financial framework partnership agreement referred to in paragraph 2 shall be contingent upon the establishment, within the European Space Agency, of internal structures and of an operational method, in particular for decision-making, management methods and liability, which make it possible to ensure maximum protection for the interests of the Union and to comply with its decisions, including for the activities financed by the European Space Agency, which have an impact on the Programme.

**Amendment 142**

Proposal for a regulation

Article 31 — paragraph 4

4. Without prejudice to the financial framework partnership agreement referred to in paragraph 4, the Commission or the Agency may ask the European Space Agency to provide technical expertise and the information necessary to perform the tasks which are assigned to them by this Regulation.
Amendment 143
Proposal for a regulation
Article 31 a (new)

The financial framework partnership agreement

1. The Commission shall conclude with the Agency and the European Space Agency a financial framework partnership agreement as provided for in [Article 130] of the Financial Regulation. That financial framework partnership agreement shall:

(a) clearly define the roles, responsibilities and obligations of the Commission, the Agency and the European Space Agency with regard to the Programme;

(b) clearly define the instruments of coordination and control for the implementation of the Programme components, taking into consideration the Commission’s roles and responsibilities to carry out overall coordination of the Programme components;

(c) require that the European Space Agency comply with the security rules of the Union programme, in particular with regard to the processing of classified information;

(d) stipulate the conditions of the management of funds entrusted to the European Space Agency, including the application of Union public procurement rules, when procuring in the name and on behalf of the Union, management procedures, the expected results measured by performance indicators, applicable measures in the event of deficient or fraudulent implementation of the contracts in terms of costs, schedule and results, as well as the communication strategy and the rules regarding ownership of all tangible and intangible assets; these conditions shall be in conformity with Titles III and V of this Regulation and with the Financial Regulation;

(e) require the participation of the Commission and, when relevant, the Agency in the Tender Evaluation Board meetings of the European Space Agency with regard to the Programme, where the latter procures in the name and on behalf of the Union pursuant to paragraph 1a;
(f) establish the monitoring and control measures, which shall include, in particular, a cost forecast system, the systematic provision of information to the Commission or, where appropriate, to the Agency, on costs and schedule, and in the event of a discrepancy between the planned budgets, performance and schedule, corrective action ensuring performance of the tasks assigned within the limits of the allocated budgets and penalties against the European Space Agency where this discrepancy is directly attributable to it;

(g) establish the principles for the remuneration of the European Space Agency, taking into consideration its cost model as a public entity, which shall be proportionate to the difficulty of the tasks to be carried out, in line with market prices and the fees of the other entities involved, including the Union, and may, where appropriate, be based on performance indicators; those fees shall not cover general overheads which are not associated with the activities entrusted to the European Space Agency by the Union;

(h) require that the European Space Agency ensures full protection of the interests of the Union and its decisions, which may also lead to the European Space Agency having to adapt its decision-making, management methods and liability provisions.

2. Without prejudice to the financial framework partnership agreement referred to in Article 31a, the Commission or the Agency may ask the European Space Agency to provide technical expertise and the information necessary to perform the tasks which are assigned to them by this Regulation. The conditions for such requests and their implementation shall be mutually agreed.
Amendment 145
Proposal for a regulation
Article 32 — paragraph 1 — introductory part

Text proposed by the Commission

1. The Commission may entrust, in full or in part, by means of contribution agreements the implementation of the Programme’s components to entities other than those referred to in Article 30 and 31, including:

Amendment

1. The Commission may entrust, in full or in part, by means of contribution agreements, the implementation of the following tasks to entities other than those referred to in Article 30 and 31, including:

Amendment 146
Proposal for a regulation
Article 32 — paragraph 1 — point a

Text proposed by the Commission

(a) the operation of the Copernicus space infrastructure or parts thereof, which may be entrusted EUMETSAT;

Amendment

(a) the upgrading and operation of the Copernicus space infrastructure or parts thereof, which may be entrusted EUMETSAT;

Amendment 147
Proposal for a regulation
Article 32 — paragraph 1 — point b

Text proposed by the Commission

(b) the implementation of the Copernicus services or parts thereof to relevant agencies, bodies or organisations.

Amendment

(b) the implementation of the Copernicus services or parts thereof to relevant agencies, bodies or organisations, managing also the relevant third party information acquisition.

Amendment 148
Proposal for a regulation
Article 32 — paragraph 2 a (new)

Text proposed by the Commission

2a. The Commission shall take account of the scientific and technical advice of the Joint Research Centre for the implementation of the Programme.
**Amendment 149**

Proposal for a regulation

Article 33 — paragraph 1 — introductory part

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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<tbody>
<tr>
<td>The security of the Programme <em>should</em> be based on the following principles:</td>
<td>The security of the Programme <em>shall</em> be based on the following principles:</td>
</tr>
</tbody>
</table>

**Amendment 150**

Proposal for a regulation

Article 33 — paragraph 1 — point a

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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<tbody>
<tr>
<td>(a) to take account of the experience of the Member States in the field of security and draw inspiration from their best practices;</td>
<td>(a) to take account of the experience of the Member States in the field of security and draw inspiration from their best practices <em>and national laws</em>;</td>
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</tbody>
</table>

**Amendment 151**

Proposal for a regulation

Article 33 — paragraph 1 — point a (new)

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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<tr>
<td><em>(aa)</em> to take account of the experience gained in the operation of Galileo, EGNOS and Copernicus;*</td>
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</table>

**Amendment 152**

Proposal for a regulation

Article 34 — paragraph 1 — subparagraph 1 — introductory part

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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</thead>
<tbody>
<tr>
<td>The Commission, in <em>its</em> field of competence, shall ensure a high degree of security with regard to, in particular:</td>
<td>The Commission <em>and the Agency</em>, in <em>their</em> field of competence, shall ensure a high degree of security with regard to, in particular:</td>
</tr>
</tbody>
</table>
Amendment 153
Proposal for a regulation
Article 34 — paragraph 1 — subparagraph 2

Text proposed by the Commission

To that end, the Commission shall ensure that a risk and threat analysis is performed for each Programme’s component. Based on that risk and threat analysis, it shall determine, by means of implementing acts, for each component of the Programme, the general security requirements. In doing so, the Commission shall take account of the impact of those requirements on the smooth functioning of that component, in particular in terms of cost, risk management and schedule, and shall ensure not to reduce the general level of security or undermine the functioning of the existing equipment based on that component. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 107(3).

Amendment

To that end, the Commission shall carry out in consultation with end users in Member States and the relevant entities managing the implementation of a component of the Programme a risk and threat analysis for the Copernicus, SST and GOVSATCOM components. The Agency shall carry out a risk and threat analysis for the Galileo and EGNOS components. Based on that risk and threat analysis, the Commission in consultation with end users in Member States and the relevant entities managing the implementation of a component of the Programme shall determine, by means of implementing acts, for each component of the Programme, the general security requirements. In doing so, the Commission shall take account of the impact of those requirements on the smooth functioning of that component, in particular in terms of cost, risk management and schedule, and shall ensure not to reduce the general level of security or undermine the functioning of the existing equipment based on that component. The general security requirements shall set out the procedures to be followed whenever the security of the Union or its Member States may be affected by the operation of a component. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 107(3).

Amendment 154
Proposal for a regulation
Article 34 — paragraph 2

Text proposed by the Commission

2. The entity responsible for the management of a component of the Programme shall be responsible for managing the security of that component and shall, to that end, carry out risk and threat analysis and all the necessary activities to ensure and monitor the security of that component, in particular setting of technical specifications and operational procedures, and monitor their compliance with the general security requirements referred to in paragraph 1.

Amendment

2. The Commission shall be responsible for managing the security of the Copernicus, SSA and GOVSATCOM components. The Agency shall be responsible for managing the security of the Galileo and EGNOS components. To that end, they shall carry out all the necessary activities to ensure and monitor the security of the components for which they are responsible, in particular the setting of technical specifications and shall operational procedures, and monitor their compliance with the general security requirements referred to in the third subparagraph of paragraph 1.
Amendment 155
Proposal for a regulation
Article 34 — paragraph 3 — introductory part

Text proposed by the Commission

3. The Agency shall:

Amendment

3. The Agency shall **furthermore**:

Amendment 156
Proposal for a regulation
Article 34 — paragraph 3 — point d a (new)

Text proposed by the Commission

**da** ensure the cyber security of the Programme;

Amendment

Amendment 157
Proposal for a regulation
Article 34 — paragraph 4 — point a

Text proposed by the Commission

(a) take measures which are at least equivalent to those necessary for the protection of European critical infrastructures within the meaning of Council Directive 2008/114/EC of 8 December 2008 on the identification and designation of European critical infrastructures and the assessment of the need to improve their protection (**29**) and to those necessary for the protection of their own national critical infrastructures in order to ensure the protection of the ground infrastructure **on the ground** which form an integral part of the Programme and which are located on their territory;

Amendment

(a) take measures which are at least equivalent to those necessary for the protection of European critical infrastructures within the meaning of Council Directive 2008/114/EC of 8 December 2008 on the identification and designation of European critical infrastructures and the assessment of the need to improve their protection (**29**) and to those necessary for the protection of their own national critical infrastructures in order to ensure the protection of the ground infrastructure which form an integral part of the Programme and which are located on their territory;


Amendment 158
Proposal for a regulation
Article 34 — paragraph 5

Text proposed by the Commission

5. The entities involved in the Programme shall take all the measures necessary to ensure the security of the Programme.

Amendment

5. The entities involved in the Programme shall take all the necessary measures, **also in light of the issues identified in the risk analysis**, to ensure the security of the Programme.
Amendment 159
Proposal for a regulation
Article 38 — paragraph 2

Text proposed by the Commission
2. A representative of the European Space Agency shall be invited to attend the meetings of the Security Accreditation Board as an observer. On an exceptional basis, representatives of Union Agencies, third countries or international organisations may also be invited to attend meetings as observers for matters directly relating to those third countries or international organisations, especially matters concerning the infrastructure belonging to them or established on their territory. Arrangements for such participation of representatives of third countries or international organisations and the conditions therefore shall be laid down in the relevant agreements and shall comply with the rules of procedure of the Security Accreditation Board.

Amendment
2. A representative of the European Space Agency shall be invited to attend the meetings of the Security Accreditation Board as an observer. On an exceptional basis, representatives of Union Agencies, third countries or international organisations may also be invited to attend meetings as observers especially for matters concerning the infrastructure belonging to them or established on their territory. Arrangements for such participation of representatives of third countries or international organisations and the conditions therefore shall be laid down in the relevant agreements and shall comply with the rules of procedure of the Security Accreditation Board.

Amendment 160
Proposal for a regulation
Article 43 — paragraph 1 — point b

Text proposed by the Commission
(b) the management, maintenance, continuous improvement, evolution and protection of the ground-based infrastructure, in particular networks, sites and support facilities, including upgrades and obsolescence management;

Amendment
(b) the management, maintenance, continuous improvement, evolution and protection of the ground-based infrastructure, including infrastructure located outside Union territory, but necessary for providing Galileo and EGNOS with full coverage of the territories of Member States geographically located in Europe, in particular networks, sites and support facilities, including upgrades and obsolescence management;

Amendment 161
Proposal for a regulation
Article 43 — paragraph 1 — point c

Text proposed by the Commission
(c) the development of future generations of the systems and the evolution of the services provided by Galileo and EGNOS, without prejudice to future decisions on the Union financial perspectives;

Amendment
(c) the development of future generations of the systems and the evolution of the services provided by Galileo and EGNOS, without prejudice to future decisions on the Union financial perspectives, taking into account the needs of relevant stakeholders;
Amendment 162
Proposal for a regulation
Article 43 — paragraph 1 — point c (new)

Text proposed by the Commission

Amendment

(c) support the development and evolution of fundamental technological elements, such as Galileo-enabled chipsets and receivers;

Amendment 163
Proposal for a regulation
Article 43 — paragraph 1 — point c b (new)

Text proposed by the Commission

Amendment

(c b) support for development of Galileo and EGNOS downstream applications and integrated downstream applications using both EGNOS/Galileo and Copernicus;

Amendment 164
Proposal for a regulation
Article 43 — paragraph 1 — point e

Text proposed by the Commission

Amendment

(e) the provision and market development of the services provided by Galileo and EGNOS;

Amendment

(e) the provision and market development of the services provided by Galileo and EGNOS, in particular, in order to maximise the socio-economic benefits referred to in Article 4(1);

Amendment 165
Proposal for a regulation
Article 45 — paragraph 1 — point c

Text proposed by the Commission

Amendment

(c) a safety-of-life (SoL) service, which shall be free of direct user charges and shall provide positioning and synchronisation information with a high level of continuity, availability and accuracy, including an integrity message alerting users to any failure in, or out-of-tolerance signals emitted by, Galileo and other GNSSs which it augments in the coverage area, intended mainly for users for whom safety is essential, in particular in the sector of civil aviation for the purpose of air navigation services.

(c) a safety-of-life (SoL) service, which shall be free of direct user charges and shall provide positioning and time synchronisation information with a high level of continuity, availability, accuracy and integrity. That service is provided in compliance with the EASA Regulation to ensure aviation safety requirements are met, including an integrity message alerting users to any failure in, or out-of-tolerance signals emitted by, Galileo and other GNSSs which it augments in the coverage area, intended mainly for users for whom safety is essential, in particular in the sector of civil aviation for the purpose of air navigation services.
Amendment 166
Proposal for a regulation
Article 45 — paragraph 2 — subparagraph 1

Text proposed by the Commission

The services referred to in paragraph 1 shall be provided as a priority on the territory of Member States geographically located in Europe.

Amendment

The services referred to in paragraph 1 shall be provided as a priority on the territory of Member States geographically located in Europe 
with the aim of covering the continental territories by the end of 2023 and all territories by the end of 2025.

Amendment 167
Proposal for a regulation
Article 45 — paragraph 3

Text proposed by the Commission

3. The cost of such extension, including the related operating costs specific to these regions, shall not be covered by the budget referred to in Article 11. Such extension shall not delay the offering of the services referred to in paragraph 1 throughout the territory of Member States geographically located in Europe.

Amendment

3. The cost of such extension, including the related operating costs specific to these regions, shall not be covered by the budget referred to in Article 11, but the Commission shall consider the exploitation of partnership programmes and agreements and, if appropriate, the development of a specific financial instrument to support them. Such extension shall not delay the offering of the services referred to in paragraph 1 throughout the territory of Member States geographically located in Europe.

Amendment 168
Proposal for a regulation
Article 47 — title

Text proposed by the Commission

Compatibility and interoperability

Amendment

Compatibility, interoperability and standardisation

Amendment 169
Proposal for a regulation
Article 47 — paragraph 2

Text proposed by the Commission

2. Galileo and EGNOS, and the services which they provide, shall be compatible and interoperable with other satellite navigation systems and with conventional means of radio navigation, where the necessary compatibility and interoperability requirements are laid down in international agreements.

Amendment

2. Galileo and EGNOS, and the services which they provide, shall be mutually compatible and interoperable with other satellite navigation systems and with conventional means of radio navigation, where the necessary compatibility and interoperability requirements are laid down in international agreements.
Amendment 170
Proposal for a regulation
Article 47 — paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. Galileo and EGNOS shall strive to comply with international standards and certifications.

Amendment 171
Proposal for a regulation
Article 48 — paragraph 1

Text proposed by the Commission

Amendment

1. Copernicus shall be implemented building on prior Union investments and, where appropriate, drawing on the national or regional capacities of Member States and taking into account the capacities of commercial suppliers of comparable data and information and the need to foster competition and market development.

1. Copernicus shall be implemented building on prior Union, European Space Agency and EUMETSAT investments and, where appropriate, drawing on the national or regional capacities of Member States and taking into account the capacities of commercial suppliers of comparable data and information and the need to foster competition and market development.

Amendment 172
Proposal for a regulation
Article 48 — paragraph 2

Text proposed by the Commission

Amendment

2. Copernicus shall deliver data and information pursuing a full, free and open data policy.

2. Copernicus shall deliver data and information based on a full, free and open data policy.

Amendment 173
Proposal for a regulation
Article 48 — paragraph 3 — point a — indent 1

Text proposed by the Commission

Amendment

— the development and operations of the Copernicus Sentinel satellites;
Amendment 174  
Proposal for a regulation  
Article 48 — paragraph 3 — point c

Text proposed by the Commission

c) data access and distribution component, which shall include infrastructure and services to ensure the discovery, viewing, access to, distribution and exploitation of Copernicus data and Copernicus information;

Amendment

c) data access and distribution component, which shall include infrastructure and services to ensure the discovery, viewing, long-term archiving, access to, distribution and exploitation of Copernicus data and Copernicus information, in a user-friendly manner.

Amendment 175  
Proposal for a regulation  
Article 48 — paragraph 3 — point d

Text proposed by the Commission

d) user uptake and market development component in accordance with Article 29(5), which shall include relevant activities, resources and services to promote Copernicus, its data and services at all levels to maximise socio-economic benefits which are referred to in Article 4(1).

Amendment

d) user uptake, capacity building and market development component in accordance with Article 29(5), which shall include relevant activities, resources and services to promote Copernicus, its data and services at all levels to maximise socio-economic benefits which are referred to in Article 4(1).

Amendment 176  
Proposal for a regulation  
Article 48 — paragraph 4

Text proposed by the Commission

4. Copernicus shall promote the international coordination of observation systems and related exchanges of data in order to strengthen its global dimension and complementarity taking account of existing international agreements and coordination processes.

Amendment

4. Copernicus shall promote the international coordination of observation systems and related exchanges of data in order to strengthen its global dimension and complementarity taking account of existing and future international agreements and coordination processes.
Amendment 177
Proposal for a regulation
Article 49 — title

Text proposed by the Commission

**Data acquisition**

Amendment

**Eligible actions**

Amendment 178
Proposal for a regulation
Article 49 — paragraph 1 — point a

Text proposed by the Commission

(a) actions to provide continuity of existing Sentinel missions and to develop, launch, maintain and operate further Sentinels expanding the observation scope, **giving priority to:** observation capacities for monitoring anthropogenic CO\textsubscript{2} and other greenhouse gas emissions, allowing for polar coverage and enabling innovative environmental applications in agriculture, forest and water management domains;

Amendment

(a) actions to provide continuity of existing Sentinel missions and to develop, launch, maintain and operate further Sentinels expanding the observation scope, **such as:** observation capacities for monitoring anthropogenic CO\textsubscript{2} and other greenhouse gas emissions, allowing for polar coverage and enabling innovative environmental applications in agriculture, forest and water management domains;

Amendment 179
Proposal for a regulation
Article 49 — paragraph 1 — point b

Text proposed by the Commission

(b) actions to provide access to third-party data necessary to generate Copernicus services or for use by **the Union’s institutions,** agencies and **decentralised services:**

Amendment

(b) actions to provide access to third-party data necessary to generate Copernicus services or for use by **core users,** giving **priority to data provided and/or funded by public entities in Member States,** such as national agencies;

Amendment 180
Proposal for a regulation
Article 49 — paragraph 1 — point c a (new)

Text proposed by the Commission

(ca) support for development of relevant Copernicus downstream applications and services.
Amendment 181
Proposal for a regulation
Article 50 — paragraph 1 — introductory part

Text proposed by the Commission
Copernicus shall include actions in support of the following services:

Amendment
Copernicus shall include actions in support of the following core services:

Amendment 182
Proposal for a regulation
Article 50 — paragraph 1 — point a — indent 3

Text proposed by the Commission
— land monitoring and agriculture to provide information on land cover, land use and land use change, urban areas, inland water quantity and quality, forests, agriculture and other natural resources, biodiversity and cryosphere;

Amendment
— land monitoring and agriculture to provide information on land cover, land use and land use change, soil quality, desertification, cultural heritage sites, inland water quantity and quality, forests and in particular deforestation, agriculture and other natural resources, biodiversity and cryosphere; Member States will be able to use the information and data resulting from monitoring of the agricultural area regarding the degree of land cover and farmland utilisation, so as to further reduce the administrative burden of granting farm subsidies;

Amendment 183
Proposal for a regulation
Article 50 — paragraph 1 — point a — indent 4 a (new)

Text proposed by the Commission
— mapping farmland in need of irrigation, crop forecasts and land use, and ensuring better food safety and quality by safeguarding the environment;

Amendment
— monitoring fishing activities, to ensure better food safety and quality by safeguarding the environment;
Amendment 185
Proposal for a regulation
Article 50 — paragraph 1 — point a (new)

Text proposed by the Commission

Amendment

(aa) Monitoring support for Union policy implementation;

Amendment 186
Proposal for a regulation
Article 53 — paragraph 1 — introductory part

Text proposed by the Commission

Amendment

The SST component shall support the following activities:

The SST programme aims at progressively equipping the Union with an autonomous SST capability.

The SST component shall support the following activities:

Amendment 187
Proposal for a regulation
Article 53 — paragraph 1 — point a

Text proposed by the Commission

Amendment

(a) the establishment, development and operation of a network of ground-based and/or space-based sensors of the Member States, including sensors developed through the European Space Agency and nationally operated Union sensors, to survey and track objects and to produce a European catalogue of space objects adapted to the needs of the users referred to in Article 55;

(a) the establishment, development and operation of a network of ground-based and/or space-based sensors of the Member States or of the Union, including sensors developed through the European Space Agency and nationally operated Union sensors, to survey and track objects and to produce a European catalogue of space objects adapted to the needs of the users referred to in Article 55;

Amendment 188
Proposal for a regulation
Article 56 — paragraph 1 — subparagraph 1 — introductory part

Text proposed by the Commission

Amendment

Member States wishing to participate in the delivery of SST services referred to in Article 54 shall submit a joint proposal to the Commission demonstrating compliance with the following criteria:

Member States wishing to participate in the delivery of SST services referred to in Article 54 shall submit a single or joint proposal to the Commission demonstrating compliance with the following criteria:
Amendment 189
Proposal for a regulation
Article 57 — paragraph 8

Text proposed by the Commission

8. The Commission shall adopt, by implementing acts, detailed rules on the functioning of the organisational framework of the participation of Member States in SST. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 107(3).

Amendment

8. The Commission shall adopt delegated acts in accordance with Article 105 concerning the specific provision, detailed rules on the functioning of the organisational framework of the participation of Member States in SST. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 107(3).

Amendment 190
Proposal for a regulation
Article 58 a (new)

Text proposed by the Commission

Article 58a
Monitoring of supply and demand for SST
Before 31 December 2024, the Commission shall evaluate the implementation of the SST component, in particular as regards the evolution of the user needs in relation to the ground based and space based sensors capacity, and shall complete the production of the European catalogue provided for in Article 53 (1a).

The evaluation shall, in particular, examine the need for additional space and ground infrastructures.

The evaluation shall be accompanied, if necessary, by an appropriate proposal for the development of additional space and ground infrastructures under the SST component.

Amendment 191
Proposal for a regulation
Article 60 — paragraph 1 — point c a (new)

Text proposed by the Commission

(c) the creation of a European catalogue of NEO.
Amendment 192
Proposal for a regulation
Article 61 — paragraph 1 — introductory part

Text proposed by the Commission
Under the GOVSATCOM component satellite communication capacities and services shall be combined into a common Union pool of satellite communication capacities and services. This component comprises:

Amendment
Under the GOVSATCOM component satellite communication capacities and services shall be combined into a common Union pool of satellite communication capacities and services with appropriate security requirements. This component may comprise:

Amendment 193
Proposal for a regulation
Article 61 — paragraph 1 — point a

Text proposed by the Commission
(a) the development, construction, and operations of the ground segment infrastructure;

Amendment
(a) the development, construction, and operations of the ground and space segment infrastructure;

Amendment 194
Proposal for a regulation
Article 62 — paragraph 3

Text proposed by the Commission
3. The Commission shall adopt, by means of implementing acts, the service portfolio for services provided under GOVSATCOM, in the form of a list of categories of satellite communication capacities and services and their attributes, including geographic coverage, frequency, bandwidth, user equipment, and security features. Those measures shall be based on the operational and security requirements referred to in paragraph 1 and shall prioritise services provided to users at Union level. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 107(3).

Amendment
3. The Commission shall adopt, by means of implementing acts, the service portfolio for services provided under GOVSATCOM, in the form of a list of categories of satellite communication capacities and services and their attributes, including geographic coverage, frequency, bandwidth, user equipment, and security features. Those measures shall be based on the operational and security requirements referred to in paragraph 1. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 107(3).
Amendment 195
Proposal for a regulation
Article 62 — paragraph 3 a (new)

Text proposed by the Commission

3a. The service portfolio referred to in paragraph 3 shall take into consideration existing commercially available services in order not to distort competition in the internal market.

Amendment 196
Proposal for a regulation
Article 63 — paragraph 1 — point b

Text proposed by the Commission

(b) legal persons duly accredited to provide satellite capacities or services in accordance with the security accreditation procedure in Article 36, based on the specific security requirements for the GOVSATCOM component referred to in Article 34 (1).

Amendment 197
Proposal for a regulation
Article 63 — paragraph 1 — point b a (new)

Text proposed by the Commission

(ba) The providers of satellite communication capacities or services under this component shall comply with the specific security requirements for the GOVSATCOM component determined in accordance with Article 34(1).

Amendment 198
Proposal for a regulation
Article 65 — paragraph 1

Text proposed by the Commission

1. Pooled satellite communication capacities, services and user equipment shall be shared and prioritised between GOVSATCOM participants on the basis of an analysis of security risks by the users at Union and Member State level. This sharing and prioritisation shall prioritise users at Union level.
Amendment 199
Proposal for a regulation
Article 66 — paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. GOVSATCOM Hubs shall take into consideration existing commercially available services existing in order not to distort competition in the internal market.

Amendment 200
Proposal for a regulation
Article 69 — paragraph 1

Text proposed by the Commission

Amendment

Before the end of 2024, the Commission shall evaluate the implementation of the GOVSATCOM component, notably as regards the evolution of the user needs in relation to the satellite communication capacity. The evaluation shall in particular examine the need for additional space infrastructure. The evaluation shall be accompanied, if necessary, by an appropriate proposal for the development of additional space infrastructure under the GOVSATCOM component.

Amendment 201
Proposal for a regulation
Article 71 — paragraph 1

Text proposed by the Commission

Amendment

The seat of the Agency shall be located in Prague (Czech Republic). In accordance with the needs of the Programme, the Agency's local offices may be established, as laid down in Article 79(2).

Amendment 202
Proposal for a regulation
Article 73 — paragraph 4

Text proposed by the Commission

Amendment

4. The members and alternate members of the Administrative Board shall be appointed in light of their knowledge in the field of the Agency's core tasks, taking into account relevant managerial, administrative and budgetary skills. The European Parliament, the Commission and the Member States shall endeavour to limit changes of their representatives on the Administrative Board, in order to ensure continuity of the Board's activities. All parties shall aim to achieve a balanced representation between men and women on the Administrative Board.
Amendment 203
Proposal for a regulation
Article 73 — paragraph 5

Text proposed by the Commission

5. The term of office of the members of the Administrative Board and their alternate shall be four years, renewable once.

Amendment

5. The term of office of the members of the Administrative Board and their alternates shall be four years, renewable.

Amendment 204
Proposal for a regulation
Article 75 — paragraph 3

Text proposed by the Commission

3. The Administrative Board shall hold an ordinary meeting twice a year. In addition, it shall meet on the initiative of its Chairperson or at the request of at least one third of its members.

Amendment

3. The Administrative Board shall hold an ordinary meeting at least twice a year. In addition, it shall meet on the initiative of its Chairperson or at the request of at least one third of its members.

Amendment 205
Proposal for a regulation
Article 75 — paragraph 5

Text proposed by the Commission

5. [For any component of the Programme which entails the use of sensitive national infrastructure, only the representatives of Member States which possess such infrastructure and the representative of the Commission may attend the meetings and deliberations of the Administrative Board and take part in voting. Where the Chairperson of the Administrative Board does not represent one of the Member States which possess such infrastructure, he/she shall be replaced by the representatives of a Member States which possesses such infrastructure.]

Amendment

5. [For any component of the Programme which entails the use of sensitive national infrastructure, the representatives of Member States and the representative of the Commission may attend the meetings and deliberations of the Administrative Board, but only those representatives of Member States which possess such infrastructure are to take part in voting. Where the Chairperson of the Administrative Board, does not represent one of the Member States which possess such infrastructure, he/she shall be replaced by the representatives of a Member States which possesses such infrastructure.]
Amendment 206
Proposal for a regulation
Article 77 — paragraph 2 — point a (new)

Text proposed by the Commission

Amendment  
(aa) adopt, by 30 June of the first year of the multiannual financial framework provided for under Article 312 of the Treaty on the Functioning of the European Union, the multiannual work programme of the Agency for the period covered by that multiannual financial framework after incorporating, without any change, the section drafted by the Security Accreditation Board in accordance with point (a) of Article 80 and after having received the Commission’s opinion. The European Parliament shall be consulted on the multiannual work programme;

Amendment 207
Proposal for a regulation
Article 77 — paragraph 2 — point d a (new)

Text proposed by the Commission

Amendment  
(da) adopt transparency rules on industrial contracts and be regularly informed of them by the Executive Director;

Amendment 208
Proposal for a regulation
Article 79 — paragraph 1 — point c a (new)

Text proposed by the Commission

Amendment  
(ca) comply with the transparency rules on industrial contracts and inform the Administrative Board;
Amendment 209
Proposal for a regulation
Article 79 — paragraph 2

Text proposed by the Commission

2. The Executive Director shall decide whether it is necessary to locate one or more staff in one or more Member States for the purpose of carrying out the Agency’s tasks in an efficient and effective manner. Before deciding to establish a local office the Executive Directive shall obtain the prior approval of the Commission, the Administrative Board and the Member State(s) concerned. The decision shall specify the scope of the activities to be carried out at the local office in a manner that avoids unnecessary costs and duplication of administrative functions of the Agency. A headquarters agreement with the Member State(s) concerned may be required.

Amendment

2. The Executive Director shall decide whether it is necessary to locate one or more staff in one or more Member States for the purpose of carrying out the Agency’s tasks in an efficient and effective manner. Before deciding to establish a local office the Executive Directive shall obtain the prior approval of the Administrative Board and the Member State(s) concerned. The decision shall specify the scope of the activities to be carried out at the local office in a manner that avoids unnecessary costs and duplication of administrative functions of the Agency. A headquarters agreement with the Member State(s) concerned may be required. Where possible, the impact in terms of staff allocation and budget shall be incorporated in the annual work programme, and in any event this project shall be notified to the budgetary authority in accordance with Article 84(11).

Amendment 210
Proposal for a regulation
Article 88 — paragraph 3 a (new)

Text proposed by the Commission

3 a. The Agency’s staff shall be remunerated from the Agency’s own resources and, where necessary for the execution of the Agency’s delegated tasks, through the use of budget delegated by the Commission.

Amendment

The Agency’s staff shall be remunerated from the Agency’s own resources and, where necessary for the execution of the Agency’s delegated tasks, through the use of budget delegated by the Commission.

Amendment 211
Proposal for a regulation
Article 89 — paragraph 1 — subparagraph 2

Text proposed by the Commission

The Executive Director shall be appointed by the Administrative Board on grounds of merit and documented administrative and managerial skills, as well as relevant competence and experience, from a list of candidates proposed by the Commission, after an open and transparent competition, following the publication of a call for expressions of interest in the Official Journal of the European Union or elsewhere.

Amendment

The Executive Director shall be appointed by the Administrative Board on grounds of merit and documented administrative and managerial skills, as well as relevant competence and experience, from a list of at least three candidates proposed by the Commission, after an open and transparent competition, following the publication of a call for expressions of interest in the Official Journal of the European Union or elsewhere.
Amendment 212
Proposal for a regulation
Article 89 — paragraph 2 — subparagraph 2

Text proposed by the Commission

On the basis of a proposal from the Commission, taking into account the assessment referred to in the first subparagraph, the Administrative Board may extend the term of office of the Executive Director once for a period of up to **four** years.

Amendment

On the basis of a proposal from the Commission, taking into account the assessment referred to in the first subparagraph, the Administrative Board may extend the term of office of the Executive Director once for a period of up to **five** years.

Amendment 213
Proposal for a regulation
Article 92 — title

Text proposed by the Commission

Headquarters agreement and operating conditions

Amendment

Headquarters and Local Offices agreement and operating conditions

Amendment 214
Proposal for a regulation
Article 92 — paragraph 1

Text proposed by the Commission

1. Necessary arrangements concerning the accommodation to be provided for the Agency in the host Member State and the facilities to be made available by that Member State together with the specific rules applicable in the host Member State to the Executive Director, members of the Administrative Board, Agency staff and members of their families shall be laid down in a Headquarters Agreement between the Agency and Member State where the seat is located, concluded after obtaining the approval of the Administrative Board.

Amendment

1. Necessary arrangements concerning the accommodation to be provided for the Agency in the host Member States and the facilities to be made available by that Member States together with the specific rules applicable in the host Member States to the Executive Director, members of the Administrative Board, Agency staff and members of their families shall be laid down in a Headquarters and Local Offices Agreement between the Agency and Member State where the seat or the local infrastructure is located, concluded after obtaining the approval of the Administrative Board.

Amendment 215
Proposal for a regulation
Article 98 — paragraph 1

Text proposed by the Commission

1. The Agency shall be open to the participation of third countries that have entered into agreements with the Union to this effect.

Amendment

1. The Agency shall be open to the participation of third countries and international organisations that have entered into agreements with the Union to this effect.
Amendment 216
Proposal for a regulation
Article 101 — paragraph 1 a (new)

Text proposed by the Commission

1a. The Commission shall define a methodology to provide qualitative indicators for an accurate assessment of the progress towards achieving the general objectives set out in points (a), (b) and (c) of Article 4(1). On the basis of that methodology the Commission shall complement the Annex, at the latest by 1 January 2021.

Amendment 217
Proposal for a regulation
Article 102 — paragraph 2

Text proposed by the Commission

2. The interim evaluation of the Programme shall be performed once there is sufficient information available about the implementation of the programme, but no later than four years after the start of the programme implementation.

Amendment

2. The interim evaluation of the Programme shall be performed once there is sufficient information available about the implementation of the programme, but no later than three years after the start of the programme implementation. A specific section of this evaluation shall be dedicated to the governance of the Programme aimed at providing information as to whether amendments to tasks and competences entrusted to the different actors of the Programme are needed.

Amendment 218
Proposal for a regulation
Article 102 — paragraph 4

Text proposed by the Commission

4. The Commission shall communicate the conclusions of the evaluations accompanied by its observations, to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

Amendment

4. The Commission shall communicate the conclusions of the evaluations accompanied by its observations, to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions and if appropriate may accompany the evaluation with a new legislative proposal.
Amendment 219
Proposal for a regulation
Article 102 — paragraph 6 — subparagraph 1

Text proposed by the Commission

By 30 June 2024, and every five years thereafter, the Commission shall assess the Agency's performance, in relation to its objectives, mandate, tasks and location, in accordance with Commission guidelines. The evaluation shall, in particular, address the possible need to modify the mandate of the Agency, and the financial implications of any such modification. It shall also address the Agency's policy on conflicts of interest and the independence and autonomy of the Security Accreditation Board.

Amendment

By 30 June 2024, and every three years thereafter, the Commission shall assess the Agency's performance, in relation to its objectives, mandate, tasks and location, in accordance with Commission guidelines. The evaluation shall address the possible need to modify the mandate of the Agency, in particular regarding the possibility to entrust it with additional tasks, in accordance with Article 30, and the financial implications of any such modification. It shall also address the Agency's policy on conflicts of interest and the independence and autonomy of the Security Accreditation Board.

Amendment 220
Proposal for a regulation
Article 105 — paragraph 2

Text proposed by the Commission

2. The power to adopt delegated acts referred to in Articles 52 and 101 shall be conferred on the Commission for an indeterminate period until 31 December 2028.

Amendment

2. The power to adopt delegated acts referred to in Articles 52 and 101 shall be conferred on the Commission until 31 December 2028.

Amendment 221
Proposal for a regulation
Article 107 — paragraph 1

Text proposed by the Commission

1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

Amendment

1. The Commission shall be assisted by a committee, which meets in specific configurations/subcommittees dedicated to each main components of the Programme (Galileo and EGNOS, Copernicus, SSA, GOVSATCOM). That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.
Amendment 222
Proposal for a regulation
Article 107 — paragraph 3a (new)

Text proposed by the Commission

3a. International agreements concluded by the Union may provide for the involvement, as appropriate, of representatives of third countries or international organisations in the work of the Committee under the conditions laid down in its rules of procedures, taking into account the security of the Union.
Establishing the Digital Europe programme for the period 2021-2027


(Ordinary legislative procedure: first reading)

(2020/C 388/45)

Amendment 1

Draft legislative resolution

Draft legislative resolution

— having regard to the resolution of the European Parliament of 17 May 2017 on FinTech: the influence of technology on the future of the financial sector,

Amendment 2

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) Pursuant to [reference to be updated as appropriate according to a new decision on OCTs: Article 88 of Council Decision /EU (5)], persons and entities established in overseas countries and territories (OCTs) should be eligible for funding subject to the rules and objectives of the Programme and possible arrangements applicable to the Member State to which the relevant overseas country or territory is linked.

Amendment

(4) Pursuant to [reference to be updated as appropriate according to a new decision on OCTs: Article 88 of Council Decision /EU (5)], persons and entities established in overseas countries and territories (OCTs) should be eligible for funding subject to the rules and objectives of the Programme and possible arrangements applicable to the Member State to which the relevant overseas country or territory is linked. The constraints relating to the participation of overseas countries or territories must be taken into account when implementing the Programme, and their effective participation in the Programme must be monitored and regularly evaluated.

(5) Council Decision /EU.

(1) The matter was referred back for interinstitutional negotiations to the committee responsible, pursuant to Rule 59(4), fourth subparagraph (A8-0408/2018).
Amendment 3
Proposal for a regulation
Recital 5

Text proposed by the Commission

Pursuant to paragraph 22 and 23 of the Inter-institutional agreement for Better Law-Making of 13 April 2016 (\(^5\)), there is a need to evaluate this Programme on the basis of information collected through specific monitoring requirements, while avoiding overregulation and administrative burdens, in particular on Member States. These requirements, where appropriate, \textit{can} include measurable indicators, as a basis for evaluating the effects of the Programme on the ground.


Amendment

Pursuant to paragraph 22 and 23 of the Inter-institutional agreement for Better Law-Making of 13 April 2016 (\(^6\)), there is a need to evaluate this Programme on the basis of information collected through specific monitoring requirements, \textit{correlated to existing needs and complying with Regulation (EU) 2016/679 of the European Parliament and of the Council (\(^6\)), while avoiding overregulation and administrative burdens for all beneficiaries, in particular on Member States and SMEs. These requirements \textit{should}, where appropriate, include measurable \textit{quantitative and qualitative} indicators, as a basis for evaluating the effects of the Programme on the ground.


Amendment 4
Proposal for a regulation
Recital 5 a (new)

Text proposed by the Commission

The Programme should ensure utmost transparency, accountability and democratic scrutiny of innovative financial instruments and mechanisms that involve the Union budget, especially as regards their contribution, both as regards initial expectations and end results made towards achieving Union objectives.
### Amendment 5
#### Proposal for a regulation
#### Recital 6

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
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<tbody>
<tr>
<td><strong>(6)</strong> The Tallinn Digital Summit (<strong>55</strong>) of September 2017 and the Conclusions of the European Council (<strong>56</strong>) of 19 October 2017 indicated the need for Europe to invest in <strong>digitising</strong> our economies and addressing the skills gap to maintain and enhance European competitiveness, our quality of life and social fabric. The European Council concluded that the digital transformation offers immense opportunities for innovation, growth and jobs, will contribute to our global competitiveness, and enhance creative and cultural diversity. Seizing these opportunities requires collectively tackling <strong>some of the challenges</strong> posed by the digital transformation and reviewing policies affected by the digital transformation.</td>
<td><strong>(6)</strong> The Tallinn Digital Summit (<strong>55</strong>) of September 2017 and the Conclusions of the European Council (<strong>56</strong>) of 19 October 2017 indicated the need for Europe to invest in <strong>efficient digitalisation of</strong> our economies and addressing the skills gap to maintain and enhance European competitiveness and <strong>innovation</strong>, our quality of life and social fabric. The European Council concluded that the digital transformation offers immense opportunities for innovation, growth and jobs, will contribute to our global competitiveness, and enhance creative and cultural diversity. Seizing these opportunities requires collectively tackling the challenges posed by the digital transformation <strong>in several ways</strong>, including by ensuring that the essential building blocks on which new technologies rely are put in place, by creating effective and easily enforceable legal rules, by reviewing policies affected by the digital transformation, <strong>and by creating an innovation-friendly environment</strong> in which the interests of users are fully safeguarded. Optimally, the financial envelope for this Programme, a European level effort, shall be increased by significant private sector funds and contributions from the Member States.</td>
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### Amendment 6

**Proposal for a regulation**

**Recital 6 a (new)**

<table>
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<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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<tbody>
<tr>
<td><em>(6a)</em> The future of European society and the European economy will strongly rely on a harmonised and consistent spectrum policy, on 5G infrastructure, which will require an infrastructure objective regarding VHC networks, with the aim of providing high-quality and faster communication services; this is a prerequisite for the good implementation of the Programme. In this regard, the Programme should benefit of the good implementation of Connecting Europe Facility and in particular the Wif4EU initiative aiming to promote connectivity for citizens in the Union’s public spaces; the combination of those two programmes will maximise output and deliver on the Union targets of deliver reliable and consistent high-speed network coverage across the Union.</td>
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### Amendment 7

**Proposal for a regulation**

**Recital 7**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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<tr>
<td><em>(7)</em> The European Council concluded in particular that the Union should urgently address emerging trends: this includes issues such as artificial intelligence and distributed ledgers technologies (e.g. blockchain), while at the same time ensuring a high level of data protection, digital rights and ethical standards. The European Council invited the Commission to put forward a European approach to artificial intelligence by early 2018 and called on the Commission to put forward the necessary initiatives for strengthening the framework conditions with a view to enable the EU to explore new markets through risk-based radical innovations and to reaffirm the leading role of its industry.</td>
<td></td>
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</table>

*(7)* The European Council concluded in particular that the Union should urgently address emerging trends: this includes issues such as digital divide, artificial intelligence, while at the same time ensuring a high level of data protection in full compliance with Regulation (EU) 2016/679, rights, fundamental rights and ethical standards. The European Council invited the Commission to put forward a European approach to artificial intelligence by early 2018 and called on the Commission to put forward the necessary initiatives for strengthening the framework conditions with a view to enable the EU to explore new markets through risk-based radical innovations and to reaffirm the leading role of its industry.
Amendment 8
Proposal for a regulation
Recital 7 a (new)

Text proposed by the Commission

Amendment

(7a) On 10 April 2018, Member States expressed their support and a joint will to cooperate together on initiatives on artificial intelligence and distributed ledger technologies (for example blockchain) infrastructure services by signing cooperation agreements.

Amendment 9
Proposal for a regulation
Recital 7 b (new)

Text proposed by the Commission

Amendment

(7b) For a successful implementation of this Programme, more is needed than following the trends. The Union needs to be committed to privacy-enabling technologies (i.e. cryptography and decentralised applications (DApps)) as well as increased investments in future-proof infrastructure (fibre-optic) networks to enable a self-determined digitalised society.

Amendment 10
Proposal for a regulation
Recital 7 c (new)

Text proposed by the Commission

Amendment

(7c) Europe has to make decisive investments in its future, building strategic digital capacities in order to benefit from the digital revolution. A substantial budget (of at least EUR 9.2 billion) must be ensured at EU level for this purpose, which must be complemented by sizable investment efforts at national and regional level, namely with a consistent and complementary relationship with structural and cohesion funds.
Amendment 11
Proposal for a regulation
Recital 8

Text proposed by the Commission

(8) The Commission’s Communication on ‘A new, modern Multiannual Financial Framework for a European Union that delivers efficiently on its priorities post-2020’ (57) outlines among the options for the future financial framework a programme for Europe’s digital transformations to deliver ‘strong progress towards smart growth in areas such as high quality data infrastructure, connectivity and cybersecurity’. It would seek to secure European leadership in supercomputing, next generation internet, artificial intelligence, robotics and big data. It would reinforce the competitive position of industry and businesses in Europe across the digitised economy and would have a significant impact on filling the skills gap across the Union.

(57) COM(2018)0098.

Amendment

(8) The Commission’s Communication on ‘A new, modern Multiannual Financial Framework for a European Union that delivers efficiently on its priorities post-2020’ (57) outlines among the options for the future financial framework a programme for Europe’s digital transformations to deliver ‘strong progress towards smart growth in areas such as high quality data infrastructure, connectivity cybersecurity and digitalization of public administrations’. It would seek to secure European leadership in supercomputing, next generation internet, artificial intelligence, robotics and big data. It would reinforce the competitive position of industry and businesses in Europe across the digitised economy and would have a significant impact on bridging and filling the skills gap across the Union ensuring that European citizens have the necessary skills, competences and knowledge to face the digital transformation.

(57) COM(2018)0098.

Amendment 12
Proposal for a regulation
Recital 8 a (new)

Text proposed by the Commission

(8a) Whereas in view of the delay in developing the Union’s strategic digital capacities and the efforts made to remedy this, a budget commensurate with the ambitions of this programme and of at least EUR 9,2 billion should be guaranteed.
Amendment 13
Proposal for a regulation
Recital 9

Text proposed by the Commission

(9) The Communication ‘Towards a common European data space’ (\(^9\)), addresses the new measure to be taken as a key step towards a common data space in the EU — a seamless digital area with a scale that will enable the development of new products and services based on data.

\(^9\) COM(2018)0125

Amendment

(9) The Communication ‘Towards a common European data space’ \(^9\), addresses the new measure to be taken as a key step towards a common data space in the EU — a seamless digital area with a scale that will enable the development and innovation of new products and services based on data.

\(^9\) COM(2018)0125

Amendment 14
Proposal for a regulation
Recital 9 a (new)

Text proposed by the Commission

(9a) The Next Generation Internet initiative launched by the European Commission in 2017 should also provide ground for the implementation of the Programme as it aims towards a more open Internet with better services, more intelligence, greater involvement and participation, addressing technological opportunities arising from advances in various research fields, extending from new network architectures and software-defined infrastructures to new concepts for services and applications.

(9a) COM(2018)0125
Amendment 15
Proposal for a regulation
Recital 10

Text proposed by the Commission

(10) The general objective of the Programme should be to support the digital transformation of industry and to foster better exploitation of the industrial potential of policies of innovation, research and technological development, for the benefit of businesses and citizens all over the Union. The programme should be structured into five Specific Objectives reflecting key policy areas, namely: high-performance computing, cybersecurity, artificial intelligence, advanced digital skills, and deployment, best use of digital capacities and interoperability. For all these areas, the Programme should also aim at better aligning Union, Member States and regional policies, and pooling of private and industrial resources in order to increase investment and develop stronger synergies.

Amendment

(10) The general objective of the Programme should be to support the digital transformation of industry and to foster better exploitation of the industrial potential of policies of innovation, research and technological development as well as to modernise specific sectors of public interest, for the benefit of businesses, especially SMEs, and citizens all over the Union. Furthermore, the Programme should strengthen the Union’s competitiveness and the resilience of its economy.

Amendment 16
Proposal for a regulation
Recital 10 a (new)

Text proposed by the Commission

(10a) There is a pressing need to support SMEs intending to harness the digital transformation in their production processes. Digital research and innovation will allow SMEs to contribute to the growth of the European economy through an efficient use of resources.

Amendment

(10a) There is a pressing need to support SMEs intending to harness the digital transformation in their production processes. Digital research and innovation will allow SMEs to contribute to the growth of the European economy through an efficient use of resources.
Amendment 17
Proposal for a regulation
Recital 10 b (new)

Text proposed by the Commission

Amendment

(10b) The Programme should be structured into five specific objectives reflecting key policy areas, namely: (a) high-performance computing, (b) artificial intelligence and distributed ledger technologies, (c) cybersecurity, (d) advanced digital skills, and (e) deployment, best use of digital capacities and interoperability. For all these areas, the Programme should also aim at better aligning Union, Member States and regional policies, and pooling of private and industrial resources in order to increase investment and develop stronger synergies.

Amendment 18
Proposal for a regulation
Recital 10 c (new)

Text proposed by the Commission

Amendment

(10c) Together with the general objective of digital transformation, the Programme should contribute to ensuring long-term strategic security objectives by building capacities and capabilities in the Union, giving priority to actions that increase the strategic potential and limit dependence on third countries suppliers and products, thereby securing the Union’s economic and innovative competitiveness.
A central role in the implementation of the Programme should be attributed to European Digital Innovation Hubs, which should stimulate the broad adoption of advanced digital technologies by industry including SMEs, by public organisations and academia. A network of European Digital Innovation Hubs should ensure the widest geographical coverage across Europe (59). A first set of European Digital Innovation Hubs will be selected based on Member States’ proposals and then the network will be enlarged through an open and competitive process. The European Digital Innovation Hubs will serve as access points to latest digital capacities including high performance computing (HPC), artificial intelligence, cybersecurity, as well as other existing innovative technologies such as Key Enabling Technologies, available also in fablabs or citylabs. They shall act as single-entry points in accessing tested and validated technologies and promote open innovation. They will also provide support in the area of advanced digital skills. The network of European Digital Innovation Hubs should also contribute to the participation of the outermost regions in the Digital Single Market.

As indicated in the Communication on Digitising European Industry (COM(2016)0180)

In order to create synergies between investments under this Programme and Union research and development investments, in particular those under the Horizon Europe programme, European Digital Innovation Hubs should act as a platform to bring together industry, business and administrations which are in need of new technology solutions on one side, with companies, notably start-ups and SMEs, that have market-ready solutions on the other side.
Amendment 21
Proposal for a regulation
Recital 11 b (new)

Text proposed by the Commission

(11b) The planning, development and procurement of the programme should be carried out with a view to enhancing Union capacities and competitiveness in the medium and long term. Priority should be given to actions that increase the strategic potential and competitiveness of the Union which aim at limit the dependence on third countries suppliers and products. The participation of third countries to specific objectives of the Programme should therefore depend on the contribution such countries would make to the Union.

Amendment 22
Proposal for a regulation
Recital 12

Text proposed by the Commission

(12) The Programme should be implemented through projects reinforcing essential digital capacities and their wide use. This should involve co-investments with Member States and, when needed, the private sector. This should notably require reaching a critical mass in procurement to obtain better value for money and guarantee that suppliers in Europe stay at the forefront of technology advancements.

Amendment

(12) The Programme should be implemented through projects reinforcing essential digital capacities and the Union’s strategic autonomy. To this end the programme should ensure an EU budget of at least EUR 9.2 billion complemented with co-investments from Member States and/or the private sector. This should notably require reaching a critical mass in procurement to obtain better value for money and guarantee that suppliers in Europe reach the forefront of technology advancements.
### Amendment 23

**Proposal for a regulation**

**Recital 14**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
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</tr>
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<tbody>
<tr>
<td>(14) The Programme's actions should be used to address market failures or sub-optimal investment situations, in a proportionate manner, without duplicating or crowding out private financing and have a clear European added value.</td>
<td>(14) The Programme's actions should be used to reinforce and extend the Union’s digital base, tackle major societal challenges, further raise the Union’s digital industrial competences, as well as address market failures or sub-optimal investment situations, in a proportionate manner, without duplicating or crowding out private financing and have a clear European added value.</td>
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### Amendment 24

**Proposal for a regulation**

**Recital 15**

<table>
<thead>
<tr>
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<tr>
<td>(15) To achieve maximum flexibility throughout the lifetime of the programme and develop synergies between its components, each of the specific objectives may be implemented through all instruments available under the Financial Regulation. The delivery mechanisms to be used are direct management and indirect management when Union financing should be combined with other sources of financing or when execution requires the setup of commonly governed structures.</td>
<td>(15) To achieve maximum flexibility throughout the lifetime of the programme and develop synergies between its components, each of the specific objectives may be implemented through all instruments available under the Financial Regulation. The delivery mechanisms to be used are direct management and indirect management when Union financing should be combined with other sources of financing or when execution requires the setup of commonly governed structures. In cases of indirect management, the Commission will ensure that all quality and safety standards required for the direct management of the programme are maintained and respected.</td>
</tr>
</tbody>
</table>
Amendment 25
Proposal for a regulation
Recital 16

(16) The high performance computing and the related data processing capacities in the Union should allow to ensure wider use of high performance computing by industry and, more generally, in areas of public interest in order to seize unique opportunities that supercomputers bring to society as regards health, environment and security as well as competitiveness of industry, notably small and medium-sized enterprises.

Amendment

(16) The high performance computing and the related data processing and storage capacities in the Union should allow to ensure wider use of high performance computing by industry and, more generally, in areas of public interest in order to seize unique opportunities that supercomputers bring to society as regards health, environment and security as well as competitiveness of industry, notably small and medium-sized enterprises. The Union needs to acquire world-class supercomputers, secure its supply system and deploy services for simulation, visualisation and prototyping while ensuring a HCP system in accordance with Union values and principles.

Amendment 26
Proposal for a regulation
Recital 17

(17) The support to the Union’s intervention in this area was expressed by the Council (60) and, by the European Parliament (61). Moreover, in 2017 nine Member States signed the EuroHPC Declaration (62), a multi-government agreement where they commit to collaborate with the Commission to build and deploy state-of-the-art HPC and data infrastructures in Europe that would be available across the Union for scientific communities, public and private partners.

(60) (61) (62)
Amendment 27
Proposal for a regulation
Recital 18

Text proposed by the Commission

For the high performance computing specific objective a joint undertaking is deemed the most suited implementation mechanism, in particular to coordinate national and Union strategies and investments in high performance computing infrastructure and research and development, pool resources from public and private funds, and safeguard the economic and strategic interests of the Union (18). Moreover, high performance computing competence centres in Member States will provide high performance computing services to industry, academia and public administrations. (18) Impact Assessment accompanying the document ‘Proposal for a Council Regulation on establishing the EuroHPC Joint Undertaking’ (https://ec.europa.eu/digital-single-market/en/news/proposal-council-regulation-establishing-eurohpc-joint-undertaking-impact-assessment)

Amendment

For the high performance computing specific objective a joint undertaking is deemed the most suited implementation mechanism, in particular to coordinate national and Union strategies and investments in high performance computing infrastructure and research and development, pool resources from public and private funds, and safeguard the economic and strategic interests of the Union (18). Moreover, high performance computing competence centres in Member States will provide high performance computing services to industry, including SMEs and start-ups, academia and public administrations established in the Union. (18) Impact Assessment accompanying the document ‘Proposal for a Council Regulation on establishing the EuroHPC Joint Undertaking’ (https://ec.europa.eu/digital-single-market/en/news/proposal-council-regulation-establishing-eurohpc-joint-undertaking-impact-assessment)

Amendment 28
Proposal for a regulation
Recital 19

Text proposed by the Commission

Developing capacity related to artificial intelligence is a crucial driver for the digital transformation of industry and also of the public sector. Ever more autonomous robots are used in factories, deep sea application, homes, cities and hospitals. Commercial artificial intelligence platforms have moved from testing to real applications in health and environment; all major car manufacturers are developing self-driving cars, and machine learning techniques are at the heart of all main web platforms and big data applications.

Amendment

Developing capacity related to artificial intelligence is a crucial driver for the digital transformation of industry and also of the public sector. Ever more autonomous robots are used in factories, deep sea application, homes, cities and hospitals. Commercial artificial intelligence platforms have moved from testing to real applications in health and environment; all major car manufacturers are developing self-driving cars, and machine learning techniques are at the heart of all main web platforms and big data applications. In order to create the best framework conditions for these new technologies to foster in Europe, the Union needs to add the innovation principle to its policy-making process.
Amendment 29
Proposal for a regulation
Recital 19 a (new)

Text proposed by the Commission

Amendment

(19a) In its resolution of 1 June 2017 on digitising European industry the European Parliament pointed out the impact of language barriers on industry and its digitisation. In this context the development of large-scale AI-based language technologies such as automatic translation, speech recognition, big data text analytics, dialog and question-answering systems are essential to preserve linguistic diversity, ensure inclusiveness and enable human-human and human-machine communication.

Amendment 30
Proposal for a regulation
Recital 19 b (new)

Text proposed by the Commission

Amendment

(19b) The increasingly rapid development of self-learning robots and artificial intelligence as well as their ability to multiply knowledge and learning content within seconds makes it difficult to predict any stage of development until the Programme’s termination in 2027. Consequently, the Commission should pay particular attention to this fast-evolving digital trend and, if applicable should swiftly adapt the objectives of the work programme, accordingly.

Amendment 31
Proposal for a regulation
Recital 19 c (new)

Text proposed by the Commission

Amendment

(19c) In light of European industry’s increasing demand for AI robotics solutions and the importance of avoiding a significant investment gap in this field, the Programme’s objectives on artificial intelligence should encompass robotics powered by artificial intelligence.
Amendment 32
Proposal for a regulation
Recital 19 d (new)

Text proposed by the Commission
(19d) Products and services based on artificial intelligence should be user-friendly, legally compliant by default and provide consumers with more choice and more information, in particular on the quality of products and services.

Amendment 33
Proposal for a regulation
Recital 20

Text proposed by the Commission
(20) The availability of large-scale data sets and testing and experimentation facilities are of major importance for the development of artificial intelligence.

Amendment
(20) The availability of large-scale data sets and testing and experimentation facilities to secure the internal market where artificial intelligence is used and access to text and data mining are of major importance for the development of artificial intelligence, including language technologies.

Amendment 34
Proposal for a regulation
Recital 20 a (new)

Text proposed by the Commission
(20a) On 25 April 2018, the Commission committed to propose a European approach by developing draft Artificial Intelligence guidelines in cooperation with stakeholders within the AI alliance, a group of artificial intelligence experts, in order to boost AI-powered applications and businesses in Europe.
Amendment 35
Proposal for a regulation
Recital 21

Text proposed by the Commission

(21) In its resolution of 1 June 2017 on digitising European industry \(^{(64)}\) the European Parliament highlighted the importance of a common European cybersecurity approach, recognising the need to raise awareness and considered cyber-resilience as a crucial responsibility for business leaders and national and European industrial security policymakers.


Amendment

(21) In its resolution of 1 June 2017 on digitising European industry \(^{(64)}\) the European Parliament highlighted the importance of a common European cybersecurity approach, recognising the need to raise awareness and considered cyber-resilience as a crucial responsibility for business leaders and national and European industrial security policymakers, as well as the implementation of security and privacy by default and by design.


Amendment 36
Proposal for a regulation
Recital 22

Text proposed by the Commission

(22) Cybersecurity is a challenge for the whole Union that cannot continue to be addressed only with fragmented national initiatives. Europe’s cybersecurity capacity should be reinforced to endow Europe with the necessary capacities to protect its citizens and businesses from cyber threats. In addition consumers should be protected when using connected products that can be hacked and compromise their safety. This should be achieved together with Member States and private sector by developing, and ensuring coordination between, projects reinforcing Europe’s capacities in cybersecurity and ensuring the wide deployment of latest cybersecurity solutions across the economy, as well as by aggregating the competences in this field to ensure critical mass and excellence.

Amendment

(22) Cybersecurity is a challenge for the whole Union that cannot continue to be addressed only with fragmented national initiatives. Europe’s cybersecurity capacity should be reinforced to endow Europe with the necessary capacities to protect citizens, public administrations and businesses from cyber threats. In addition consumers should be protected when using connected products that can be hacked and compromise their safety. This should be achieved together with Member States and private sector by developing, and ensuring coordination between, projects reinforcing Europe’s capacities in cybersecurity and ensuring the wide deployment of latest cybersecurity solutions across the economy, as well as by aggregating the competences in this field to ensure critical mass and excellence.
Amendment 37
Proposal for a regulation
Recital 23

Text proposed by the Commission

(23) In September 2017, the Commission put forward a package of initiatives (*) setting out a comprehensive Union approach to cybersecurity, with the aim of reinforcing Europe’s capacities to deal with cyber-attacks and threats and to strengthen technology and industrial capacity in this field.


Amendment

(23) In September 2017, the Commission put forward a package of initiatives (*) setting out a comprehensive Union approach to cybersecurity, with the aim of reinforcing Europe’s capacities to deal with cyber-attacks, to increase cyber resilience and threats and to strengthen technology and industrial capacity in this field.


Amendment 38
Proposal for a regulation
Recital 23 a (new)

Text proposed by the Commission

As a matter of principle, cybersecurity solutions should contain safety and security standards as core design parameters according to the available state-of-the-art technology and the principles of 'security by design' and 'security by default'.

Amendment

(23a) As a matter of principle, cybersecurity solutions should contain safety and security standards as core design parameters according to the available state-of-the-art technology and the principles of 'security by design' and 'security by default'.

Amendment 39
Proposal for a regulation
Recital 24

Text proposed by the Commission

Trust is a prerequisite for the Digital Single Market to function. Cybersecurity technologies such as digital identities, cryptography or intrusion detection, and their application in areas such as finance, industry 4.0, energy, transportation, healthcare, or e-government are essential to safeguard the security and trust of online activity and transactions by both citizens, public administrations, and companies.

Amendment

Trust is a prerequisite for the Digital Single Market to function. Cybersecurity technologies such as distributed ledger technology, digital identities, cryptography, encryption or intrusion detection, and their application in areas such as finance, industry 4.0, logistics, energy, transportation, tourism, healthcare, or e-government are essential to safeguard the security, transparency and trust of online activity, including 5G platforms, and transactions by both citizens, public administrations, and companies.
Amendment 40
Proposal for a regulation
Recital 25

Text proposed by the Commission

(25) The European Council in its conclusions of 19 October 2017 stressed that to successfully build a Digital Europe, the Union needs in particular labour markets, training and education systems fit for the digital age and that there is a need to invest in digital skills, to empower and enable all Europeans;

Amendment

(25) The European Council in its conclusions of 19 October 2017 stressed that to successfully build a Digital Europe, the Union needs in particular labour markets, training and education systems fit for the digital age and that there is a need to invest in digital skills development and improve the digital literacy, to empower and enable all Europeans with an integrated approach.

Amendment 41
Proposal for a regulation
Recital 26 a (new)

Text proposed by the Commission

(26a) Considering the need for a holistic approach, the Programme should also take into account the areas of inclusion, qualification, training and specialization which, in addition to the advanced digital competences, are decisive for the creation of added value in the knowledge society.

Amendment

(26a) Considering the need for a holistic approach, the Programme should also take into account the areas of inclusion, qualification, training and specialization which, in addition to the advanced digital competences, are decisive for the creation of added value in the knowledge society.

Amendment 42
Proposal for a regulation
Recital 27

Text proposed by the Commission

(27) In its resolution of 1 June 2017 on digitising European industry (67) the European Parliament stated that education, training and lifelong learning are the cornerstone of social cohesion in a digital society.

Amendment

(27) In its resolution of 1 June 2017 on digitising European industry (67) the European Parliament stated that education, training and lifelong learning are the cornerstone of social cohesion in a digital society. It furthermore demanded that the gender perspective would be incorporated in all digital initiatives, emphasizing the need to address the severe gender gap within the ICT sector, since this is essential for Europe’s long-term growth and prosperity;


Amendment 43
Proposal for a regulation
Recital 27 a (new)

Text proposed by the Commission

Amendment

(27a) In its resolution of 28 April 2016 on gender equality and empowering women in the digital age, the European Parliament underlined the need of collecting gender-disaggregated data on the use of ICT, and of developing targets, indicators and benchmarks to track the progress of women’s access to ICT and promote best practices examples among companies;

Amendment 44
Proposal for a regulation
Recital 27 b (new)

Text proposed by the Commission

Amendment

(27b) In its resolution of 19 January 2016, Towards a Digital Single Market Act, the European Parliament fully supported and encouraged a digital entrepreneurial culture for women, as well as their integration and participation in information society.

Amendment 45
Proposal for a regulation
Recital 28

Text proposed by the Commission

Amendment

(28) The advanced digital technologies supported by this Programme, such as high performance computing, cybersecurity and artificial intelligence are now sufficiently mature to move beyond the research arena and be deployed, implemented and scaled-up at Union level. Just as the deployment of these technologies require a Union response so does the skills dimension. Training opportunities in advanced digital skills need to be scaled up, increased and made accessible throughout the EU. Failing this could impede the smooth deployment of advanced digital technologies and hamper the overall competitiveness of Union’s economy. The actions supported by this programme are complementary to those supported by the ESF, ERDF and Horizon Europe programmes.
Amendment 46
Proposal for a regulation
Recital 29

Text proposed by the Commission

Modernising public administrations and services through digital means is crucial to reducing administrative burden on industry and on citizens in general by making their interactions with public authorities faster, more convenient and less costly, as well as by increasing the efficiency and the quality of the services provided to citizens and businesses. Since a number of services of public interest already have a Union dimension, the support to their implementation and deployment at Union level should ensure that citizens and businesses will benefit from the access to high quality digital services across Europe.

Amendment

Modemising public administrations and services through digital means is crucial to reducing administrative burden on citizens and industry by making their interactions with public authorities faster, more convenient and less costly, as well as by increasing the efficiency, transparency and the quality of the services provided to citizens and businesses while at the same time increasing the efficiency of public spending. Since a number of services of public interest already have a Union dimension, the support to their implementation and deployment at Union level should ensure that citizens and businesses may benefit from the access to high quality multilingual digital services across Europe. It is also important that these services be accessible to people with disabilities.

Amendment 47
Proposal for a regulation
Recital 29 a (new)

Text proposed by the Commission

Digitalisation can facilitate and improve barrier-free accessibility for everyone, including older people, persons with reduced mobility or a disability, and those in remote or rural areas.

Amendment

Digitalisation can facilitate and improve barrier-free accessibility for everyone, including older people, persons with reduced mobility or a disability, and those in remote or rural areas.
Amendment 48
Proposal for a regulation
Recital 30

Text proposed by the Commission

The digital transformation of the areas of public interest such as healthcare, mobility, justice, earth/environmental monitoring, education and culture requires the continuation and expansion of Digital Service Infrastructures, which make secure cross-border exchange of data possible and foster national development. Their coordination under this Regulation best achieves the potential for exploiting synergies.

Amendment

The digital transformation of the areas of public interest such as healthcare, mobility, justice, earth/environmental monitoring, security, reduction of carbon emissions, energy infrastructure, education and training and culture requires the continuation, upgrading and expansion of Digital Service Infrastructures, which make secure cross-border and cross-language exchange of data and information possible and foster national development. Their coordination under this Regulation best achieves the potential for exploiting synergies and ensuring complementarity. The digital transformation should nevertheless take into account that some citizens are not taking part — out of different reasons — in it and networks should be supported to continue informing those citizens, helping them to remain in full possession of their rights and participation to all social and civic duties.

Amendment 49
Proposal for a regulation
Recital 30 a (new)

Text proposed by the Commission

The digital transformation of this sector must in all circumstances allow EU citizens to access, use and manage their personal data securely across borders, irrespective of their location or the location of the data.

Amendment

(30a) The digital transformation of this sector must in all circumstances allow EU citizens to access, use and manage their personal data securely across borders, irrespective of their location or the location of the data.

Amendment 50
Proposal for a regulation
Recital 30 b (new)

Text proposed by the Commission

The deployment and access to advanced technologies in areas of public interest, such as education, also require training in skills necessary to make use of these technologies. Therefore the objectives included in Specific Objective 8 should also cover training programmes for those persons who will be using the advanced technologies.

Amendment

(30b) The deployment and access to advanced technologies in areas of public interest, such as education, also require training in skills necessary to make use of these technologies. Therefore the objectives included in Specific Objective 8 should also cover training programmes for those persons who will be using the advanced technologies.
Amendment 51
Proposal for a regulation
Recital 32

The modernisation of European public administrations is one of the key priorities for successful implementation of the Digital Single Market Strategy. The mid-term evaluation of the Strategy highlighted the need to strengthen the transformation of public administrations and to ensure citizens have easy, trusted, and seamless access to public services.

Amendment 52
Proposal for a regulation
Recital 33

The Annual Growth Survey published by the Commission in 2017 shows that the quality of European public administrations has a direct impact on the economic environment and is therefore crucial to stimulating productivity, competitiveness, economic cooperation, growth and employment. In particular, efficient and transparent public administration and effective justice systems are necessary to support economic growth and deliver high quality services for firms and citizens.

[69] COM(2016)0725
Text proposed by the Commission

(34) Interoperability of European public services concerns all levels of administration: Union, national, regional and local. Besides removing barriers to a functioning Single Market, interoperability facilitates successful implementation of policies and offers great potential to avoid cross-border electronic barriers, further securing the emergence of new, or the consolidation of developing, common public services at Union level. In order to eliminate fragmentation of European services, to support fundamental freedoms and operational mutual recognition in the EU, a holistic cross-sector and cross-border approach to interoperability should be promoted in the manner that is the most effective, and the most responsive to end-users. This implies that interoperability is to be understood in a broad sense, spanning from technical to legal layers and encompassing policy elements in the field. Accordingly, the span of activities would go beyond the usual lifecycle of solutions to include all the interventions elements that would support the necessary framework conditions for sustained interoperability at large.

Amendment

(34) Interoperability of European public services concerns all levels of administration: Union, national, regional and local. Besides removing barriers to a functioning Single Market, interoperability facilitates cross-border co-operation, alignment of common standards, successful implementation of policies and offers great potential to avoid cross-border electronic and language barriers, to cut red tape, further securing the emergence of new, or the consolidation of developing, common public services at Union level as well as preventing unnecessary double-storage. In order to eliminate fragmentation of European services, to support fundamental freedoms and operational mutual recognition in the EU, a holistic, technology-neutral cross-sector and cross-border approach to interoperability should be promoted in the manner that is the most effective, and the most responsive to end-users and that ensures a high level of data protection. This implies that interoperability is to be understood in a broad sense, spanning from technical to legal layers and encompassing policy elements in the field. Accordingly, the span of activities would go beyond the usual lifecycle of solutions to include all the interventions elements that would support the necessary framework conditions for sustained interoperability at large.

Text proposed by the Commission

(34a) On 6 October 2017, EU Ministers in Tallinn stated that the European digital strategy should be based on collaboration and interoperability, including the use of open licensing policies and open standards. The programme should, therefore, encourage open source solutions in order to allow reuse, increase trust and secure transparency. This will have a positive impact on the sustainability of funded projects.
Recital 37

(37) In April 2016 the Commission adopted the Digitising European Industry initiative to ensure that ‘any industry in Europe, big or small, wherever situated and in any sector can fully benefit from digital innovations’ (\(^{(*)}\)).

\(^{(*)}\) null

Amendment 56

Proposal for a regulation

Recital 39

(39) Reaching the target objectives may require leveraging the potential of complementary technologies in the networking and computing domains, as stated in the Communication ‘Digitising European Industry’ (\(^{(*)}\)) that recognises ‘availability of world class networking and cloud infrastructure’ as an essential ingredient of industry digitisation.

(40) The General Data Protection Regulation (GDPR), applicable from May 2018 onwards, by providing for a single set of rules directly applicable in the Member States legal orders, will guarantee the free flow of personal data between EU Member States and reinforce trust and security of the individuals, two indispensable elements for a real Digital Single Market. The actions undertaken under this Programme, when they include the processing of personal data, should therefore support the application of the GDPR, for instance in the field of artificial intelligence and blockchain technology.

(41) The Programme should be implemented in full respect of the international and EU framework of intellectual property protection and enforcement. The effective protection of intellectual property plays a key role in innovation and thus is necessary for the effective implementation of the Programme.
Amendment 59
Proposal for a regulation
Recital 42

Text proposed by the Commission

(42) Bodies implementing this Programme should comply with the provisions applicable to the Union institutions, and with national legislation regarding the handling of information, in particular sensitive non-classified information and EU classified information.

Amendment

(42) To the extent that bodies implementing this Programme handle sensitive non-classified information or Union classified information, they should respect the relevant provisions laid down in Union acts or national legislation regarding the handling of information, as applicable.

Amendment 60
Proposal for a regulation
Recital 43

Text proposed by the Commission

(43) Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Programme will contribute to mainstream climate actions and lead to the achievement of an overall target of 25 % of the EU budget expenditures supporting climate objectives (74). Relevant actions will be identified during the Programme's preparation and implementation, and reassessed in the context of the relevant evaluations and review processes.

Amendment

(43) Reflecting the importance of tackling climate change in line with the Union's obligations to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Programme will contribute to mainstream climate actions and help leading to the achievement of an overall target of 25 % of the EU budget expenditures supporting climate objectives (74). Relevant actions should be identified during the Programme's preparation and implementation, and reassessed in the context of the relevant evaluations and review processes in order to ensure full compliance with these obligations.

**Amendment 61**

Proposal for a regulation

**Recital 44**

Text proposed by the Commission

(44) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission for the adoption of the work programmes so that the objectives of the Programme are achieved in accordance with the Union’s and Member States’ priorities while ensuring consistency, transparency and continuity of joint action by the Union and the Member States. Those powers should be exercised in accordance with the advisory procedure referred to in Article 4 of Regulation (EU) 182/2011 (75) laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission’s exercise of implementing powers.


**Amendment**

deleted

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**Amendment 62**

Proposal for a regulation

**Recital 45**

Text proposed by the Commission

(45) The work programmes should be adopted in principle as multi-annual work programmes, typically every two years, or, if justified by the needs related to the implementation of the programme, annual work programmes. The types of financing and the methods of implementation under this Regulation should be chosen on the basis of their ability to achieve the specific objectives of the actions and to deliver results, taking into account, in particular, the costs of controls, the administrative burden, and the expected risk of non-compliance. This should include consideration of the use of lump sums, flat rates and unit costs, as well as financing not linked to costs as referred to in Article 125 (1) of the Financial Regulation.

(45) Work programmes should be adopted so that the objectives of the Programme are achieved in accordance with the Union’s and Member States’ priorities, while ensuring consistency, transparency and continuity of joint action by the Union and the Member States. The work programmes should be adopted in principle every two years, or, if justified by the needs related to the implementation of the programme, on an annual basis. The types of financing and the methods of implementation under this Regulation should be chosen on the basis of their ability to achieve the specific objectives of the actions and to deliver results, taking into account, in particular, the costs of controls, the administrative burden, and the expected risk of non-compliance. This should include consideration of the use of lump sums, flat rates and unit costs, as well as financing not linked to costs as referred to in Article 125(1) of the Financial Regulation.
Amendment 63
Proposal for a regulation
Recital 46

(46) The power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission concerning amendments to Annex II to review and/or complement the indicators. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States’ experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

Amendment 64
Proposal for a regulation
Recital 46 a (new)

(46a) In order to ensure, maintain and develop long term financing for the Digital Europe Programme it requires clear, common EU rules that are future-oriented and pro-competitive in order to drive investment and innovation and preserve affordability;
Amendment 65
Proposal for a regulation
Recital 47

Text proposed by the Commission

This Regulation respects fundamental rights and observes the principles recognised in the Charter of Fundamental Rights of the European Unions, notably those referred under Articles [8], [11], [16], [21], [35], [38] and [47] regarding the protection of personal data, the freedom of expression and information, the freedom to conduct business, the prohibition of discrimination, healthcare, consumer protection and the right to effective remedy and fair trial. The Member States must apply this Regulation in a manner consistent with these rights and principles.

Amendment

(47) Actions which fall within the scope of the Programme should respect fundamental rights and observe the principles acknowledged in particular by the Charter of Fundamental Rights of the European Union, notably those referred under Articles [8], [11], [16], [21], [22], [35], [38], [41] and [47] regarding the protection of personal data, the freedom of expression and information, the freedom to conduct business, the prohibition of discrimination, linguistic diversity and right to communicate in any of the EU languages, healthcare, consumer protection and the right to effective remedy and fair trial. Such actions should be in conformity with any legal obligation including international law and with any relevant Commission decisions, as well as with ethical principles, which include avoiding any breach of research integrity.

Amendment 66
Proposal for a regulation
Recital 47 a (new)

Text proposed by the Commission

In April 2018, the Commission committed (1a) to set up a framework for stakeholders and experts to develop draft Artificial Intelligence guidelines in cooperation with the European Group on Ethics in Science and New Technologies; the Commission will support national and EU-level consumer organisations and data protection supervising authorities in building an understanding of AI-powered applications with the input of the European Consumer Consultative Group and the European Data Protection Board.

Amendment

(47a) In April 2018, the Commission committed (1a) to set up a framework for stakeholders and experts to develop draft Artificial Intelligence guidelines in cooperation with the European Group on Ethics in Science and New Technologies; the Commission will support national and EU-level consumer organisations and data protection supervising authorities in building an understanding of AI-powered applications with the input of the European Consumer Consultative Group and the European Data Protection Board.

Amendment 67
Proposal for a regulation
Recital 48

Text proposed by the Commission

(48) Third countries which are members of the European Economic Area (EEA) may participate in Union programmes in the framework of the cooperation established under the EEA agreement, which provides for the implementation of the programmes by a decision under that agreement. A specific provision should be introduced in this Regulation to grant the necessary rights for and access to the authorizing officer responsible, the European Anti-Fraud Office (OLAF) as well as the European Court of Auditors to comprehensively exert their respective competences.

Amendment

deleted

Amendment 68
Proposal for a regulation
Article 1 — paragraph 1

Text proposed by the Commission

This Regulation establishes the Digital Europe programme ('Programme').

Amendment

This Regulation establishes the Digital Europe programme ('Programme'), which shall be implemented for the period of 1 January 2021 to 31 December 2027.
Amendment 69
Proposal for a regulation
Article 2 — paragraph 1 — point e

Text proposed by the Commission

(e) ‘Digital Innovation Hub’ means legal entity designated or selected in an open and competitive procedure in order to fulfill the tasks under the Programme, in particular providing access to technological expertise and experimentation facilities, such as equipment and software tools to enable the digital transformation of the industry.

Amendment

(e) ‘European Digital Innovation Hub’ means an existing or new legal entity or a consortium of legal entities designated or selected in an open, transparent and competitive procedure in order to fulfill the tasks under the Programme, in particular providing access to technological expertise and experimentation facilities, such as equipment and software tools to enable the digital transformation of the industry as well as facilitating access to finance. European Digital Innovation Hub shall be open to business of all forms and sizes, in particular to SMEs, scale-ups and public administrations across the Union.

European Digital Innovation Hubs shall act as one-stop-shops where companies — especially SMEs, start-ups and mid-caps — can get help to improve their business, production processes, products and services by means of digital technology that could result in added value. The Hubs will therefore create a decentralised network across the Union offering support to companies to ensure that their employees’ skills match the expertise required to handle the available digital technology. The Hubs shall also coordinate with education providers with a view to supporting training for students and on-the-job training for workers.

Amendment 70
Proposal for a regulation
Article 2 — paragraph 1 — point f a (new)

Text proposed by the Commission

(fa) ‘media literacy’ means the analytical skills necessary to find one’s path of understanding throughout the digital world.

Amendment

(fa) ‘media literacy’ means the analytical skills necessary to find one’s path of understanding throughout the digital world.
Amendment 71
Proposal for a regulation
Article 2 — paragraph 1 — point f b (new)

Text proposed by the Commission

(fb) ‘European Partnership’ means an initiative where the Union, together with private and/or public partners (such as industry, research organisations, bodies with a public service mission at local, regional, national or international level or civil society organisations including foundations, SMEs organisations), commit to jointly support the development and implementation of digital innovation and technological deployment activities, including those related to market, regulatory or policy uptake;

Amendment 72
Proposal for a regulation
Article 2 — paragraph 1 — point f c (new)

Text proposed by the Commission

(fc) ‘small and medium-sized enterprises’ or ‘SMEs’ means small and medium-sized enterprises as defined in Article 2 of the Annex to Commission Recommendation 2003/361/EC;

Amendment 73
Proposal for a regulation
Article 2 — paragraph 1 — point f d (new)

Text proposed by the Commission

(fd) ‘consortium’ means a collaborative grouping of undertakings constituted to carry out an action under the Programme.
Amendment 74
Proposal for a regulation
Article 3 — paragraph 1 — introductory part

Text proposed by the Commission

1. The Programme has the following general objective: to support the digital transformation of the European economy and society and bring its benefits to European citizens and businesses. The Programme will:

Amendment

1. The Programme has the following general objective: to support and to accelerate the digital transformation of the European economy, industry and society and to bring its benefits to European citizens, public services and businesses, as well as to reinforce the strategic autonomy and cohesion of the Union while securing competitiveness and reducing the digital divide. The Programme shall:

Amendment 75
Proposal for a regulation
Article 3 — paragraph 1 — point b

Text proposed by the Commission

(b) widen their diffusion and uptake in areas of public interest and the private sector.

Amendment

(b) widen their diffusion and uptake in the private sector and in areas of public interest, supporting their digital transformation and ensuring access to digital technologies;

Amendment 76
Proposal for a regulation
Article 4 — paragraph 1 — point a

Text proposed by the Commission

(a) deploy, coordinate at the Union level and operate an integrated world-class exascale (\(^77\)) supercomputing and data infrastructure in the Union that shall be accessible on a non-commercial basis to public and private users and for publicly funded research purposes;

Amendment

(a) deploy, coordinate at the Union level and operate an interoperable world-class exascale (\(^77\)) supercomputing and data infrastructure in the Union that shall be accessible to public and private users and for publicly and privately funded research purposes;

\(^77\) Billions of billions of floating operations per second
Amendment 77  
Proposal for a regulation  
Article 4 — paragraph 1 — point b

Text proposed by the Commission

(b) deploy ready to use/operational technology resulting from research and innovation to build an integrated Union high performance computing ecosystem, covering all scientific and industrial value chain segments, including hardware, software, applications, services, interconnections and digital skills;

Amendment

(b) deploy ready to use/operational technology resulting from research and innovation to build an integrated Union high performance computing ecosystem, covering all scientific and industrial value chain segments, including hardware, software, applications, services, interconnections and digital skills, ensuring a high level of security and data protection;

Amendment 78  
Proposal for a regulation  
Article 4 — paragraph 1 — point c

Text proposed by the Commission

(c) deploy and operate a post-exascale (78) infrastructure, including the integration with quantum computing technologies and develop new research infrastructures for computing science.

Amendment

(c) deploy and operate a post-exascale (78) infrastructure, including the integration with quantum computing technologies and develop new research infrastructures; encourage the development within the Union of the hardware and software necessary for such deployment, for computing science.

(78) A thousand times faster than exascale

Amendment 79  
Proposal for a regulation  
Article 4 — paragraph 1 a (new)

Text proposed by the Commission

1a. The actions under Specific Objective 1 shall be primarily implemented through the Joint Undertaking proposed by the Commission and endorsed by the Council of Ministers on 25 June 2018 in accordance with Regulation (EU) … of the European Parliament and of the Council (1a).

Amendment

1a. The actions under Specific Objective 1 shall be primarily implemented through the Joint Undertaking proposed by the Commission and endorsed by the Council of Ministers on 25 June 2018 in accordance with Regulation (EU) … of the European Parliament and of the Council (1a).

Amendment 80
Proposal for a regulation
Article 5 — paragraph 1 — point a

Text proposed by the Commission

(a) build up and strengthen core artificial intelligence capacities in the Union, including data resources and libraries of algorithms in compliance with data protection legislation;

Amendment

(a) build up and strengthen core artificial intelligence capacities in the Union, including data resources and libraries of algorithms. In compliance with data protection legislation, AI-based solutions and resources made available shall respect the principle of privacy and security by design; and ensuring that humans remain at the centre of the development and deployment of Artificial intelligence,

Amendment 81
Proposal for a regulation
Article 5 — paragraph 1 — point b

Text proposed by the Commission

(b) make those capacities accessible to all businesses and public administrations;

Amendment

(b) make those capacities accessible to businesses, especially SMEs and start-ups, and public administrations including not-for-profit organisations, research institutions, universities,

Amendment 82
Proposal for a regulation
Article 5 — paragraph 1 — point c a (new)

Text proposed by the Commission

(c(a) to develop and reinforce industrial application and production systems, facilitating integration of technologies in value chains, development of innovative business models, and shortening the time passed from innovation to industrialisation; and to foster the take up of AI-based solution in areas of public interest and society
Amendment 83
Proposal for a regulation
Article 5 — paragraph 1 a (new)

Text proposed by the Commission

Amendment

The actions under this specific objective Artificial Intelligence shall be implemented exclusively through direct management by the Commission or an executive agency on the basis of a cost-benefit analysis.

Amendment 84
Proposal for a regulation
Article 5 — paragraph 1 b (new)

Text proposed by the Commission

Amendment

Actions carried out under Specific objective 2 shall comply with ethical principles and relevant national, Union and international laws, including the Charter of Fundamental Rights of the European Union and the European Convention of Human Rights and the Protocol thereto. The Commission taking into account the recommendations of the High-Level Expert Group on Artificial Intelligence shall specify conditions related to ethical issues in the work programmes under Specific objective 2. The calls or the grant agreements shall include relevant conditions as set out in work programmes. An ethical review of each project shall be performed during the evaluation of each action. Actions that are not ethically acceptable or that do not fulfil the conditions agreement shall not be eligible for funding.

Amendment 85
Proposal for a regulation
Article 6 — paragraph 1 — point a

Text proposed by the Commission

Amendment

(a) support, together with Member States, the procurement of advanced cybersecurity equipment, tools and data infrastructures in full compliance with data protection legislation;
Amendment 86
Proposal for a regulation
Article 6 — paragraph 1 — point b

Text proposed by the Commission

(b) support the best use of European knowledge, capacity and skills related to cybersecurity;

Amendment

(b) support the best use and the increase of European knowledge, capacity and skills related to cybersecurity; and the sharing and mainstreaming of best practices;

Amendment 87
Proposal for a regulation
Article 6 — paragraph 1 — point c

Text proposed by the Commission

(c) ensure a wide deployment of the latest cybersecurity solutions across the economy;

Amendment

(c) ensure a wide deployment of the latest cybersecurity solutions across the economy; with special attention to public services and essential economic operators such as SMEs;

Amendment 88
Proposal for a regulation
Article 6 — paragraph 1 — point d

Text proposed by the Commission

(d) reinforce capabilities within Member States and private sector to help them meet Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union (79).

Amendment

(d) reinforce capabilities within Member States and private sector to help them meet Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union (79) including through measures aiming at developing a cybersecurity culture within organisations.

Amendment 89
Proposal for a regulation
Article 6 — paragraph 1 — point d a (new)

Text proposed by the Commission
(da) improve resilience against cyber-attacks, to increase risk awareness and knowledge of basic security processes among users, particularly public services, SMEs and start-ups, to ensure that companies have basic levels of security, such as end-to-end encryption of data and communications and software updates, and to encourage the use of the security-by-design and by default knowledge of basic security processes as well as cyber-hygiene;

Amendment 90
Proposal for a regulation
Article 6 — paragraph 1 a (new)

Text proposed by the Commission
The actions under Specific objective 3 Cybersecurity and trust shall be primarily implemented through the European Cybersecurity Industrial, Technology and Research Competence Centre and the Cybersecurity Competence Network in accordance with [Regulation … of the European Parliament and of the Council (1a)].

(1a) Regulation … of the European Parliament and of the Council establishing the European Cybersecurity Industrial, Technology and Research Competence Centre and the Network of National Coordination Centres
Amendment 91
Proposal for a regulation
Article 7 — paragraph 1 — introductory part

The financial intervention by the Union under Specific Objective 4. Advanced Digital skills shall support the development of advanced digital skills in areas supported by this programme, thus contributing to increase Europe’s talent pool, fostering greater professionalism, especially with regard to high performance computing, big data analytics, cybersecurity, distributed ledger technologies, robotics and artificial intelligence. The financial intervention shall pursue the following operational objectives:

Amendment 92
Proposal for a regulation
Article 7 — paragraph 1 — point a

(a) support the design and delivery of long-term trainings and courses for students, IT professionals and the workforce;

Amendment 93
Proposal for a regulation
Article 7 — paragraph 1 — point b

(b) support the design and delivery of high quality short-term trainings and courses including blended learning for entrepreneurs, small business leaders and the workforce including public servants and self-employed;
Amendment 94
Proposal for a regulation
Article 7 — paragraph 1 — point c

Text proposed by the Commission

(c) support on-the-job trainings and traineeships for students, young entrepreneurs and graduates.

Amendment

(c) support high quality on-the-job trainings, including blended learning and traineeships for students, young entrepreneurs and graduates.

Amendment 95
Proposal for a regulation
Article 7 — paragraph 1 a (new)

Text proposed by the Commission

The actions under Specific objective 4 Advanced Digital Skills shall be primarily implemented through direct management by the European Commission. The European Digital Innovation Hubs may act as facilitators for training opportunities, advising companies and liaising with the appropriate competence centres to ensure the widest geographical coverage across the Union.

Amendment

Amendment 96
Proposal for a regulation
Article 8 — paragraph 1 — introductory part

Text proposed by the Commission

The financial intervention by the Union under Specific Objective 5. Deployment, best use of digital capacities and Interoperability shall achieve the following operational objectives:

Amendment

The financial intervention by the Union under Specific Objective 5. Deployment, best use of digital capacities and Interoperability shall achieve the following operational objectives complementing the digital infrastructure actions to that end while reducing the digital divide.
Amendment 97
Proposal for a regulation
Article 8 — paragraph 1 — point a

Text proposed by the Commission

(a) ensure that the public sector and areas of public interests, such as health and care, education, judiciary, transport, energy, environment, cultural and creative sectors, can deploy and access state-of-the-art digital technologies, in particular high performance computing, artificial intelligence and cybersecurity;

Amendment

(a) ensure that the public sector and areas of public interests, such as health and care, education, judiciary, transport and communication energy, environment, cultural and creative sectors, as well business established within the Union can effectively deploy and have the necessary skills through training to use access state-of-the-art digital technologies, in particular high performance computing, language technology, artificial intelligence and cybersecurity.

Amendment 98
Proposal for a regulation
Article 8 — paragraph 1 — point b

Text proposed by the Commission

(b) deploy, operate and maintain trans-European interoperable Digital Service Infrastructures (including related services) in complementarity with national and regional actions;

Amendment

(b) deploy, operate and maintain trans-European interoperable state of the art Digital Service Infrastructures across the Union (including related services) in complementarity with national and regional actions;

Amendment 99
Proposal for a regulation
Article 8 — paragraph 1 — point c

Text proposed by the Commission

(c) facilitate the development, update and use of solutions and frameworks by European public administrations, businesses and citizens, including the re-use of interoperability solutions and frameworks;

Amendment

(c) facilitate the development, update and use of solutions and frameworks by European public administrations, businesses and citizens, including open source and the re-use of interoperability solutions and frameworks;

Amendment 100
Proposal for a regulation
Article 8 — paragraph 1 — point d

Text proposed by the Commission

(d) offer to public administrations access to testing and piloting of digital technologies, including their cross-border use;

Amendment

(d) offer to public administrations access to testing piloting and scaling-up of digital technologies, including their cross-border use;
Amendment 101
Proposal for a regulation
Article 8 — paragraph 1 — point e

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<tr>
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<tr>
<td>(e) support the uptake of advanced digital and related technologies, including in particular high performance computing, artificial intelligence, cybersecurity and future emerging technologies by the Union industry, notably SMEs;</td>
<td>(e) support the uptake of advanced digital and related technologies, including in particular high performance computing, artificial intelligence, distributed ledger technologies, cybersecurity data protection, cloud computing and information governance and future emerging technologies by the Union industry, notably SMEs and start-ups;</td>
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Amendment 102
Proposal for a regulation
Article 8 — paragraph 1 — point f

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<td>(f) support the design, testing, implementation and deployment of interoperable digital solutions for EU level public services delivered through a data-driven reusable solutions platform, fostering innovation and establishing common frameworks in order to unleash the full potential of the public administrations’ services for European citizens and businesses;</td>
<td>(f) support the design, maintain, testing, implementation and deployment of interoperable digital solutions for EU level public services delivered through a data-driven reusable solutions platform, fostering innovation and establishing common frameworks in order to unleash the full potential of the public administrations’ services for European citizens and businesses;</td>
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Amendment 103
Proposal for a regulation
Article 8 — paragraph 1 — point g

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<th>Text proposed by the Commission</th>
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<tr>
<td>(g) ensure a continuous capacity at the Union level to observe, analyse and adapt to fast-evolving digital trends, as well as sharing and mainstreaming best practices;</td>
<td>(g) ensure a continuous capacity at the Union level to spearhead digital development, in addition to observe, analyse and adapt to fast-evolving digital trends, as well as sharing and mainstreaming best practices and facilitating cross-fertilisation between the different national initiatives, leading to the development of the digital society thanks to a permanent cooperation among all actors involved at EU level;</td>
</tr>
</tbody>
</table>
Amendment 104
Proposal for a regulation
Article 8 — paragraph 1 — point h

Text proposed by the Commission

(h) support cooperation towards achieving a European ecosystem for trusted infrastructures using distributed ledger services and applications, including support for interoperability and standardisation and fostering the deployment of EU cross-border applications;

Amendment

(h) support cooperation towards achieving a European ecosystem for trusted infrastructures using \textit{inter alia} distributed ledger services and applications, including support for interoperability and standardisation and fostering the deployment of EU cross-border applications based on security and privacy by design, guaranteeing data protection and consumer safety;

Amendment 105
Proposal for a regulation
Article 8 — paragraph 1 a (new)

Text proposed by the Commission

The actions under Specific objective 5 Deployment, best use of digital capacities and Interoperability shall be primarily implemented through direct management by the European Commission. The European Digital Innovation Hubs and competence centres may act as facilitators.

Amendment

Amendment 106
Proposal for a regulation
Article 9 — paragraph 1

Text proposed by the Commission

1. The financial envelope for the implementation of the Programme for the period 2021–2027 shall be EUR 9 194 000 000 in current prices.

Amendment

1. The financial envelope for the implementation of the Programme for the period 2021–2027 shall be EUR \textbf{8 192 391 000 in 2018 prices} (EUR 9 194 000 000 in current prices).

Amendment 107
Proposal for a regulation
Article 9 — paragraph 2 — point a

Text proposed by the Commission

(a) up to EUR 2 698 240 000 for Specific Objective 1, High Performance Computing

Amendment

(a) up to \textbf{EUR 2 404 289 438 in 2018 prices} (EUR 2 698 240 000 in current prices) for Specific Objective 1, High Performance Computing
## Amendment 108
Proposal for a regulation

**Article 9 — paragraph 2 — point b**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(b) up to EUR 2 498 369 000 for Specific Objective 2, Artificial Intelligence</td>
<td>(b) up to <strong>EUR 2 226 192 703 in 2018 prices</strong> (EUR 2 498 369 000 <em>in current prices</em>) for Specific Objective 2, Artificial Intelligence</td>
</tr>
</tbody>
</table>

## Amendment 109
Proposal for a regulation

**Article 9 — paragraph 2 — point c**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(c) up to EUR 1 998 696 000 for Specific Objective 3, Cybersecurity and Trust</td>
<td>(c) up to <strong>EUR 1 780 954 875 in 2018 prices</strong> (EUR 1 998 696 000 <em>in current prices</em>) for Specific Objective 3, Cybersecurity and Trust</td>
</tr>
</tbody>
</table>

## Amendment 110
Proposal for a regulation

**Article 9 — paragraph 2 — point d**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(d) up to EUR 699 543 000 for Specific Objective 4, Advanced Digital skills</td>
<td>(d) up to <strong>EUR 623 333 672 in 2018 prices</strong> (EUR 699 543 000 <em>in current prices</em>) for Specific Objective 4, Advanced Digital skills</td>
</tr>
</tbody>
</table>

## Amendment 111
Proposal for a regulation

**Article 9 — paragraph 2 — point e**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(e) up to EUR 1 299 152 000 for Specific Objective 5, Deployment, best use of digital capacities and Interoperability</td>
<td>(e) up to <strong>EUR 1 157 620 312 in 2018 prices</strong> (EUR 1 299 152 000 <em>in current prices</em>) for Specific Objective 5, Deployment, best use of digital capacities and Interoperability</td>
</tr>
</tbody>
</table>
Amendment 112
Proposal for a regulation
Article 9 — paragraph 5

Text proposed by the Commission

5. Resources allocated to Member States under shared management may, at their request, be transferred to the Programme. The Commission shall implement those resources directly in accordance with point (a) of Article 62(1) of the Financial Regulation or indirectly in accordance with point (c) of that Article. Where possible those resources shall be used for the benefit of the Member State concerned.

Amendment

5. Resources allocated to Member States under shared management may, at their request, be transferred to the Programme. The Commission shall implement those resources directly in accordance with point (a) of Article 62(1) of the Financial Regulation or indirectly in accordance with point (c) of that Article. Where possible those resources shall be used to the maximum extent possible for the benefit of the Member State concerned.

Amendment 113
Proposal for a regulation
Article 10 — paragraph 1 — introductory part

Text proposed by the Commission

The programme shall be open to:

deleted

Amendment

Amendment 114
Proposal for a regulation
Article 10 — paragraph 1 — point 1

Text proposed by the Commission

1. Members of the European Free Trade Association, which are members of the European Economic Area, in accordance with the conditions laid down in the European Economic Area agreement;

Amendment

1. The programme shall be open to Members of the European Free Trade Association, which are members of the European Economic Area, in accordance with the conditions laid down in the European Economic Area agreement;

Amendment 115
Proposal for a regulation
Article 10 — paragraph 1 — point 2

Text proposed by the Commission

2. Acceding countries, candidate countries and potential candidates, in accordance with the general principles and general terms and conditions for their participation in Union programmes established in the respective framework agreements and Association Council Decisions, or similar agreements, and in accordance with the specific conditions laid down in agreements between the Union and them;

Amendment

2. Full or partial association to the programme of third countries that are not referred to in paragraph 1 shall be based on a case by case assessment of the Specific objectives, in accordance with the conditions laid down in a specific agreement covering the participation of the third country to any Union programme, provided that this specific agreement fully respects the following criteria:
— the participation of the third country is in the interest of the Union;
— the participation contributes to achieving the objectives lay down in article 3;
— the participation does not raise any security concerns and fully respects the relevant security requirements lay down in article 12;
— the agreement ensures a fair balance as regards the contributions and benefits of the third country participating in the Union programmes;
— the agreement lays down the conditions of participation in the programmes, including the calculation of financial contributions to individual programmes and their administrative costs. These contributions shall constitute assigned revenues in accordance with Article [21(5)] of [the new Financial Regulation];
— the agreement does not confer to the third country a decisional power on the programme;
— the agreement guarantees the rights of the Union to ensure sound financial management and to protect its financial interests.

Amendment 116
Proposal for a regulation
Article 10 — paragraph 1 — point 2 a (new)

2a. When preparing the work programmes, the European Commission or other relevant implementing bodies, shall assess on a case-by-case basis whether the conditions laid down in the agreement referred to in paragraph 2 are met for the actions included in the work programmes.

Amendment 117
Proposal for a regulation
Article 10 — paragraph 1 — point 3

3. Countries covered by the European Neighbourhood Policy, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective framework agreements and Association Council Decisions, or similar agreements, and in accordance with the specific conditions laid down in agreements between the Union and those countries; deleted
Amendment 118
Proposal for a regulation
Article 10 — paragraph 1 — point 4

Text proposed by the Commission

4. Third countries in accordance with the conditions laid down in a specific agreement covering the participation of the third country to any Union programme, provided that the agreement

— ensures a fair balance as regards the contributions and benefits of the third country participating in the Union programmes;

— lays down the conditions of participation in the programmes, including the calculation of financial contributions to individual programmes and their administrative costs. These contributions shall constitute assigned revenues in accordance with Article [21 (5)] of [the new Financial Regulation];

— does not confer to the third country a decisional power on the programme;

— guarantees the rights of the Union to ensure sound financial management and to protect its financial interests.

Amendment 119
Proposal for a regulation
Article 11 — paragraph 2

Text proposed by the Commission

2. The cooperation with third countries and organisations mentioned in paragraph 1 under Specific Objective 3. Cybersecurity and Trust shall be subject to Article [12].

Amendment

2. The cooperation with third countries and organisations mentioned in paragraph 1 under Specific Objectives 1, High Performance Computing, 2 Artificial intelligence and 3. Cybersecurity and Trust shall be subject to Article [12].

Amendment 120
Proposal for a regulation
Article 12 — paragraph 5

Text proposed by the Commission

5. The work programme may also provide that legal entities established in associated countries and legal entities established in the EU but controlled from third countries are not eligible for participation in all or some actions under Specific Objective 3 for security reasons. In such cases calls for proposals and calls for tenders shall be restricted to entities established or deemed to be established in Member States and controlled by Member States and/or nationals of Member States.

Amendment

5. The work programme may also provide that legal entities established in associated countries and legal entities established in the EU but controlled from third countries are not eligible for participation in all or some actions under Specific Objectives 1, 2 and 3 for strategic and security reasons. In such cases calls for proposals and calls for tenders shall be restricted to entities established or deemed to be established in Member States and controlled by Member States and/or nationals of Member States.
Amendment 121
Proposal for a regulation
Article 12 — paragraph 5a (new)

Text proposed by the Commission

5a. Actions including the transfer of technology outside the Union shall not be permitted. With a view to ensuring long term strategic security objectives, an opportunity evaluation shall be carried out in respect of the participation of entities which have their main establishment outside the Union.

Amendment 122
Proposal for a regulation
Article 12 — paragraph 5b (new)

Text proposed by the Commission

5b. Where appropriate the Commission or the funding body may carry out security checks, actions which do not comply with security rules may be excluded or terminated at any time.

Amendment 123
Proposal for a regulation
Article 13 — paragraph 1

Text proposed by the Commission

1. The Programme is designed to be implemented enabling synergies, as further described in Annex III, with other Union funding programmes, in particular through arrangements for complementary funding from EU programmes where management modalities permit; either in sequence, in an alternating way, or through the combination of funds including for the joint funding of actions.

The Commission shall ensure that when leveraging the complementary character of the programme with other European funding programmes, in particular ESIF, the European Regional Development Fund (ERDF), Horizon Europe and Connecting Europe Facility (CEF-2), InvestEU, Erasmus, European Agricultural Fund for Rural Development (EAFRD) the achievement of Specific objectives 1 to 5 are not hampered.

The Commission shall look into ways of improving the overall efficiency of programmes offering resources in the field of digitalisation.
Amendment 124
Proposal for a regulation
Article 13 — paragraph 2

Text proposed by the Commission

2. Appropriate mechanisms of coordination between relevant authorities and appropriate monitoring tools shall be established to systematically ensure synergies between the Programme and any relevant EU funding instruments. The arrangements shall contribute to avoiding duplications and maximising impact of expenditure.

Amendment

2. Appropriate mechanisms of coordination between relevant authorities and between authorities and the European Commission and appropriate monitoring tools shall be established to systematically ensure synergies between the Programme and any relevant EU funding instruments. The arrangements shall contribute to avoiding duplications and maximising impact of expenditure.

Amendment 125
Proposal for a regulation
Article 14 — paragraph 2

Text proposed by the Commission

2. The Programme may provide funding in any of the forms laid down in the Financial Regulation, including notably procurement as a primary form as well as grants and prizes. It may also provide financing in the form of financial instruments within blending operations.

Amendment

2. The Programme may provide funding in any of the forms laid down in the Financial Regulation, including notably procurement by the Commission or funding body, by grant beneficiaries individually or jointly as a primary form of the action as well as grants and prizes. Procurements may authorise the award of multiple contracts within the same procedure and may provide for place of performance conditions in line with applicable international procurement agreements. The Programme may also provide financing in the form of financial instruments within blending operations.

Amendment 126
Proposal for a regulation
Article 15 — paragraph 1

Text proposed by the Commission

The Programme may be implemented through European Partnerships. This may include in particular contributions to existing or new public-private partnerships in the form of joint undertakings established under Article 187 TFEU. For these contributions, provisions relating to European Partnerships under [Horizon Europe Regulation, ref to be added] apply.

Amendment

The Programme may be implemented through European Partnerships agreed within the Strategic programming Process between the Commission and the Member States. This may include in particular contributions to existing or new public-private partnerships in the form of joint undertakings established under Article 187 TFEU. For these contributions, provisions relating to European Partnerships under [Horizon Europe Regulation, ref to be added] apply.
### Amendment 127
Proposal for a regulation
Article 15 — paragraph 1 a (new)

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>European Partnerships shall:</td>
<td></td>
</tr>
<tr>
<td>(a) Be established in cases where they will more effectively achieve objectives of Digital Europe Programme than the Union alone;</td>
<td></td>
</tr>
<tr>
<td>(b) Adhere to the principles of Union added value, transparency, openness, impact, leverage effect, long-term financial commitment of all the involved parties, flexibility, coherence and complementarity with Union, local, regional national and international initiatives;</td>
<td></td>
</tr>
<tr>
<td>(c) Be time limited and include conditions for phasing-out the Programme funding.</td>
<td></td>
</tr>
</tbody>
</table>

### Amendment 128
Proposal for a regulation
Article 15 — paragraph 1 b (new)

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provisions and criteria for their selection, implementation, monitoring, evaluation and phasing-out are set out in (Reference to be added).</td>
<td></td>
</tr>
</tbody>
</table>

### Amendment 129
Proposal for a regulation
Article 16 — title

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Innovation Hubs</td>
<td>European Digital Innovation Hubs</td>
</tr>
</tbody>
</table>

### Amendment 130
Proposal for a regulation
Article 16 — paragraph 1

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. During the first year of the implementation of the Programme, an initial network of Digital Innovation Hubs shall be established.</td>
<td>1. During the first year of the implementation of the Programme, an initial network of European Digital Innovation Hubs shall be established on existing infrastructure and shall be at least one European Digital Innovation Hub per Member State.</td>
</tr>
</tbody>
</table>
Amendment 131
Proposal for a regulation
Article 16 — paragraph 2 — introductory part

Text proposed by the Commission

2. For the purpose of the establishment of the network mentioned in paragraph 1, each Member State shall designate candidate entities through an open and competitive process, on the basis of the following criteria:

Amendment

2. For the purpose of the establishment of the network mentioned in paragraph 1, each Member State shall designate candidate entities through an open, transparent, inclusive and competitive process, on the basis of the following criteria:

Amendment 132
Proposal for a regulation
Article 16 — paragraph 2 — point a

Text proposed by the Commission

(a) appropriate competences related to the functions of the Digital Innovation Hubs;

Amendment

(a) appropriate competences related to the functions of the European Digital Innovation Hubs;

Amendment 133
Proposal for a regulation
Article 16 — paragraph 2 — point b

Text proposed by the Commission

(b) appropriate management capacity, staff and infrastructure;

Amendment

(b) appropriate management capacity, staff and infrastructure and skillset;

Amendment 134
Proposal for a regulation
Article 16 — paragraph 2 — point d a (new)

Text proposed by the Commission

(da) proven cooperation with the private sector to ensure market relevance of the interventions under the Specific Objectives 1 to 5;
Amendment 135
Proposal for a regulation
Article 16 — paragraph 2 — point d b (new)

Text proposed by the Commission

(db) links with existing ICT Hubs created under Horizon 2020, the EUinvest Hub and the European Enterprise network;

Amendment 136
Proposal for a regulation
Article 16 — paragraph 2 a (new)

Text proposed by the Commission

2a. The detailed conditions to be fulfilled in order to be designated as ‘European Digital Innovation Hub’ and the tasks to be executed, shall be harmonised and published in due time in order to allow for proper preparation and implementation of the actions.

Amendment 137
Proposal for a regulation
Article 16 — paragraph 3 — introductory part

Text proposed by the Commission

3. The Commission shall adopt a decision on the selection of entities forming the initial network. These entities shall be selected by the Commission from candidate entities designated by Member States on the basis of the criteria mentioned in paragraph 2 and the following additional criteria:

Amendment 138
Proposal for a regulation
Article 16 — paragraph 3 — point b

Text proposed by the Commission

(b) the need to ensure by the initial network a coverage of the needs of industry and areas of public interest and a comprehensive and balanced geographical coverage.

Amendment

(b) the need to ensure by the initial network a coverage of the needs of industry and areas of public interest and a comprehensive and balanced geographical coverage, improving convergence and contribute to fill the gap between the cohesion countries and the other Member States and to decrease the digital divide in geographical terms.
Amendment 139
Proposal for a regulation
Article 16 — paragraph 4

Text proposed by the Commission

4. Additional Digital Innovation Hubs shall be selected on the basis of an open and competitive process, in such a way to ensure the widest geographical coverage across Europe. The number of entities of the network shall be proportional to the population of a given Member States and there shall be at least one Digital Innovation Hub per Member State. To address the specific constraints faced by the EU outermost regions, specific entities may be nominated to cover their needs.

Amendment

4. Additional European Digital Innovation Hubs shall be selected on the basis of an open, transparent and competitive process, in such a way to ensure the widest geographical coverage across Europe. The number of entities of the network shall be proportional to the population of a given Member States. To address the specific constraints faced by the EU outermost regions, additional Innovation Hubs may be selected in those regions.

Amendment 140
Proposal for a regulation
Article 16 — paragraph 5

Text proposed by the Commission

5. The Digital Innovation Hubs may receive funding in the form of grants.

Amendment

5. The European Digital Innovation Hubs shall be clearly identified by means of specific indications and receive funding in the form of grants.

Amendment 141
Proposal for a regulation
Article 16 — paragraph 6 — introductory part

Text proposed by the Commission

6. The Digital Innovation Hubs which receive funding shall be involved in the implementation of the Programme to:

Amendment

6. The European Digital Innovation Hubs which receive funding shall be involved in the implementation of the Programme to:

Amendment 142
Proposal for a regulation
Article 16 — paragraph 6 — point a

Text proposed by the Commission

(a) provide digital transformation services — including testing and experimentation facilities — targeted towards SMEs and midcaps, also in sectors that are slow in the uptake of digital and related technologies;

Amendment

(a) provide digital transformation services and technological expertise including testing and experimentation facilities — targeted towards start-ups, SMEs and midcaps, also in sectors that are slow in the uptake of digital and related technologies;
Amendment 143
Proposal for a regulation
Article 16 — paragraph 6 — point a (new)

Text proposed by the Commission

(aa) support companies, especially SMEs and start-ups, organisations and public administrations to become more competitive and improve their business models through use of new technologies covered by the Programme

Amendment

Amendment 144
Proposal for a regulation
Article 16 — paragraph 6 — point b

Text proposed by the Commission

(b) transfer expertise and know-how between regions, in particular by networking SMEs and midcaps established in one region with Digital Innovation Hubs established in other regions which are best suited to provide relevant services;

Amendment

(b) transfer expertise and know-how between regions, in particular by networking SMEs, start-ups and midcaps established in one region with European Digital Innovation Hubs established in other regions which are best suited to provide relevant services; encourage exchanges of skills, joint initiatives and good practices;

Amendment 145
Proposal for a regulation
Article 16 — paragraph 6 — point c

Text proposed by the Commission

(c) provide thematic services, including services related to artificial intelligence, high performance computing and cybersecurity and trust to the administrations, public sector organisations, SMEs and midcaps. Individual Digital Innovation Hubs may specialise in specific thematic services and do not need to provide all thematic services mentioned in this paragraph;

Amendment

(c) provide thematic services, including services related to artificial intelligence, high performance computing and cybersecurity and trust to the administrations, public sector organisations, SMEs, and start-ups and midcaps. Individual European Digital Innovation Hubs may specialise in specific thematic services and do not need to provide all thematic services mentioned in this paragraph;
Amendment 146
Proposal for a regulation
Article 16 — paragraph 6 a (new)

Text proposed by the Commission

6a. The European Digital Innovation Hubs may also cooperate with the European Institute of Innovation and Technology in particular the EIT Digital as well as the Digital Innovation Hubs set up under Horizon 2020.

Amendment 147
Proposal for a regulation
Article 16 — paragraph 6 b (new)

Text proposed by the Commission

6b. The European Digital Innovation Hubs may carry out the activities of the Digital Innovation Hubs set up under the Framework Programmes for Research and Innovation, including the Innovation Hubs of the EIT Digital

Amendment 148
Proposal for a regulation
Article 17 — paragraph 1

Text proposed by the Commission

1. Only actions contributing to the achievement of the objectives referred to in Article [3] and Articles [4]-[8] shall be eligible for funding.

Amendment

1. Only actions contributing to the achievement of the objectives referred to in Article [3] and Articles [4]-[8] shall be eligible for funding in accordance with the general objectives set out in Annex I.

Amendment 149
Proposal for a regulation
Article 18 — paragraph 2 — point a — point ii

Text proposed by the Commission

(ii) a third countries associated with the Programme;

Amendment

(ii) a third countries associated with the Programme in accordance with articles 10 and 12:
Amendment 150
Proposal for a regulation
Article 18 — paragraph 3

Text proposed by the Commission

3. Legal entities established in a third country which is not associated to the Programme are exceptionally eligible to participate in specific actions where this is necessary for the achievement of the objectives of the Programme.

Amendment

3. Legal entities established in a third country which is not associated to the Programme are exceptionally eligible to participate in specific actions where this is necessary for the achievement of the objectives of the Programme, and when it does not imply additional security risks for the Union or put in question the Union’s strategic autonomy.

Amendment 151
Proposal for a regulation
Article 18 — paragraph 4

Text proposed by the Commission

4. Natural persons shall not be eligible, except for grants awarded under Specific Objective 4. Advanced digital skills.

Amendment

4. Natural persons may be eligible for grants awarded under Specific Objective 4. Advanced digital skills. Third country nationals may be eligible provided that they reside within the Union.

Amendment 152
Proposal for a regulation
Article 19 — paragraph 1

Text proposed by the Commission

Grants under the Programme shall be awarded and managed in accordance with Title VIII of the Financial Regulation.

Amendment

Grants under the Programme shall be awarded and managed in accordance with Title VIII of the Financial Regulation and may cover up to 100% of the eligible costs on duly justified reasons, without prejudice of the co-financing principle; and in accordance with the specification under each objective.

Amendment 153
Proposal for a regulation
Article 20 — paragraph 1 — introductory part

Text proposed by the Commission

1. The award criteria shall be defined in the work programmes and in the calls for proposals, taking into account at the minimum the following elements:

Amendment

1. The award criteria shall be defined in the work programmes and in the calls for proposals, taking into account at least the following elements:
**Amendment 154**
Proposal for a regulation

Article 20 — paragraph 1 — point e

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(e) where applicable, the economic, social, climate and environmental impact, and accessibility;</td>
<td>(e) where applicable, the economic, climate, environmental and social impact, in particular promoting accessibility and equal educational and professional opportunities;</td>
</tr>
</tbody>
</table>

**Amendment 155**
Proposal for a regulation

Article 20 — paragraph 1 — point g

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(g) where applicable, a balanced geographical distribution across the Union, including the outermost regions;</td>
<td>(g) where applicable, a balanced geographical distribution across the Union, including the outermost regions including overseas countries and territories;</td>
</tr>
</tbody>
</table>

**Amendment 156**
Proposal for a regulation

Article 20 — paragraph 1 — point h a (new)

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(ha) where applicable, the freedom for re-use and adaptation of the projects’ results;</td>
<td></td>
</tr>
</tbody>
</table>

**Amendment 157**
Proposal for a regulation

Article 20 — paragraph 1 — point h b (new)

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(hb) where applicable, the public interest;</td>
<td></td>
</tr>
</tbody>
</table>
Amendment 158
Proposal for a regulation
Article 20 — paragraph 1 — point h c (new)

Text proposed by the Commission

(hc) where applicable, a reduction of digital divide between regions, citizens or business.

Amendment 159
Proposal for a regulation
Article 21 — paragraph 1

Text proposed by the Commission

Blending operations decided under this Programme shall be implemented in accordance with the [InvestEU regulation] and Title X of the Financial Regulation.

Amendment

Blending operations decided under this Programme shall be implemented in accordance with the [InvestEU regulation] and Title X of the Financial Regulation. The amount of expenditure from this programme to be blended with a financial instrument shall be non-refundable.

Amendment 160
Proposal for a regulation
Article 22 — paragraph 2 a (new)

Text proposed by the Commission

2a. Where an action has already been awarded or has received contributions from another Union programme or support from an EU fund, that contribution or support shall be listed in the application for a contribution under the Programme.

Amendment

3. The first multiannual work programme shall focus on the activities set out in the Annex and ensure that the actions thereby supported do not crowd out private financing. Subsequent work programmes may include activities not set out in the Annex provided that they are consistent with the objectives of this Regulation, as set out in Articles [4 — 8].

3. The work programmes shall focus on the activities set out in the Annex I and ensure that the actions thereby supported do not crowd out private financing.
Amendment 162
Proposal for a regulation
Article 23 — paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. The Commission shall be empowered to adopt delegated acts in accordance with Article 27 to amend Annex I to review or complement the activities set out therein in a manner consistent with the objectives of this Regulation as set out in articles 4 — 8.

Amendment 163
Proposal for a regulation
Article 24 — paragraph 1

Text proposed by the Commission

Amendment

1. Measurable indicators to monitor the implementation and progress of the Programme in achieving the general and specific objectives set out in Article 3 are set in the Annex II.

Amendment 164
Proposal for a regulation
Article 24 — paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The Commission shall define a methodology to provide for measurable indicators for an accurate assessment of the progress towards achieving the general objectives set out in Article 3(1). On the basis of this methodology the Commission shall complement Annex III at the latest by 1st January 2021.

Amendment 165
Proposal for a regulation
Article 24 — paragraph 2

Text proposed by the Commission

Amendment

2. To ensure effective assessment of progress of the Programme towards the achievement of its objectives, the Commission is empowered to adopt delegated acts in accordance with Article 27 to amend Annex II to review or complement the indicators where considered necessary and to supplement this Regulation with provisions on the establishment of a monitoring and evaluation framework.
Amendment 166
Proposal for a regulation
Article 24 — paragraph 3

Text proposed by the Commission

3. The performance reporting system shall ensure that data for monitoring programme implementation and results are collected efficiently, effectively, and in a timely manner. To that end, proportionate reporting requirements shall be imposed on recipients of Union funds and Member States.

Amendment

3. The performance reporting system shall ensure that data for monitoring programme implementation and results are suitable for an in-depth analysis of the progress achieved and the difficulties encountered and are collected efficiently, effectively, and in a timely manner. To that end, proportionate reporting requirements shall be imposed on recipients of Union funds and Member States.

Amendment 167
Proposal for a regulation
Article 24 — paragraph 4

Text proposed by the Commission

4. Official EU statistics such as regular ICT statistical surveys shall be used to their maximum. National Statistical Institutes shall be consulted on, and involved together with Eurostat, in the initial design and subsequent development of statistical indicators used for monitoring the implementation of the programme and the progress made with regard to digital transformation.

Amendment

4. Official EU statistics such as regular ICT statistical surveys shall be used in the most efficient manner possible, as well as collection of DESI datasets at NUTS-2 to help address the lack of Digital Europe related regional data. National Statistical Institutes shall be consulted on, and involved together with Eurostat, in the initial design and subsequent development of statistical indicators used for monitoring the implementation of the programme and the progress made with regard to digital transformation.

Amendment 168
Proposal for a regulation
Article 25 — title

Text proposed by the Commission

Evaluation

Amendment

Programme Evaluation

Amendment 169
Proposal for a regulation
Article 25 — paragraph 1

Text proposed by the Commission

1. Evaluations shall be carried out in a timely manner to feed into the decision-making process.

Amendment

1. The Commission shall ensure regular monitoring and external evaluation of the Programme, based notably on the performance reporting system as referred to in Article 24, paragraph 3. The evaluations shall also provide for a qualitative assessment of the progress towards achieving the general objectives set out in Article 3(1).
Amendment 170
Proposal for a regulation
Article 25 — paragraph 2

Text proposed by the Commission

2. The interim evaluation of the Programme shall be performed once there is sufficient information available about the implementation of the Programme, but no later than four years after the start of the implementation of the Programme.

Amendment

2. In addition to regularly monitoring the Programme, the Commission shall establish an interim evaluation report and shall submit it to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions no later than 31 December 2024. The interim evaluation shall present the findings necessary to make a decision about a follow-up to the Programme beyond 2027 and its objectives.

The interim evaluation shall be submitted to the European Parliament.

Amendment 171
Proposal for a regulation
Article 25 — paragraph 3

Text proposed by the Commission

3. At the end of the implementation of the Programme, but no later than four years after the end of the period specified in Article [1], a final evaluation of the Programme shall be carried out by the Commission.

Amendment

3. On the basis of a final external and independent evaluation, the Commission shall establish a final evaluation report of the Programme, which assesses its longer-term impacts and its sustainability.

Amendment 172
Proposal for a regulation
Article 25 — paragraph 4 a (new)

Text proposed by the Commission

4a. The Commission shall submit the final evaluation report referred to in paragraph 3 to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions no later than 31 December 2030.

Amendment

deleted

Amendment 173
Proposal for a regulation
Article 25 — paragraph 5

Text proposed by the Commission

5. The Commission shall communicate the conclusions of the evaluations accompanied by its observations, to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

Amendment

deleted
Amendment 174
Proposal for a regulation
Article 26 — paragraph 4

Text proposed by the Commission

4. As part of the control system, the audit strategy may be based on the financial audit of a representative sample of expenditure. That representative sample shall be complemented by a selection based on an assessment of the risks related to expenditure.

Amendment

4. As part of the control system, the audit strategy shall be based on the financial audit of at least a representative sample of expenditure. That representative sample shall be complemented by a selection based on an assessment of the risks related to expenditure.

Amendment 175
Proposal for a regulation
Article 27 — paragraph 2

Text proposed by the Commission

2. The power to adopt delegated acts referred to in Article 24 shall be conferred on the Commission until 31 December 2028.

Amendment

2. The power to adopt delegated acts referred to in Articles 23 and 24 shall be conferred on the Commission until 31 December 2028.

Amendment 176
Proposal for a regulation
Article 27 — paragraph 3

Text proposed by the Commission

3. The delegation of power referred to in Article 24 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

Amendment

3. The delegation of power referred to in Articles 23 and 24 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.
Amendment 177  
Proposal for a regulation  
Article 27 — paragraph 6

Text proposed by the Commission  

6. A delegated act adopted pursuant to article 24 shall enter into force if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Amendment 178  
Proposal for a regulation  
Article 29 — paragraph 1

Text proposed by the Commission  

1. The recipients of Union funding shall acknowledge the origin and ensure the visibility of the Union funding (in particular when promoting the actions and their results) by providing coherent, effective and proportionate targeted information to multiple audiences, including the media and the public.

Amendment 179  
Proposal for a regulation  
Article 29 — paragraph 2

Text proposed by the Commission  

2. The Commission shall implement information and communication actions relating to the Programme, and its actions and results. Financial resources allocated to the Programme shall also contribute to the corporate communication of the political priorities of the Union, as far as they are related to the objectives referred to in Article [3].
Amendment 180
Proposal for a regulation
Annex 1 — part 1 — paragraph 2 — point 1

Text proposed by the Commission

1. A joint procurement framework for an integrated network of world-class HPC including exascale supercomputing and data infrastructure. It will be accessible on a non-economic basis to public and private users and for publicly funded research purposes.

Amendment

1. A joint procurement framework for an integrated network of world-class HPC including exascale supercomputing and data infrastructure. It will be accessible to all businesses and public administrations, and on a non-economic basis to public and private users and for publicly funded research purposes.

Amendment 181
Proposal for a regulation
Annex 1 — part 1 — paragraph 2 — point 6

Text proposed by the Commission

6. The deployment of ready to use/operational technology: supercomputing as a service resulting from R&I to build an integrated European HPC ecosystem, covering all scientific and industrial value chain segments (hardware, software, applications, services, interconnections and advanced digital skills).

Amendment

6. The deployment of ready to use/operational technology: supercomputing as a service resulting from R&I, in particular new technologies that have previously benefitted or that currently benefit from Union funding, to build an integrated European HPC ecosystem, covering all scientific and industrial value chain segments (hardware, software, applications, services, interconnections and advanced digital skills).

Amendment 182
Proposal for a regulation
Annex 1 — part 2 — paragraph 1

Text proposed by the Commission

The Programme shall build up and strengthen core Artificial Intelligence capacities in Europe including data resources and repositories of algorithms and making them accessible by all businesses and public administrations as well as reinforcement and networking of existing AI testing and experimentation facilities in Member States.

Amendment

The Programme shall build up and strengthen core capacities of Artificial Intelligence and distributed ledger technologies in Europe including data resources and repositories of algorithms and making them accessible by all businesses and public administrations as well as reinforcement and networking of existing AI testing and experimentation facilities in Member States.
### Amendment 183
Proposal for a regulation
Annex 1 — part 4 — paragraph 1

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Programme shall support easy access <strong>to</strong> advanced digital skills, notably in HPC, AI, distributed ledgers (e.g. blockchain) and cybersecurity for the current and future labour force by offering students, recent graduates, and existing workers, wherever they are situated, with the means to acquire and develop these skills.</td>
<td>The Programme shall support easy access and <strong>training opportunities in</strong> advanced digital skills, notably in HPC, AI, distributed ledgers (e.g. blockchain) and cybersecurity for the current and future labour force by offering students, recent graduates or <strong>citizens of all ages in need of upskilling, jobseekers</strong> and existing workers, wherever they are situated, with the means to acquire and develop these skills.</td>
</tr>
</tbody>
</table>

### Amendment 184
Proposal for a regulation
Annex 1 — part 4 — paragraph 2 — point 1

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Access to on the job training by taking part in traineeships in competence centres and companies deploying advanced technologies.</td>
<td>1. Access to on the job training and <strong>blended learning opportunities</strong> by taking part in traineeships in competence centres and companies deploying advanced technologies.</td>
</tr>
</tbody>
</table>

### Amendment 185
Proposal for a regulation
Annex 1 — part 4 — paragraph 4

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>All interventions will be designed and implemented primarily through the Digital Innovation Hubs, as defined in Article 15.</td>
<td>All interventions will be designed and implemented primarily through the Digital Innovation Hubs, as defined in Article 16.</td>
</tr>
</tbody>
</table>

### Amendment 186
Proposal for a regulation
Annex 1 — part 5 — subpart 1 — point 1 — point 1.2

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.2. Support the design, piloting, deployment, maintenance and promotion of a coherent eco-system of cross-border digital services infrastructure and facilitate seamless end-to-end, secure, interoperable, multi-lingual, interoperable cross-border or cross-sector solutions and common frameworks within public administration. Methodologies for assessing the impact and benefits shall also be included.</td>
<td>1.2. Support the design, piloting, deployment, maintenance, <strong>expansion</strong> and promotion of a coherent eco-system of cross-border digital services infrastructure and facilitate seamless end-to-end, secure, interoperable, multi-lingual, interoperable cross-border or cross-sector solutions and common frameworks within public administration. Methodologies for assessing the impact and benefits shall also be included.</td>
</tr>
</tbody>
</table>
Amendment 187
Proposal for a regulation
Annex 1 — part 5 — subpart I — point 2 — point 2.1

Text proposed by the Commission

2.1. Ensure that EU citizens can access, share, use, and manage their personal health data securely across borders irrespective of their location or the location of the data. Complete the eHealth Digital Service Infrastructure and extend it by new digital services, support deployment of the European exchange format for electronic health records.

Amendment

2.1. Ensure that EU citizens can access, share, use, and manage their personal health data securely and in a way that guarantees their privacy across borders irrespective of their location or the location of the data. Complete the eHealth Digital Service Infrastructure and extend it by new digital services, support deployment of the European exchange format for electronic health records.

Amendment 188
Proposal for a regulation
Annex 1 — part 5 — subpart I — point 3

Text proposed by the Commission

3. Judiciary: Enable seamless and secure cross-border electronic communication within the judiciary and between the judiciary and other competent bodies in the area of civil and criminal justice. Improve access to justice and juridical information and procedures to citizens, businesses, legal practitioners and members of the judiciary with semantically interoperable interconnections to national databases and registers as well as facilitating the out-of-court dispute resolution online. Promote the development and implementation of innovative technologies for courts and legal practitioners based on artificial intelligence solutions which are likely to streamline and speed-up procedures (for example 'legal tech' applications).

Amendment

3. Judiciary: Enable seamless and secure cross-border electronic communication within the judiciary and between the judiciary and other competent bodies in the area of civil and criminal justice. Improve access to justice and juridical information and procedures to citizens, businesses, legal practitioners and members of the judiciary with semantically interoperable interconnections to databases and registers as well as facilitating the out-of-court dispute resolution online. Promote the development and implementation of innovative technologies for courts and legal practitioners based on artificial intelligence solutions which are likely to streamline and speed-up procedures (for example 'legal tech' applications).

Amendment 189
Proposal for a regulation
Annex 1 — part 5 — subpart I — point 4

Text proposed by the Commission

4. Transport, energy and environment: Deploy decentralised solutions and infrastructures required for large-scale digital applications such as smart cities or smart rural areas in support of transport, energy and environmental policies.

Amendment

4. Transport, energy and environment: Deploy decentralised solutions and infrastructures required for large-scale digital applications such as smart cities, smart rural areas or outermost regions in support of transport, energy and environmental policies.
Amendment 190
Proposal for a regulation
Annex 1 — part 5 — subpart II — title

Text proposed by the Commission

II Initial activities related to the **digitization** of industry:

Amendment

II Initial activities related to the **digitisation** of industry:

Amendment 191
Proposal for a regulation
Annex 2 — part 2 — point 2.2

Text proposed by the Commission

2.2 Number of companies and organisations **using AI**

Amendment

2.2 Number of companies and organisations **testing and experimenting with AI in co-operation with Digital Innovations Hubs**

Amendment 192
Proposal for a regulation
Annex 2 — part 2 — point 2.2 a (new)

Text proposed by the Commission

2.2a **Number of concrete AI applications supported by the programme that are being currently commercialised.**

Amendment

Amendment 193
Proposal for a regulation
Annex 2 — part 4 — point 4.1

Text proposed by the Commission

4.1 Number of ICT specialists trained and working

Amendment

4.1 Number of ICT specialists trained and working **each year in the Union**
Amendment 194
Proposal for a regulation
Annex 2 — part 4 — point 4.2

Text proposed by the Commission

4.2 Number of enterprises having difficulty recruiting ICT specialists

Amendment

4.2 Number of enterprises having difficulty recruiting ICT specialists each year in the Union

Amendment 195
Proposal for a regulation
Annex 2 — part 4 — point 4.2 b (new)

Text proposed by the Commission

4.2b Number of students, recent graduates and unemployed that have improved their status after training provided in the framework of the programme.

Amendment

Amendment 196
Proposal for a regulation
Annex 2 — part 5 — point 5.1

Text proposed by the Commission

5.1 Take-up of digital public services

Amendment

5.1 Frequency of take-up of digital public services

Amendment 197
Proposal for a regulation
Annex 2 — part 5 — point 5.2

Text proposed by the Commission

5.2 Enterprises with high digital intensity score

Amendment

5.2 Number of enterprises with high digital intensity score
Amendment 198
Proposal for a regulation
Annex 2 — part 5 — point 5.3

Text proposed by the Commission

5.3 Alignment of the National Interoperability Framework with the European Interoperability Framework

Amendment

5.3 Extent of alignment of the National Interoperability Framework with the European Interoperability Framework

Amendment 199
Proposal for a regulation
Annex 3 — point 1 — point b a (new)

Text proposed by the Commission

(ba) Digital Europe Programme shall actively create synergies with Horizon Europe around the sustainability of data originating from research projects;

Amendment

Amendment 200
Proposal for a regulation
Annex 3 — point 1 — point c

Text proposed by the Commission

(c) Digital Europe will invest in (i) digital capacity building in High Performance Computing, Artificial Intelligence, Cyber-security and advanced digital skills; and (ii) national and regional deployment within an EU framework of digital capacities and the latest digital technologies in areas of public interest (such as health, public administration, justice and education) or market failure (such as the digitisation of businesses, notably small and medium enterprises);

Amendment

(c) Digital Europe will invest in (i) digital capacity building in High Performance Computing, Artificial Intelligence, Cyber-security and advanced digital skills; and (ii) national, regional and local deployment within an EU framework of digital capacities and the latest digital technologies in areas of public interest (such as health, public administration, justice and education) or market failure (such as the digitisation of businesses, notably small and medium enterprises);
Amendment 201

Proposal for a regulation

Annex 3 — point 3 — point c

Text proposed by the Commission

(c) Digital Europe will invest in (i) digital capacity building in High Performance Computing, Artificial Intelligence, Cybersecurity and advanced digital skills; and (ii) national and regional deployment within an EU framework of digital capacities and the latest digital technologies in areas of public interest (such as health, public administration, justice and education) or market failure (such as the digitisation of businesses, notably small and medium enterprises);

Amendment

(c) Digital Europe will invest in (i) digital capacity building in High Performance Computing, Artificial Intelligence, distributed ledger technology, Cybersecurity and advanced digital skills; and (ii) national and regional deployment within an EU framework of digital capacities and the latest digital technologies in areas of public interest (such as health, public administration, justice and education) or market failure (such as the digitisation of businesses, notably small and medium enterprises);
The European Parliament,
— having regard to the draft Council Decision (07482/2018);
— having regard to the draft Amendment 1 to the Agreement on cooperation in the regulation of civil aviation safety between the United States of America and the European Community (07236/2017),
— having regard to the request for consent submitted by the Council in accordance with Article 100(2) and Article 218(6), second subparagraph, point (a) of the Treaty on the Functioning of the European Union (C8-0157/2018);
— having regard to Rule 99(1) and (4) and Rule 108(7) of its Rules of Procedure;
— having regard to the recommendation of the Committee on Transport and Tourism (A8-0432/2018);
1. Gives its consent to conclusion of the agreement;
2. Instructs its President to forward its position to the Council and Commission, and the governments and parliaments of the Member States and the United States of America.
The European Parliament,

— having regard to the Commission proposal to the Council (COM(2018)0148),
— having regard to Article 113 of the Treaty on the Functioning of the European Union, pursuant to which the Council consulted Parliament (C8-0137/2018),
— having regard to the reasoned opinions submitted, within the framework of Protocol No 2 on the application of the principles of subsidiarity and proportionality, by the Danish Parliament, the Irish Houses of the Oireachtas, the Maltese Parliament and the Netherlands House of Representatives, asserting that the draft legislative act does not comply with the principle of subsidiarity,
— having regard to Rule 78c of its Rules of Procedure,
— having regard to the report of the Committee on Economic and Monetary Affairs (A8-0428/2018),

1. Approves the Commission proposal as amended;
2. Calls on the Commission to alter its proposal accordingly, in accordance with Article 293(2) of the Treaty on the Functioning of the European Union;
3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
4. Asks the Council to consult Parliament again if it intends to substantially amend the Commission proposal;
5. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Common system of a digital services tax on revenues resulting from the provision of certain digital services *

European Parliament legislative resolution of 13 December 2018 on the proposal for a Council directive on the common system of a digital services tax on revenues resulting from the provision of certain digital services


(Special legislative procedure — consultation)

(2020/C 388/47)
Amendment 1
Proposal for a directive
Recital 1

Text proposed by the Commission

(1) The global economy is rapidly becoming digital and, as a result, new ways of doing business have emerged. Digital companies are characterised by the fact that their operations are strongly linked to the internet. In particular, digital business models rely to a large extent on the ability to conduct activities remotely and with limited or no physical presence, on the contribution of end-users to value creation, and on the importance of intangible assets.

Amendment

(1) The global economy is rapidly becoming digital and, as a result, new ways of doing business have emerged. Digital companies are characterised by the fact that their operations are strongly linked to the internet. In particular, digital business models rely to a large extent on the ability to conduct activities remotely and with limited or no physical or taxable presence in a given country, on the contribution of end-users to value creation, and on the importance of intangible assets.

Amendment 2
Proposal for a directive
Recital 2

Text proposed by the Commission

(2) The current corporate taxation rules were mainly developed during the 20th century for traditional businesses. They are based on the idea that taxation should take place where value is created. However, the application of the current rules to the digital economy has led to a misalignment between the place where profits are taxed and the place where value is created, notably in the case of business models heavily reliant on user participation. It has therefore become evident that the current corporate tax rules for taxing the profits of the digital economy are inadequate and need to be reviewed.

Amendment

(2) The current corporate taxation rules were mainly developed during the 20th century for traditional businesses. They are based on the idea that taxation should take place where value is created. However, the application of the current rules to the digital economy has led to a misalignment between the place where profits are taxed and the place where value is created, notably in the case of business models heavily reliant on user participation. Digitalisation has changed the role of users, allowing them to become increasingly involved in the value creation process. It has therefore become evident that the current corporate tax rules for taxing the profits of the digital economy are not taking this new factor into account and urgently need to be reviewed.
Amendment 3
Proposal for a directive
Recital 2 a (new)

Text proposed by the Commission

The objective is to close the gap between taxation of digital revenues and traditional revenues. Currently, on average, digital businesses face an effective tax rate of only 9.5%, compared to 23.2% for traditional business models (\(^1a\)). A taxation system must be fair and beneficial to society as a whole. There should be a level playing field for all companies operating in the Single Market.

\(^{1a}\) Source: Computations from the Impact Assessment of the European Commission, based on ZEW (2016, 2017) and ZEW et al. (2017).

Amendment

(2a) The objective is to close the gap between taxation of digital revenues and traditional revenues. Currently, on average, digital businesses face an effective tax rate of only 9.5%, compared to 23.2% for traditional business models (\(^{1a}\)). A taxation system must be fair and beneficial to society as a whole. There should be a level playing field for all companies operating in the Single Market.

\(^{1a}\) Source: Computations from the Impact Assessment of the European Commission, based on ZEW (2016, 2017) and ZEW et al. (2017).

Amendment 4
Proposal for a directive
Recital 3

Text proposed by the Commission

That review constitutes an important element of the Digital Single Market (\(^3\)), given that the Digital Single Market needs a modern and stable tax framework for the digital economy to stimulate innovation, tackle market fragmentation and allow all players to tap into the new market dynamics under fair and balanced conditions.


Amendment

(3) That review constitutes an important element of the Digital Single Market (\(^3\)), given that the Digital Single Market needs a fair, modern and stable tax framework for the digitalised economy to stimulate innovation and inclusive growth, tackle market fragmentation and allow all players to tap into the new market dynamics under fair and balanced conditions. Digitalisation affects the whole economy, which goes beyond the creation of a digital services tax; thus tax rules should be reformed. The ad hoc measures contained in this Directive should not delay works on the taxation of a significant digital presence and on the inclusion of such taxation within a Common Consolidated Corporate Tax Base.

Given the problem of taxing the digital economy is of a global nature, the ideal approach would be to find a multilateral, international solution to it. The Commission is actively engaged in the international debate for that reason. Work at the OECD is currently ongoing. However, progress at international level is challenging. Hence, action is being taken to adapt the corporate tax rules at Union level (6) and to encourage agreements to be reached with non-Union jurisdictions (7), so that the corporate tax framework can be made to fit the new digital business models. Coherence with the Base Erosion and Profit Shifting (BEPS) Inclusive Framework should be ensured, to guarantee no deviation from international standards and to avoid multiplied complexity.

(5) Given the problem of taxing the digital economy is of a global nature, the ideal approach would be to find a multilateral, international solution to it. The Commission is actively engaged in the international debate for that reason. Work at the OECD, the International Monetary Fund (IMF), the United Nations (UN) and the World Bank Group (WBG), which form the platform for Collaboration on Tax is currently ongoing. However, progress at international level is challenging. Hence, action is being taken to adapt the corporate tax rules at Union level (6) and to encourage agreements to be reached with non-Union jurisdictions (7), so that the corporate tax framework can be made to fit the new digital business models. Coherence with the Base Erosion and Profit Shifting (BEPS) Inclusive Framework should be ensured, to guarantee no deviation from international standards and to avoid multiplied complexity.


Amendment 6
Proposal for a directive

Recital 6

(6) Pending such action, which may take time to adopt and implement, Member States face pressure to act on this issue, given the risk that their corporate tax bases are being significantly eroded over time. Uncoordinated measures taken by Member States individually can fragment the Single Market and distort competition, hampering the development of new digital solutions and the Union's competitiveness as a whole. This is why it is necessary to adopt a harmonised approach on an interim solution that will tackle this issue in a targeted way until a comprehensive solution is in place.

Amendment 6
Proposal for a directive

Recital 7

(7) That interim solution should establish the common system of a digital services tax (DST) on revenues resulting from the supply of certain digital services by certain entities. It should be an easy-to-implement measure targeting the revenues stemming from the supply of digital services where users contribute significantly to the process of value creation. Such factor (user value creation) also underpins the action with respect to corporate tax rules, as described in recital (5).
### Amendment 8

**Proposal for a directive**

**Recital 9**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>DST should be applied to revenues resulting from the provision of <strong>certain</strong> digital services <strong>only</strong>. <em>The digital services should be ones</em> that are largely reliant on user value creation <strong>where</strong> the difference between the place where the profits are taxed and the place where the users are established is typically greatest. <strong>It is the revenues obtained from the processing of user input that should be taxed, not the user participation in itself.</strong></td>
<td>DST should be applied to revenues resulting from the provision of digital services that are largely reliant on user value creation <em>and on their ability to deliver services with no or a very limited physical presence</em>. In these cases, the difference between the place where the profits are taxed and the place where the users are established is typically greatest.</td>
</tr>
</tbody>
</table>

### Amendment 9

**Proposal for a directive**

**Recital 10**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>In particular, taxable revenues should be those resulting from the provision of the following <strong>services</strong>: (i) the placing on a digital interface of advertising targeted at users of that interface; (ii) the making available of multi-sided digital interfaces which allow users to find other users and to interact with them, and which may also facilitate the provision of underlying supplies of goods or services directly between users (sometimes referred to as ‘intermediation’ services); and (iii) the transmission of data collected about users and generated from such users’ activities on digital interfaces. If no revenues are obtained from the supply of such services, there should be no DST liability. Other revenues obtained by the entity providing such services but not directly stemming from such supplies should also fall outside the scope of the tax.</td>
<td>In particular, taxable revenues should be those resulting from the provision of the following: (i) the placing on a digital interface of advertising targeted at users of that interface; (ii) the making available of multi-sided digital interfaces which allow users to find other users and to interact with them, and which may also facilitate the provision of underlying supplies of goods or services directly between users (sometimes referred to as ‘intermediation’ services); (iii) processing, transmission and sale of data collected about users and generated from such users’ activities on digital interfaces; and (iv) the supply of digital content such as video, audio, games or texts. If no revenues are obtained from the supply of such content, goods and services, there should be no DST liability. Other revenues obtained by the entity providing such services but not directly stemming from such supplies should also fall outside the scope of the tax.</td>
</tr>
</tbody>
</table>
Amendment 10
Proposal for a directive
Recital 13

Text proposed by the Commission

(13) For cases involving multi-sided digital interfaces that facilitate an underlying supply of goods or services directly between users of the interface, the underlying transactions and the revenues obtained by users from those transactions should remain outside the scope of the tax. The revenues resulting from retail activities consisting in the sale of goods or services which are contracted online via the website of the supplier of such goods or services, and where the supplier does not act as an intermediary, should also be outside the scope of DST because the value creation for the retailer lies with the goods or services provided and the digital interface is only used as a means of communication. Whether a supplier is selling goods or services online on his own account or providing intermediation services would be determined by taking into account the legal and economic substance of a transaction, as reflected in the arrangements between the relevant parties. For instance, a supplier of a digital interface where third-party goods are made available could be said to provide an intermediation service (in other words, the making available of a multi-sided digital interface) where no significant inventory risks are assumed, or where it is the third party effectively setting the price of such goods.

Amendment

(13) For cases involving multi-sided digital interfaces that facilitate an underlying supply of goods or services directly between users of the interface, the underlying transactions and the revenues obtained by users from those transactions should remain outside the scope of the tax. The revenue resulting from retail activities consisting in the sale of goods or services which are contracted online via the website of the supplier of such goods or services, and where the supplier does not act as an intermediary, should also be outside the scope of DST. However, given that it is possible to process user data through a digital interface and thereby create further value from the transaction, and because the absence of physical presence may create opportunity for aggressive tax planning, the enlargement of the scope of those services should be considered during the review of this Directive.

Amendment 11
Proposal for a directive
Recital 14

Text proposed by the Commission

(14) Services consisting in the supply of digital content by an entity through a digital interface should be excluded from the scope of the tax, regardless of whether the digital content is owned by that entity or that entity has acquired the rights to distribute it. Even if some sort of interaction between the recipients of such digital content may be allowed and therefore the supplier of such services could be seen as making available a multi-sided digital interface, it is less clear that the user plays a central role in the creation of value for the company supplying the digital content. Instead, the focus from the perspective of value creation is on the digital content itself which is supplied by the entity. Therefore the revenues obtained from such supplies should fall outside the scope of the tax.

Amendment

(14) Services consisting in the supply of digital content by an entity through a digital interface should be included in the scope of the tax, regardless of whether the digital content is owned by that entity or that entity has acquired the rights to distribute it. The revenues obtained from such supplies should be evaluated by the Commission within...[two years of the date of entry into force of this Directive].
Amendment 12
Proposal for a directive
Recital 15

Text proposed by the Commission

(15) Digital content should be defined to mean data supplied in digital form, such as computer programmes, applications, games, music, videos or texts, irrespective of whether they are accessed through downloading or streaming, and other than the data represented by a digital interface itself. This is to capture the different forms which digital content can take when acquired by a user, which does not alter the fact that the sole or main purpose from the user’s perspective is the acquisition of the digital content.

Amendment

(15) Digital content should be defined to mean data supplied in digital form, such as computer programmes, applications, games, music, videos or texts, irrespective of whether they are accessed through downloading or streaming, and other than the data represented by a digital interface itself.

Amendment 13
Proposal for a directive
Recital 15 a (new)

Text proposed by the Commission

Amendment

(15a) Digital companies tend to invest less in buildings and machinery than regular companies do.

Amendment 14
Proposal for a directive
Recital 16

Text proposed by the Commission

Amendment

deleted

(16) The service described in recital (14) should be distinguished from a service consisting in the making available of a multi-sided digital interface through which users can upload and share digital content with other users, or the making available of an interface that facilitates an underlying supply of digital content directly between users. These latter services constitute a service of intermediation and should therefore fall within the scope of DST, regardless of the nature of the underlying transaction.
Amendment 15
Proposal for a directive

Recital 17

(17) Taxable services consisting in the transmission of data collected about users should cover only data which has been generated from such users' activities in digital interfaces, but not data which has been generated from sensors or other means and collected digitally. This is because the services within the scope of DST should be those using digital interfaces as a way to create user input which they monetise, rather than services using interfaces only as a way to transmit data generated otherwise. DST should therefore not be a tax on the collection of data, or the use of data collected by a business for the internal purposes of that business, or the sharing of data collected by a business with other parties for no consideration. What DST should target is the generation of revenues from the transmission of data obtained from a very specific activity (users' activities on digital interfaces).

Amendment 16
Proposal for a directive

Recital 22

(22) Only certain entities should qualify as taxable persons for the purposes of DST, regardless of whether they are established in a Member State or in a non-Union jurisdiction. In particular, an entity should qualify as a taxable person only if it meets both of the following conditions: (i) the total amount of worldwide revenues reported by the entity for the latest complete financial year for which a financial statement is available exceeds EUR 750 000 000; and (ii) the total amount of taxable revenues obtained by the entity within the Union during that financial year exceeds EUR 50 000 000.
Amendment 17
Proposal for a directive
Recital 23

(23) The first threshold (total annual worldwide revenues) should limit the application of DST to the companies of a certain scale, which are the ones mainly able to provide those digital services for which user contribution plays a fundamental role, and which heavily rely on extensive user networks, large user traffic, and the exploitation of a strong market position. Such business models, which depend on user value creation for obtaining revenues and are only viable if carried out by companies with a certain size, are the ones responsible for the higher difference between where their profits are taxed and where value is created. Moreover, the opportunity of engaging in aggressive tax planning lies with larger companies. That is why the same threshold has been proposed in other Union initiatives (9). Such a threshold is also intended to bring legal certainty, given that it would make it easier and less costly for companies and tax authorities to determine whether an entity is liable to DST. It also excludes small enterprises and start-ups for which the compliance burdens of the new tax would be likely to have a disproportionate effect.


Amendment 18
Proposal for a directive
Recital 27

(27) In order to alleviate possible cases of double taxation where the same revenues are subject to the corporate income tax and DST, it is expected that Member States will allow businesses to deduct the DST paid as a cost from the corporate income tax base in their territory, irrespective of whether both taxes are paid in the same Member State or in different ones.
Amendment 19
Proposal for a directive
Recital 29

Text proposed by the Commission

(29) Where the users with respect of a given taxable service are located in different Member States or non-Union jurisdictions, the relevant taxable revenues obtained from that service should be allocated to each Member State in a proportional way on the basis of certain specific allocation keys. Such keys should be set out depending on the nature of each taxable service and the distinctive elements triggering the receipt of revenues for the provider of such a service.

Amendment

(29) Where the users with respect of a given taxable service are located in different Member States or non-Union jurisdictions, the relevant taxable revenues obtained from that service should be allocated to each Member State in a proportional way on the basis of certain specific allocation keys. Such keys should be set out depending on the nature of each taxable service and the distinctive elements triggering the receipt of revenues for the provider of such a service. Where the allocation key results in an imbalanced apportionment that fails to reflect the real economic activity, a dispute resolution mechanism could remedy such a situation. In light of the foregoing, the Commission should assess the possible establishment of a dispute resolution mechanism in order to ensure the proper resolution of disputes when different Member States are involved.

Amendment 20
Proposal for a directive
Recital 30

Text proposed by the Commission

(30) In the case of a taxable service consisting in the placing of advertising on a digital interface, the number of times an advertisement has appeared on users’ devices in a tax period in a Member State should be taken into account for the purposes of determining the proportion of taxable revenues to be allocated in that tax period to that Member State.

Amendment

(30) In the case of a taxable service consisting in the placing of advertising or supplying content on a digital interface, or the number of times an advertisement or digital content has appeared on users’ devices in a tax period in a Member State should be taken into account for the purposes of determining the proportion of taxable revenues to be allocated in that tax period to that Member State.

Amendment 22
Proposal for a directive
Recital 32

Text proposed by the Commission

(32) As regards the transmission of data collected about users, the allocation of taxable revenues in a tax period to a Member State should take into account the number of users from whom data transmitted in that tax period has been generated as a result of such users having used a device in that Member State.

Amendment

(32) As regards the processing, sale or transmission of data collected about users, the allocation of taxable revenues in a tax period to a Member State should take into account the number of users from whom data exploited, sold or transmitted in that tax period has been generated as a result of such users having used a device in that Member State.
Amendment 23
Proposal for a directive
Recital 34

Any processing of personal data carried out in the context of DST should be conducted in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council (10), including that which may be necessary in relation to Internet Protocol (IP) addresses or other means of geolocation. In particular, regard should be given to the need to provide appropriate technical and organisational measures to comply with the rules relating to the lawfulness and security of processing activities, the provision of information and the rights of data subjects. Whenever possible, personal data should be rendered anonymous.


Amendment 24
Proposal for a directive
Recital 35

The taxable revenues should be equal to the total gross revenues obtained by a taxable person, net of value added tax and other similar taxes. Taxable revenues should be recognised as obtained by a taxable person at the time when they become due, regardless of whether they have actually been paid by then. DST should be chargeable in a Member State on the proportion of taxable revenues obtained by a taxable person in a tax period that is treated as obtained in that Member State, and should be calculated by applying the DST rate to that proportion. There should be a single DST rate at Union level in order to avoid distortions in the Single Market. The DST rate should be set at 3 %, which achieves an appropriate balance between revenues generated by the tax and accounting for the differential DST impact for businesses with different profit margins.

(35) The taxable revenues should be equal to the total gross revenues obtained by a taxable person, net of value added tax and other similar taxes. Taxable revenues should be recognised as obtained by a taxable person at the time when they become due, regardless of whether they have actually been paid by then. DST should be chargeable in a Member State on the proportion of taxable revenues obtained by a taxable person in a tax period that is treated as obtained in that Member State, and should be calculated by applying the DST rate to that proportion. There should be a single DST rate at Union level in order to avoid distortions in the Single Market. The DST rate set at 3 % is to achieve an appropriate balance between revenues generated by the tax and accounting for the differential DST impact for businesses with different profit margins.
Amendment 26
Proposal for a directive
Recital 37

Text proposed by the Commission

(37) Member States should be able to lay down accounting, record-keeping or other obligations aimed at ensuring that the DST due is effectively paid, as well as other measures to prevent tax evasion, avoidance and abuse.

Amendment

(37) Member States should be able to lay down accounting, record-keeping or other obligations aimed at ensuring that the DST due is effectively paid, as well as other measures, including penalties and sanctions, to prevent tax evasion, avoidance and abuse.

Amendment 27
Proposal for a directive
Recital 37 a (new)

Text proposed by the Commission

(37a) Total DST paid by a taxable person per Member State should be a part of the system of country-by-country reporting.

Amendment

Amendment 28
Proposal for a directive
Recital 38 a (new)

Text proposed by the Commission

(38a) In case a taxable person is liable to DST in more than one Member State, the Commission should audit, every three years, the DST return filed with the Member State of identification.
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Amendment 32
Proposal for a directive
Recital 41

Text proposed by the Commission

(41) The objectives of this Directive aim at protecting the integrity of the Single Market, ensuring its proper functioning and avoiding distortion of competition. Since those objectives, by their very nature, cannot be sufficiently achieved by Member States but can rather be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives.

Amendment

(41) The objectives of this Directive aim at protecting the integrity of the Single Market, ensuring its fair and proper functioning and avoiding distortion of competition. Since those objectives, by their very nature, cannot be sufficiently achieved by Member States but can rather be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives.

Amendment 33
Proposal for a directive
Article 2 — paragraph 1 — point 7 a (new)

Text proposed by the Commission

(7a) ‘processing of data’ means any operation or set of operations which is performed on personal data or on sets of personal data, whether or not by automated means, such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.

Amendment

(7a) ‘processing of data’ means any operation or set of operations which is performed on personal data or on sets of personal data, whether or not by automated means, such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.

Amendment 34
Proposal for a directive
Article 3 — paragraph 1 — point c

Text proposed by the Commission

(c) the transmission of data collected about users and generated from users’ activities on digital interfaces.

Amendment

(c) the processing and transmission of data collected about users and generated from users’ activities on digital interfaces;
Amendment 35
Proposal for a directive
Article 3 — paragraph 1 — point ca (new)

Text proposed by the Commission

Amendment

(ca) the making available to users of content on a digital interface such as video, audio, games or texts using a digital interface.

Amendment 36
Proposal for a directive
Article 3 — paragraph 4 — point a

Text proposed by the Commission

Amendment

(a) the making available of a digital interface where the sole or main purpose of making the interface available is for the entity making it available to supply digital content to users or to supply communication services to users or to supply payment services to users;

(a) the making available of a digital interface where the sole or main purpose of making the interface available is for the entity making it available to supply communication services to users or to supply payment services to users, as long as no further revenues are generated thanks to the processing, transmission or sale of users' data;

Amendment 37
Proposal for a directive
Article 4 — paragraph 1 — point b

Text proposed by the Commission

Amendment

(b) the total amount of taxable revenues obtained by the entity within the Union during the relevant financial year exceeds EUR 50 000 000.

(b) the total amount of taxable revenues obtained by the entity within the Union during the relevant financial year exceeds EUR 40 000 000.

Amendment 38
Proposal for a directive
Article 5 — paragraph 2 — point ca (new)

Text proposed by the Commission

Amendment

(ca) in the case of a service falling within point (ca) of Article 3(1), the digital content in question appears on the user's device at a time when the device is being used in that Member State in that tax period to access a digital interface.
Amendment 39  
Proposal for a directive  
Article 5 — paragraph 6

Text proposed by the Commission

6. The data that may be collected from users for the purposes of applying this Directive shall be limited to data indicating the Member State where the users are located, without allowing for the identification of those users.

Amendment

6. The data that may be collected from users for the purposes of applying this Directive shall be limited to data indicating the Member State where the users are located, without allowing for the identification of those users. Any processing of personal data carried out in the context of DST shall be conducted in accordance with Regulation (EU) 2016/679, including processing which may be necessary in relation to Internet Protocol (IP) addresses or other means of geolocation.

Amendment 40  
Proposal for a directive  
Article 5 — paragraph 6 a (new)

Text proposed by the Commission

Amendment

6a. The Commission shall analyse whether the establishment of a dispute resolution mechanism would further increase the effectiveness and efficiency of the settlement of disagreements between Member States. The Commission shall submit a report thereon to the European Parliament and the Council, including, if appropriate, a legislative proposal.

Amendment 41  
Proposal for a directive  
Article 8 — paragraph 1

Text proposed by the Commission

Amendment

The DST rate shall be 3 %.

The DST rate shall be set at 3 %.

Amendment 42  
Proposal for a directive  
Article 10 — paragraph 3 — subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Where point (b) of this paragraph applies, the Commission shall every three years carry out an audit of the DST return filed with the Member State of identification.
Amendment 43
Proposal for a directive
Article 13 — paragraph 2

Text proposed by the Commission

2. However, if the taxable person ceases to be liable to DST in that Member State of identification chosen under Article 10(3) (b), the taxable person shall change its Member State of identification in accordance with the requirements of Article 10.

Amendment

2. However, if the taxable person ceases to be liable to DST in that Member State of identification chosen under Article 10(3) (b), the taxable person shall change its Member State of identification in accordance with the requirements of Article 10, without prejudice to paragraph 2a.

Amendment 44
Proposal for a directive
Article 13 — paragraph 2 a (new)

Text proposed by the Commission

2a. If the taxable person ceases to be liable to DST in the Member State of identification chosen under point (b) of Article 10(3), the taxable person may decide to keep the Member State of identification initially chosen, given that the taxable person may be liable to DST in that Member State again in the next tax period. If the taxable person is not liable to DST in that Member State for more than two consecutive tax periods, it shall change its Member State of identification in accordance with the requirements of Article 10.

Amendment

Amendment 45
Proposal for a directive
Article 17 — paragraph 2

Text proposed by the Commission

2. The amendments referred to in paragraph 1 shall be submitted electronically to the Member State of identification within three years of the date on which the initial return was required to be submitted. Amendments after such period shall be governed by the rules and procedures applicable in each Member State respectively where DST is due.

Amendment

2. The amendments referred to in paragraph 1 shall be submitted electronically to the Member State of identification within two years of the date on which the initial return was required to be submitted. Amendments after such period shall be governed by the rules and procedures applicable in each Member State respectively where DST is due.
Amendment 46
Proposal for a directive
Article 18 — paragraph 3

Text proposed by the Commission

3. Member States may adopt measures to prevent tax evasion, avoidance and abuse with respect to DST.

Amendment

3. Member States shall adopt measures, including penalties and sanctions, to prevent tax evasion, avoidance and abuse with respect to DST.

Amendment 47
Proposal for a directive
Article 18 — paragraph 5a (new)

Text proposed by the Commission

5a. After adoption of this Directive, the Commission shall make a legislative proposal to include in Directive 2013/34/EU as regards disclosure of income tax information by certain undertakings and branches, providing for the total amount of DST paid by a taxable person to the different Member States to be added to the list of obligatory country-by-country reporting standards.

Amendment 48
Proposal for a directive
Chapter 4 — title

Text proposed by the Commission

ADMINISTRATIVE COOPERATION

Amendment

ADMINISTRATIVE COOPERATION AND MANDATORY EXCHANGE OF INFORMATION

Amendment 49
Proposal for a directive
Article - 20 (new)

Text proposed by the Commission

Article - 20

Automatic and mandatory exchange of information

In order for tax authorities to assess tax due properly and to ensure the proper and uniform implementation of this Directive, the exchange of information on tax matters shall be automatic and mandatory, as laid down by Council directive 2011/16/EU. Member States shall allocate adequate staff, expertise and budget resources to their national tax administrations as well as resources for the training of tax administration staff focusing on cross-border tax cooperation and on the automatic exchange of information in order to ensure full implementation of this Directive.
Amendment 50
Proposal for a directive
Article 24 a (new)

Text proposed by the Commission

Amendment

Article 24a

Report and review

Two years after...[the date of entry into force of this Directive], the Commission shall make an assessment of the application of this Directive and present a report to the European Parliament and the Council, accompanied, where appropriate, by proposals for its review in accordance with the principles of fair taxation of the digital sector.

In particular, the Commission shall assess:

(a) the increase in the DST rate from 3% to 5% together with a corresponding tax allowance in order to limit the difference in effective tax rates between traditional and digital companies;

(b) the scope of the DST, including an increase in such scope to include the sale of goods or services which are contracted online via digital interfaces;

(c) the amount of tax paid in each Member State;

(d) the type of digital activities within the scope of this Directive;

(e) the potential tax planning practices that were applied by entities to avoid paying the DST;

(f) the functioning of the One-Stop-Shop, the cooperation between Member States; and

(g) the overall impact on the internal market taking into account potential distortion of competition.

Amendment 51
Proposal for a directive
Article 24 b (new)

Text proposed by the Commission

Amendment

Article 24b

Reporting obligations

Member States shall report every year to the Commission relevant figures and information on the payment of the DST by entities, the functioning of the OSS and the cooperation with other Member States for tax collection and payment.
Amendment 52
Proposal for a directive
Article 25 a (new)

Text proposed by the Commission

Article 25a

Sunset clause conditional on permanent measures

The DST is a temporary measure awaiting a permanent solution; therefore, this Directive shall expire with the adoption of the earlier of:

(a) the Council Directive laying down rules relating to the corporate taxation of a significant digital presence;

(b) the Council Directives on a Common Consolidated Corporate Tax Base and Common Corporate Tax Base including the digital permanent establishment as proposed in the legislative resolutions of the European Parliament of 15 March 2018 on the proposal for a Council directive on a Common Corporate Tax Base and on the proposal for a Council directive on a Common Consolidated Corporate Tax Base respectively; or

(c) a Directive that implements political agreement reached in international fora such as the OECD or the UN.
Corporate taxation of a significant digital presence *


(Special legislative procedure — consultation)

(2020/C 388/48)

The European Parliament,
— having regard to the Commission proposal to the Council (COM(2018)0147),
— having regard to Article 115 of the Treaty on the Functioning of the European Union, pursuant to which the Council consulted Parliament (C8-0138/2018),
— having regard to the reasoned opinions submitted, within the framework of Protocol No 2 on the application of the principles of subsidiarity and proportionality, by the Danish Parliament, the Irish Houses of the Oireachtas, the Maltese Parliament and the Netherlands House of Representatives, asserting that the draft legislative act does not comply with the principle of subsidiarity,
— having regard to Rule 78c of its Rules of Procedure,
— having regard to the report of the Committee on Economic and Monetary Affairs (A8-0426/2018),
1. Approves the Commission proposal as amended;
2. Calls on the Commission to alter its proposal accordingly, in accordance with Article 293(2) of the Treaty on the Functioning of the European Union;
3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
4. Asks the Council to consult Parliament again if it intends to substantially amend the Commission proposal;
5. Instructs its President to forward its position to the Council, the Commission and the national parliaments.
Amendment 1
Proposal for a directive
Recital 1

Text proposed by the Commission

(1) Rapid transformation of the global economy as a result of digitalisation is putting new pressures on corporate tax systems both at Union level and internationally, and calling into question the ability to establish where digital companies should pay their taxes and how much they should pay. Although the need to adapt corporate tax rules to the digital economy is recognised at international level by bodies such as the G20, reaching an agreement at global level is likely to be challenging.

Amendment

(1) Rapid transformation of the global economy as a result of digitalisation is putting new pressures on corporate tax systems both at Union level and internationally, and calling into question the ability to establish where digital companies should pay their taxes and how much they should pay. Although the need to adapt corporate tax rules to the digital economy is recognised at international level by bodies such as the G20, reaching an agreement at global level is likely to be challenging and not taking place in the near future.

Amendment 2
Proposal for a directive
Recital 1 a (new)

Text proposed by the Commission

(1a) In the digital age, now that data has become a new economic resource in addition to labour and traditional resources in the past, and as too often multinational companies that heavily rely upon digital activities make tax arrangements allowing them to avoid or evade taxes, a new approach needs to be developed in order to have a fair and sustainable system of digital taxation, which will ensure digital companies to pay their taxes where their real economic activity occurs.

Amendment

(1a) In the digital age, now that data has become a new economic resource in addition to labour and traditional resources in the past, and as too often multinational companies that heavily rely upon digital activities make tax arrangements allowing them to avoid or evade taxes, a new approach needs to be developed in order to have a fair and sustainable system of digital taxation, which will ensure digital companies to pay their taxes where their real economic activity occurs.
Amendment 3
Proposal for a directive
Recital 2

Text proposed by the Commission

The Base Erosion and Profit Shifting (BEPS) Action 1 report on 'Addressing the Tax Challenges of the Digital Economy' released by the OECD in October 2015 set out various different approaches for taxing the digital economy which were further examined in the OECD 'Tax challenges Arising from Digitalisation — Interim Report 2018'. As the digital transformation of the economy accelerates there is a growing need to find solutions to ensure a fair and effective taxation of digital companies.

Amendment

The Base Erosion and Profit Shifting (BEPS) Action 1 report on 'Addressing the Tax Challenges of the Digital Economy' released by the OECD in October 2015 set out various different approaches for taxing the digital economy which were further examined in the OECD 'Tax challenges Arising from Digitalisation — Interim Report 2018'. As the digital transformation of the economy accelerates there is a growing need to find solutions to ensure a fair and effective taxation of digital companies. However, to date the OECD work on taxing the digital economy has not resulted in sufficient progress which illustrates the need to advance on this matter at Union level. Notwithstanding the difficulties of reaching a global agreement and the action taken by the Union with this Directive, such an agreement should still be pursued with great effort. In the absence of a common Union approach, however, Member States will adopt unilateral solutions, which will lead to regulatory uncertainty and which will be difficult for companies which operate cross-border and for tax authorities. As called for by the European Parliament’s Committee of Inquiry into Money Laundering, Tax Avoidance and Tax Evasion (PANA) and by its Special Committee on Tax Rulings and Other Measures Similar in Nature or Effect (TAXE2), an empowered UN tax body should be installed to serve as the forum for debates and discussions on global agreements and other matters related to the international tax system.

Amendment 4
Proposal for a directive
Recital 3 a (new)

Text proposed by the Commission

The European Parliament concluded in its final reports of the Committee of Inquiry into Money Laundering, Tax Avoidance and Tax Evasion and the Special Committees on Tax Rulings and Other Measures Similar in Nature or Effect the need to address the tax challenges connected to the digital economy.
(4) The European Council Conclusions of 19 October 2017 underlined the need for an effective and fair taxation system fit for the digital era and looked forward to appropriate Commission proposals by early 2018 (15). The ECOFIN Council Conclusions of 5 December 2017 underlined that a globally accepted definition of permanent establishment and the related transfer pricing and profit attribution rules should also remain pivotal when addressing the challenges of taxation of profits of the digital economy and encourages “close cooperation between the EU, the OECD and other international partners in responding to the challenges of taxation of profits of the digital economy” (16). In this regard, Member States should be required to include rules in their national corporate income tax systems in order to exercise their taxing rights. Therefore, the various applicable corporate taxes in the Member States should be clarified. These rules should extend the definition of a permanent establishment and establish a taxable nexus for a significant digital presence in their respective jurisdictions. In addition, general principles for allocating taxable profits to such a digital presence should be laid down. In principle, those rules should apply to all corporate taxpayers irrespective of where they are tax resident, whether in the Union or elsewhere. Furthermore, the common rules set out in this Directive call for a broader harmonisation of the corporate tax base in the Union for all corporations. This is why this Directive should not hamper or delay works on the proposal for a Common Consolidated Corporate Tax Base.

(15) European Council meeting (19 October 2017) — Conclusions (doc. EUCO 14/17).
(16) Council conclusions (5 December 2017) — Responding to the challenges of taxation of profits of the digital economy (FISC 346 ECOFIN 1092).
However, the rules should not apply to entities that are tax resident in a non-Union jurisdiction with which the Member State of the significant digital presence has a Double Tax Convention in force, unless the Convention includes provisions on a significant digital presence which creates similar rights and obligations in relation to the non-Union jurisdiction as are created by this Directive. This is to avoid any conflict with Double Tax Conventions with non-Union jurisdictions, given that non-Union jurisdictions are not generally bound by Union law.
A key objective of this Directive is to improve the resilience of the internal market as a whole in order to address the challenges of taxation of the digitalised economy, while respecting the principle of tax neutrality but also the free movement of services within the Single Market and without discriminating between Union and non-Union companies. This objective cannot be sufficiently achieved by the Member States acting individually because digital businesses are able to operate cross-border without having any or having only a small physical presence in a jurisdiction and rules are therefore needed to ensure that they pay taxes in the jurisdictions where they make profits. Given this cross-border dimension an initiative at Union level adds value in comparison with what a multitude of national measures could attain. A common initiative across the internal market is required to ensure a harmonised application of the rules on a significant digital presence within the Union. Unilateral and divergent approaches by each Member State could be ineffective and fragment the Single Market by creating national policy clashes, distortions and tax obstacles for businesses in the Union. Hence, specific attention should be paid to ensuring that the Union approach is fair and not discriminatory against any particular Member State. Since the objectives of this Directive can be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives.
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<td>Recital 8 a (new)</td>
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Text proposed by the Commission

| Amendment                        | (8a) In order to set up a coherent and consistent tax base framework for all corporations, the concept of a significant digital presence and the solutions presented in this Directive should also become an integral part of the Council Directives on a Common Corporate Tax Base and on a Common Consolidated Corporate Tax Base. |

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Text proposed by the Commission

| Amendment                        | (8b) If this proposal does not result in an agreement and therefore fails to eliminate distortions of competition and tax obstacles for businesses in the Union, the Commission should issue a new proposal based on Article 116 of the Treaty on the Functioning of the European Union, whereby the European Parliament and the Council act in accordance with the ordinary legislative procedure to issue the necessary directives. |
Amendment 11
Proposal for a directive
Recital 9

(9) It is necessary that any processing of personal data carried out in the context of this Directive, should be conducted in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council (\(^{(17)}\)), including obligations to provide appropriate technical and organisational measures to comply with the obligations imposed by that Regulation, in particular those relating to the lawfulness of the processing, the security of the processing activities, the provision of information and the rights of data subjects, data protection by design and by default. Whenever possible, personal data should be rendered anonymous.

Amendment 12
Proposal for a directive
Recital 10

Text proposed by the Commission

(10) The Commission should evaluate the implementation of this Directive five years after its entry into force and report to the Council thereon. Member States should communicate to the Commission all information necessary for this evaluation. An advisory DigiTax Committee should be established to examine questions on the application of the Directive.

Amendment

(10) The Commission should evaluate the implementation of this Directive by...[three years after the date of entry into force of this Directive] and report to the European Parliament and the Council thereon, notably on the administrative burden and additional costs for companies and especially small and medium-sized enterprises (SMEs), the impact of the system of taxation provided for in this Directive on Member States’ revenues, the impact on users’ personal data and the impact on the Single Market as a whole, with particular regard to the possible distortion of competition between companies subject to the new rules laid down in this Directive. The review should also examine if the types of services covered by this Directive or the definition of the significant digital presence should be changed. Member States should communicate to the Commission all information necessary for this evaluation. An advisory DigiTax Committee should be established to examine questions on the application of the Directive. That committee should publish its agendas and, prior to their selection, it should be ensured that members of that committee do not have any conflicts of interest. An observer of the European Parliament should be invited to attend meetings of the committee.

Amendment 13
Proposal for a directive
Recital 10 a (new)

Text proposed by the Commission

(10a) Given the administrative costs for a significant digital presence, it should be ensured that SMEs do not unintentionally fall within the scope of this Directive. The Commission should, as part of the review process, examine the extent to which this Directive adversely affects SMEs.
Amendment 14
Proposal for a directive
Recital 12 a (new)

Text proposed by the Commission

(12a) As the provisions laid down in this Directive are meant to provide a permanent and comprehensive solution to the question of digital taxation, the interim solution of a digital services tax as provided for in the Directive on the common system of a digital services tax on revenues resulting from the provision of certain digital services shall automatically cease to apply once the provisions laid down in this Directive become applicable.

Amendment 15
Proposal for a directive
Article 2 — paragraph 1

Text proposed by the Commission

Amendment

This Directive applies to entities irrespective of where they are resident for corporate tax purposes, whether in a Member State or in a third country.

Amendment 19
Proposal for a directive
Article 4 — paragraph 6

Text proposed by the Commission

Amendment

6. The Member State where a user’s device is used shall be determined by reference to the Internet Protocol (IP) address of the device or, if more accurately, any other method of geolocation, without allowing for identification of the user, in accordance with Regulation (EU) 2016/679. The Member States’ tax authority shall be informed of the method used to determine the location of users.

Amendment 21
Proposal for a directive
Article 4 — paragraph 7 a (new)

Text proposed by the Commission

Amendment

7a. A taxpayer shall be required to disclose to the tax authorities all information relevant to the determination of the significant digital presence in accordance with this Article.
Amendment 23
Proposal for a directive
Article 5 — paragraph 5 — point a

Text proposed by the Commission
(a) the collection, storage, processing, analysis, deployment and sale of user-level data;

Amendment
(a) the collection, storage, processing, analysis, exploitation, transmission, deployment and sale of user-level data;

Amendment 25
Proposal for a directive
Article 5 — paragraph 6 a (new)

Text proposed by the Commission
6a. Member States shall allocate adequate staff, expertise and budget resources to their national tax administrations as well as resources for the training of staff to be able to attribute profits to the permanent establishment and to reflect the digital activities in that Member State.

Amendment
6a. Member States shall allocate adequate staff, expertise and budget resources to their national tax administrations as well as resources for the training of staff to be able to attribute profits to the permanent establishment and to reflect the digital activities in that Member State.

Amendment 26
Proposal for a directive
Article 5 a (new)

Text proposed by the Commission
1. By… [the date of entry into force of this Directive] the Commission shall issue guidelines for tax authorities on how a significant digital presence and digital services are to be identified, measured and taxed. Those rules shall be harmonised across the whole Union and shall be issued in all the official languages of the Union.

2. Based on the guidelines referred to in the first paragraph, the Commission shall issue guidelines with a clear methodology for companies to self-assess whether and which of their activities are to be counted into the significant digital presence. Those guidelines shall be issued in all the official languages of the Union and shall be made available on the website of the Commission.

Amendment
1. By… [the date of entry into force of this Directive] the Commission shall issue guidelines for tax authorities on how a significant digital presence and digital services are to be identified, measured and taxed. Those rules shall be harmonised across the whole Union and shall be issued in all the official languages of the Union.

2. Based on the guidelines referred to in the first paragraph, the Commission shall issue guidelines with a clear methodology for companies to self-assess whether and which of their activities are to be counted into the significant digital presence. Those guidelines shall be issued in all the official languages of the Union and shall be made available on the website of the Commission.
Amendment 27
Proposal for a directive
Article 5b (new)

Text proposed by the Commission

Amendment

Article 5b
Administrative cooperation
In order to guarantee a uniform application of the Directive in the European Union, the exchange of information on tax matters shall be automatic and mandatory, as laid down by Council Directive 2011/16/EU.

Amendment 28
Proposal for a directive
Article 6 — title

Text proposed by the Commission

Amendment

Implementation Report and Review

Amendment 29
Proposal for a directive
Article 6 — paragraph 1

Text proposed by the Commission

Amendment

1. The Commission shall evaluate the implementation of this Directive five years after its entry into force and report to the Council thereon.

1. The Commission shall evaluate the implementation of this Directive [three years after the date of entry into force of this Directive] and report to the European Parliament and the Council thereon. In that report, particular emphasis shall be placed on the administrative burden and additional costs for companies and especially SMEs, the impact of the system of taxation provided for in this Directive on Member States’ revenues, the impact on users’ personal data and the impact on the Single Market as a whole, with particular regard to the possible distortion of competition between companies subject to the new rules laid down in this Directive. The report shall also examine if the types of services covered by this Directive or the definition of the significant digital presence should be changed.
Amendment 30
Proposal for a directive
Article 6a (new)

Exercise of the delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.

2. The power to adopt delegated acts referred to shall be conferred on the Commission for an indeterminate period of time from… [date of entry into force of this Directive].

3. The delegation of power referred to may be revoked at any time by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. As soon as it adopts a delegated act, the Commission shall notify it to the Council.

5. A delegated act adopted shall enter into force only if no objection has been expressed by the Council within a period of two months of notification of that act to the Council or if, before the expiry of that period, the Council has informed the Commission that it will not object. That period shall be extended by two months at the initiative of the Council.

Amendment 31
Proposal for a directive
Article 6b (new)

Appeal

The companies — both Union and non-Union — may appeal the decision that the services they provide are digital services in accordance with national law.
Amendment 32
Proposal for a directive
Article 6c (new)

Amendment

Article 6c
Informing the European Parliament
The European Parliament shall be informed of the adoption of delegated acts by the Commission, of any objection formulated to them, and of the revocation of that delegation of powers by the Council.

Amendment 33
Proposal for a directive
Article 6d (new)

Amendment

Article 6d
Mandate to the European Commission to negotiate tax treaties with third countries
Member States shall provide a delegation of powers to the Commission to negotiate on their behalf the revision or adoption of tax treaties with third countries in accordance with the rules set out in this Directive, in particular as regards to the inclusion of the definition of a significant digital presence for tax purposes.

Amendment 34
Proposal for a directive
Article 7 — paragraph 2

2. The DigiTax Committee shall consist of representatives of the Member States and of the Commission. The chair of the Committee shall be a representative of the Commission. Secretarial services for the Committee shall be provided by the Commission.

Amendment

2. The DigiTax Committee shall consist of representatives of the Member States and of the Commission and an observer of the European Parliament. The chair of the Committee shall be a representative of the Commission. Secretarial services for the Committee shall be provided by the Commission. This Committee shall publish its agendas and its participants shall be cleared of any conflict of interest before their selection. Stakeholders, including social partners, shall be allowed to attend relevant meetings as observers.
**Amendment 35**

**Proposal for a directive**

**Article 7 — paragraph 4**

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**Text proposed by the Commission**

4. The DigiTax Committee shall examine questions on the application of this Directive, as raised by the chair of the Committee, whether on the chair’s own initiative or at the request of the representative of a Member State, and shall inform the Commission of its conclusions.

**Amendment**

4. The DigiTax Committee shall examine questions on the application of this Directive, as raised by the chair of the Committee, whether at the chair’s own initiative or upon request of the European Parliament or of a representative of a Member State, and shall inform the Commission of its conclusions.

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**Amendment 36**

**Proposal for a directive**

**Article 7 — paragraph 4 — subparagraph 1 a (new)**

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**Text proposed by the Commission**

The DigiTax Committee shall draw up an annual report on its activities and findings and shall share this report with Parliament, Council and Commission.

**Amendment**

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**Amendment 37**

**Proposal for a directive**

**Article 7 — paragraph 4 a (new)**

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**Text proposed by the Commission**

4a. The DigiTax Committee shall verify and control the correct implementation of this Directive by companies. It shall be able to gather and to use data it gathers from national tax authorities to examine the proper implementation of the significant digital presence rules and to serve as a body facilitating cooperation between national tax authorities to minimize the possibility of double-taxation and double non-taxation.

**Amendment**

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**Amendment 38**

**Proposal for a directive**

**Article 8 — paragraph 1**

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**Text proposed by the Commission**

The data that may be collected from the users for the purposes of applying this Directive shall be limited to data indicating the Member State in which the users are located, without allowing for identification of the user.

**Amendment**

The data that may be collected from the users for the purposes of applying this Directive shall be limited to data indicating the Member State in which the users are located, without allowing for identification of the user. Any processing of personal data carried out for the purposes of applying this Directive shall fully comply with Regulation (EU) 2016/679.
Amendment 39
Proposal for a directive
Article 9a (new)

Text proposed by the Commission

Amendment

Article 9a

Link with Digital Services Tax on Revenues

Once this Directive becomes applicable, the Directive on the common system of a digital services tax on revenues resulting from the provision of certain digital services shall automatically expire.