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I

(Resolutions, recommendations and opinions)

RESOLUTIONS

COMMITTEE OF THE REGIONS

106TH PLENARY SESSION, 2—3 APRIL 2014

Resolution of the Committee of the Regions on the Charter for Multilevel Governance in Europe

(2014/C 174/01)

THE COMMITTEE OF THE REGIONS,

- having regard to its Mission Statement ⁽¹⁾ which promotes multilevel governance within the European Union and beyond;
- having regard to its White Paper on Multilevel Governance ⁽²⁾, which proposes that a Charter on multilevel governance be drawn up in order to include a common and shared understanding of European governance among the core values of the European Union;
- having regard to the recognition by the Heads of State and Government of the European Union in the Berlin Declaration ⁽³⁾ of the scope of multilevel governance in the process of European integration;
- whereas multilevel governance is enshrined as a guiding principle in the implementation of cohesion policy in connection with the new common provisions on the structural funds ⁽⁴⁾;
- taking the European Charter of Local Self-Government ⁽⁵⁾ as its foundation, and having regard to the support of the Congress of Local and Regional Authorities for this process with a view in particular to transposing this Charter into the legal system of the Council of Europe;
- whereas the present Charter, although not legally binding, will commit its signatories to explain and promote the principle of multilevel governance;
- considering that the Charter could contribute to fiscal consolidation and that therefore the activities and measures resulting from it should not lead to new red tape or costs;
- having regard to the need to mobilise all levels of governance to increase democratic accountability in Europe and ensure the effectiveness, coherence and complementarity of their action;

⁽¹⁾ CdR 56/2009 fin.

⁽²⁾ CoR White Paper on *Multilevel Governance* (CdR 89/2009 fin) and CoR Opinion on *Building a European Culture of Multilevel Governance* (CdR 273/2011 fin).

⁽³⁾ Declaration on the occasion of the 50th anniversary of the signature of the Treaties of Rome, Berlin, 25 March 2007.

⁽⁴⁾ Article 5 of Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006.

⁽⁵⁾ <http://conventions.coe.int/Treaty/en/Treaties/Html/122.htm>

1. approves the draft Charter for Multilevel Governance in Europe;
2. recommends that all the local and regional authorities of the European Union, as well as representatives of the other levels of governance (national, European, international) adhere to the principles of the present Charter as soon as the signature campaign is launched;
3. urges the Member States and their national administrations to be guided by it in implementing the principles and mechanisms it recommends, in order to pay more heed to the legitimacy and responsibility of local and regional authorities;
4. calls upon the institutions of the European Union to apply the principles of the Charter systematically when drawing up, implementing and evaluating European strategies and policies, and renews its recommendation to the European Commission to take the necessary steps to ensure more transparency and participatory procedures in accordance with the key values and principles of this new Charter ⁽⁶⁾;
5. invites the associations of local and regional authorities, together with their networks and political figures wishing to support this process, to declare their support;
6. calls on all parties concerned to strive to ensure that the implementation of the principles and mechanisms proposed does not make decision-making processes more cumbersome or add to the administrative and financial burdens of the local and regional authorities concerned;
7. undertakes to contribute to identifying best practices in decision-making processes in Europe, to encourage networking between the signatory local and regional authorities, and to actively inspire and promote practical multilevel cooperation projects;
8. instructs its President to forward the present resolution to the Member States, to the Presidents of the European Commission, the European Parliament and the European Council, and to the President of the Congress of Local and Regional Authorities of the Council of Europe.

Brussels, 3 April 2014.

*The President
of the Committee of the Regions*
Ramón Luis VALCÁRCEL SISO

⁽⁶⁾ CoR Opinion on *Building a European Culture of Multilevel Governance* (CdR 273/2011 fin).

APPENDIX

Charter for Multilevel Governance in Europe

PREAMBLE

Given that many competences and responsibilities are shared between the various levels of governance in the European Union, we recognise the need **TO WORK TOGETHER IN PARTNERSHIP** to achieve greater economic, social and territorial cohesion in Europe. No single level can deal with the challenges we face alone. We can solve citizens' problems on the ground by **COOPERATING** better and running **JOINT PROJECTS** to tackle the common challenges ahead of us.

We stand for a multilevel-governance Europe **'based on coordinated action by the European Union, the Member States and regional and local authorities according to the principles of subsidiarity, proportionality and partnership, taking the form of operational and institutional cooperation in the drawing up and implementation of the European Union's policies'**. In this endeavour, we fully respect the equal legitimacy and accountability of each level within their respective competences and the principle of loyal cooperation.

Aware of our **INTERDEPENDENCE** and ever seeking greater **EFFICIENCY**, we believe that great opportunities exist to further strengthen innovative and efficient political and administrative cooperation between our authorities based on their respective competences and responsibilities. The objective of this Charter, drawn up by the Committee of the Regions of the European Union, is to **connect regions and cities across Europe**, whilst promoting **MULTI-ACTORSHIP** with societal actors such as the social partners, universities, NGOs and representative civil society groupings.

In line with the **SUBSIDIARITY** principle which places decisions at the most effective level and as close as possible to the citizens, we attach great importance to co-creating policy solutions that reflect the needs of citizens.

It is precisely through our commitment to the fundamental **VALUES, PRINCIPLES** and **PROCESSES** underpinning multilevel governance that we believe new modes of **DIALOGUE** and partnership will emerge across public authorities in the European Union and beyond. Multilevel governance strengthens openness, participation, **COORDINATION** and **JOINT COMMITMENT** to delivering targeted solutions. It allows us to harness Europe's diversity as a driver for capitalising on the assets of our local areas. Making full use of digital solutions, we are committed to increasing **TRANSPARENCY** and offering quality public services easily accessible to the citizens we represent.

MULTILEVEL GOVERNANCE helps us to learn from each other, experiment with innovative policy solutions, **SHARE BEST PRACTICES** and further develop **PARTICIPATORY DEMOCRACY**, bringing the European Union closer to the citizens. We believe that embracing multilevel governance contributes to deeper EU integration by further strengthening the ties between our territories, and overcoming the administrative hurdles in regulation and policy implementation and the geographical frontiers that separate us.

TITLE 1: FUNDAMENTAL PRINCIPLES

We commit ourselves to respecting the fundamental processes that shape multilevel governance practices in Europe by:

- 1.1. developing a **TRANSPARENT, OPEN** and **INCLUSIVE** policy-making process;
- 1.2. promoting **PARTICIPATION** and **PARTNERSHIP** involving relevant public and private stakeholders throughout the policy-making process, including through appropriate digital tools, whilst respecting the rights of all institutional partners;
- 1.3. fostering **POLICY EFFICIENCY, POLICY COHERENCE** and promoting **BUDGET SYNERGIES** between all levels of governance;
- 1.4. respecting **SUBSIDIARITY** and **PROPORTIONALITY** in policy making;
- 1.5. ensuring maximum **FUNDAMENTAL RIGHTS PROTECTION** at all levels of governance.

TITLE 2: IMPLEMENTATION AND DELIVERY

We commit ourselves to making multilevel governance a reality in day-to-day policy-making and delivery, including through innovative and digital solutions. To this end, we should:

- 2.1. **PROMOTE CITIZEN PARTICIPATION** in the policy cycle;
 - 2.2. **COOPERATE** closely with other public authorities by thinking beyond traditional administrative borders, procedures and hurdles;
 - 2.3. **FOSTER A EUROPEAN MIND-SET** within our political bodies and administrations;
 - 2.4. **STRENGTHEN INSTITUTIONAL CAPACITY BUILDING** and invest in policy learning amongst all levels of governance;
 - 2.5. **CREATE NETWORKS** between our political bodies and administrations from the local to the European levels and vice-versa, whilst strengthening transnational cooperation.
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Resolution of the Committee of the Regions — The development of the situation in Ukraine

(2014/C 174/02)

THE COMMITTEE OF THE REGIONS,

1. recognises that the future of Ukraine is a matter which belongs to all the Ukrainian people. The future direction of Ukraine can only be democratically decided by the people of Ukraine without pressure or interference from any foreign country.
2. reiterates ⁽¹⁾ its solidarity with Ukraine and its people and stresses that the current crisis must be resolved peacefully;
3. condemns the unlawful violation of the Ukrainian sovereignty and territorial integrity by the Russian Federation and considers the 'referendum' held in Crimea on 16 March 2014 on joining the Russian Federation as totally illegal and illegitimate, in clear violation of the Ukrainian Constitution and international treaties; calls on the Russian Federation and Ukraine to start as soon as possible talk in order to de-escalate the situation with a view to reach the status-quo ante in the region and full respect with the relevant international agreements concerning Crimea;
4. calls on the Russian Federation to refrain from any type of military, political or economic intimidating actions affecting the integrity of its neighbours, and to deescalate the build-up of military forces on the border of Ukraine and in the Transnistrian region, and on the borders with the Baltic States; is concerned about the newest developments in Moldova — especially in the context of the outside initiated referendum in the region of Gagauzia — where in a similar way as in Ukraine, foreign forces try to block Moldova's way towards the European Union; urges Russia to guarantee the safeguard of the rights and properties of all citizens in Crimea, in particular the minority populations of ethnic Ukrainians and Crimean Tatars;
5. condemns the unceasing, intolerable intimidation of civil society and press and media representatives in Crimea;
6. supports the calls for the launching of effective negotiations for a peaceful solution under the auspices of the OSCE Contact group and supports the deployment of a fully-fledged OSCE monitoring mission in Crimea;
7. welcomes the signature of the political chapters of the Association Agreement between the Ukraine and the European Union on 21 March 2014; is in favour of a swift decision for temporarily removing customs duties on Ukrainian exports to the European Union;
8. endorses the March EU Council decision to speed up the signature of Association agreements with Moldova and Georgia; stresses that the available EU financial instruments for Moldova should deliver results more rapidly in order to support its European pathway;
9. reiterates its call on regional and local authorities within the Conference of the Regional and Local Authorities for the Eastern Partnership (CORLEAP) partner countries to support and share the European values and perspectives;
10. strongly supports the demand of the Ukrainian people, for democracy, freedom, respect of human rights and of the rule of law;
11. calls on the Ukrainian government to continue to ensure the full respect of minorities within the frame of its international commitments, in line with the European convention of Human rights, the Helsinki Final Act and the European Charter for Regional or Minority Languages;
12. suggests that the respect of the principles of subsidiarity and proportionality and the respect of local autonomy along the Charter of Local Self-Government be included in a renewed Constitution to be designed after the Presidential vote in May 2014;

⁽¹⁾ See CoR resolution on the situation in the Ukraine adopted on 31 January 2014 (COR-2014-00536-00-00-RES-TRA — RESOL-V-010).

13. encourages the Ukrainian government to launch an extensive programme of administrative and structural reforms comprising political, economic and social change, including a sustainable process of decentralisation and the devolution of responsibilities and resources to local and regional governments;
14. points out that Crimea and Sevastopol have a special autonomous status within the Ukrainian state; guaranteeing this special autonomous status must constitute another basis for tackling the current crisis;
15. reiterates its full commitment to be involved in the overall EU assistance to regional and local authorities to find appropriate solutions to the crisis and to share best practices and know-how with Ukrainian partners in the field of decentralization. Commits to a prompt development of a new relationship and a broader civic engagement with Ukrainian towns, cities and regional bodies and in addition civic organisations and societies which are committed to the principles of local democracy and accountability;
16. urges Ukraine to ensure that the Presidential elections on 25 May 2014 are democratic and transparent and expects early parliamentary elections to be called;
17. instructs the President of the Committee of the Regions to submit this resolution to the President of the European Parliament, the President of the European Council, the President of the European Commission, the Greek presidency of the EU and the High Representative of the Union for Foreign Affairs and Security Policy.

Brussels, 3 April 2014.

*The President
of the Committee of the Regions*
Ramón Luis VALCÁRCEL SISO

OPINIONS

EUROPEAN COMMISSION

106TH PLENARY SESSION, 2—3 APRIL 2014

Opinion of the Committee of the Regions — Enlargement strategy and main challenges 2013-14

(2014/C 174/03)

Rapporteur	Arnoldas Abramavičius (LT/EPP), Mayor of Zarasai and Member of the Municipal Council
Reference document	Commission communication — Enlargement strategy and main challenges 2013-2014 COM(2013) 700 final

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

Political context and significance of enlargement for local and regional authorities and the CoR

1. notes that this opinion stresses its commitment to the enlargement process and draws attention to the key role of local and regional authorities in preparing both EU and candidate countries, their administrations at different levels and their citizens for enlargement; presents in the following its assessment of the progress achieved and its specific proposals for the countries of the Western Balkans (Montenegro, the former Yugoslav Republic of Macedonia, Serbia, Albania, Bosnia and Herzegovina, and Kosovo (*)), Turkey and Iceland as well as its indications for future developments in this area;
2. recalls that the launch of the second Instrument for Pre-Accession Assistance (IPA II) is foreseen for 2014, with estimated funding of EUR 11,7 billion for the period 2014-2020;
3. reiterates the importance of improving economic governance and competitiveness in the pre-accession process ⁽¹⁾ in order to fulfil the economic accession criteria, i.e. achieving the status of a functioning market economy. The Committee notes in this context the importance of ensuring that small and medium sized enterprises in the candidate countries are adequately prepared, especially those operating in non-metropolitan areas. The importance of this issue is further borne out by the fact that no Western Balkan country currently enjoys the status of a functioning market economy;
4. reiterates the importance of promoting gender equality in candidate countries and highlights the role that local and regional authorities play in raising public awareness of this issue;
5. regrets to note that Iceland's government intends to withdraw its accession application, and believes that Iceland's accession would have been a matter of mutual benefit;
6. reiterates its call on the European Commission to take into account the state of local and regional self-government in candidate and potential candidate countries as a key element of assessing the progress of decentralisation and a prerequisite for a well-functioning system of multi-level governance;

(*) This designation is without prejudice to positions on status, and is in line with UNSCR 1244/99 and the ICJ Opinion on the Kosovo declaration of independence.

⁽¹⁾ See Commission communication — Enlargement strategy and main challenges 2013-2014 COM(2013) 700 final.

General remarks

7. strongly welcomes the two enlargement approaches recently introduced: 1) the approach adopted by the Council in 2011 whereby the chapters on judiciary and fundamental rights, on justice and on freedom and security are tackled early on in the accession negotiations, thus ensuring well-functioning juridical systems and the effective fight against organised crime and corruption are key conditions for accession and 2) the approach adopted by the Council in 2013 of tackling economic fundamentals and meeting the economic criteria first, as a key for economic development, and for creating a favourable business and investment climate;

8. notes the experience from previous rounds of enlargement, which has shown that for accession countries, the membership perspective has served as a key incentive for implementing the necessary political and economic reforms;

9. emphasises that EU enlargement is a two-way process meaning not only that accession countries need to be properly prepared, but also that the European Union must be sufficiently capable of absorbing new Member States and be committed to supporting these countries in overcoming the challenges they face;

10. believes strongly in the need to respect the principle of good neighbourly relations among EU Member States, candidate countries and other countries, and in the role and importance of developing cross-border and regional cooperation between these countries;

11. calls on the European Commission to make all the arrangements necessary to ensure that all candidate countries are able to benefit from the second Instrument for Pre-Accession Assistance during their preparations for EU accession;

12. notes the importance of energy and transport interconnections for the sustainable development of the regions and welcomes the attention that the Commission has paid to this issue in its recent communication on enlargement strategy;

13. reiterating the importance of effective local and regional tiers of governance, draws attention to the recommendations on strengthening local self-government in pre-accession countries and making public administration reform a greater priority;

14. welcoming the Commission's plans to be active in terms of promoting freedom of expression in pre-accession countries, notes that local and regional media usually have fewer financial resources and are much more sensitive to external pressures, and therefore need more assistance and training;

15. notes that the successful integration of Roma people is primarily dependent on local authorities, and calls for more attention to be placed on the capacity of local authorities in the relevant pre-accession states' to take action in this field;

16. reiterates the importance of citizen support for the enlargement process and highlights the role of local and regional authorities, as well as civil society, in mobilising citizens for this debate and in providing two-way communications between the Member States' and the EU institutions as well as the citizens;

17. argues that the macro-regional strategies being developed are useful tools when it comes to dealing with challenges common to more than one region and to initiating practical cooperation between existing EU Member States, candidate countries and potential candidates, as joining forces enables them to use the resources available more effectively and for joint projects;

18. calls on the partners, in particular from the pre-accession countries' neighbouring EU Member States, to take advantage of the possibilities for cross-border and decentralised cooperation to ensure enhanced and wider cooperation with local and regional authorities from pre-accession countries, taking into consideration the new EU programming period for 2014-2020 and new financial support instruments;

19. expresses its wish to continue cooperating with the European Commission on the Local Administration Facility (LAF) programme, which is organised for local and regional authorities from the Western Balkans countries, Turkey and Iceland and which seeks to increase their understanding about what the EU stands for, primarily at regional and local level. The Committee suggests extending the availability of LAF to include all Eastern Partnership countries interested;

20. considers that the European Commission should take a clear position on the efforts of certain countries within the Eastern Partnership to become EU Member States;

Country-specific recommendations

Candidate countries

Iceland

21. notes the fact that Iceland, as a well-established and functioning democracy and a mature market economy, fully meets the political and economic criteria required for EU membership;

22. recalls that 27 negotiation chapters have been opened, of which 11 have been provisionally closed;

23. notes that the accession process has been put on hold by the Icelandic government and hopes that the continuation of the accession negotiations will be put to a national referendum;

24. stresses that the CoR remains fully committed to continuing its cooperation with the Icelandic Association of Local Authorities to prepare them for accession notably via the established Joint Consultative Committee, should Iceland decide to resume accession negotiations;

25. underlines that it will continue its support for capacity building at local level, for instance under the Local Administration Facility (LAF) programme;

Former Yugoslav Republic of Macedonia

26. noting that the Former Yugoslav Republic of Macedonia was the first country to sign a Stabilisation and Association Agreement (SAA) with the EU and that it was already granted candidate status in 2005, and taking into consideration the country's success in meeting the political EU membership criteria as well as the Commission's recommendation to open accession negotiations within a period of five years of signing the SAA, regrets that the Council has postponed this decision and calls on it to take a positive decision in 2014;

27. supports the efforts of the former Yugoslav Republic of Macedonia in improving its ability to take on the obligations of membership and stresses the need for further efforts in the areas of the rule of law (including independence of the judiciary and anti-corruption measures), freedom of expression and of the media. It also emphasises that it is important to maintain good neighbourly relations, including finding a mutually acceptable solution to the name issue under the auspices of the UN;

28. welcomes the progress made towards the decentralisation of governance, a key element of the Ohrid Framework Agreement, and calls for further progress in the area of administrative and financial decentralisation, focusing in particular on the full implementation of the relevant legal framework and ensuring adequate resources and permanent consultation between central and local authorities;

29. stresses the importance of strengthening the country's administrative capacities in order to ensure the effective use and management of EU funds. It calls for more attention to be paid to limited national capacities to programme and absorb IPA funds under the decentralised implementation system and recommends strengthening national management and control systems;

30. recalls that municipal level financing is still inadequate, even though it is a prerequisite for ensuring financial sustainability. Measures in this field could include the transfer of an increased share of VAT and PIT revenue to municipalities;

31. reiterates the importance of coordinating regional development and regrets that relevant laws on regional development have not been fully implemented and that the bodies responsible for regional economic development are facing further cuts to their already insufficient budgets;

32. welcomes the significant work carried out by the ZELS, the national Association of Units of Local Self-Government, in introducing e-governance initiatives in municipal public administration and calls for this experience to be shared. It urges central government to support the activities of the ZELS training centre in order to increase the capacities of local administrations;

Montenegro

33. welcomes the achievements of Montenegro in state and local self-government building since its declaration of independence in 2006;

34. notes the progress achieved in the accession negotiations which began in June 2012 and welcomes the opening of negotiations on chapters 23 — *Judiciary and Fundamental Rights*, 24 — *Justice, Freedom and Security*, 20 — *Enterprise and industrial policy*, 6 — *Company Law* and 5 — *Public Procurement* following the provisional closure of two chapters (science and research; education and culture);

35. welcomes the fact that structures have been set up for the accession negotiations which include representatives of civil society and that additional efforts have been made to increase transparency and citizen participation in the policy-making process;

36. calls on the Montenegrin government to continue reforms to establish a transparent, efficient and accountable administration and encourages the swift implementation of the new law on civil servants and state employees at local level;

37. indicates that IPA is a key test field for a candidate state's capacities to manage ongoing pre-accession funds and Structural Funds after membership and calls on Montenegro to strengthen its administrative capacity in the established IPA structures and take action to adequately prepare them in order to increase the absorption capacity of pre-accession funds;

38. notes that Montenegro must continue its work towards meeting the economic criteria for membership, ensuring that its small and medium enterprises are adequately prepared to withstand the competitive pressures of membership;

Serbia

39. welcomes the decision to launch accession negotiations with Serbia in January 2014 which confirmed Serbia's path towards EU accession. It also welcomes the launch of the current preparations for membership negotiations, namely the start of the analytical examination of the *acquis* ('screening') in September 2013 following the entry into force of the Stabilisation and Association Agreement on 1 September;

40. underlines the importance of a peaceful and comprehensive settlement in normalising relations with Kosovo (*) and welcomes the progress achieved during 2013 towards fulfilling the political criteria of the Stabilisation and Association Process;

41. taking into consideration the importance of the regional level for sustainable development, underlines the importance of the declaration adopted by the provincial assembly of Vojvodina ⁽²⁾ regarding the protection of its legal rights, and points out that the law on own resources for Vojvodina, as provided for under the Serbian Constitution, has yet to be adopted;

42. calls for the continuation of the decentralisation process to further strengthen the competences of local authorities. The Committee regrets the limited involvement of the National Council for Decentralisation and the continued lack of sufficient consultation with local authorities in the decision-making process for the development of legislation that has implications at local level;

43. calls for an immediate resolution of the unregulated situation of the status of the Autonomous Province of Vojvodina following the ruling by the Constitutional Court of Serbia that some provisions of the Statute of the Autonomous Province of Vojvodina are not in keeping with the Constitution;

44. points out that the implementation of the existing legal framework for local government remains very limited and that responsibilities have continued to be exercised at local level without proper analysis of the capacity and resources required. The legal framework for local self-government still remains to be clarified and properly implemented;

45. welcomes the progress in the area of regional policy and the coordination of structural instruments and points out that adequate implementation capacity needs to be further ensured at local level, especially in the form of a solid project pipeline based on relevant strategies;

(*) This designation is without prejudice to positions on status, and is in line with UNSCR 1244/99 and the ICJ Opinion on the Kosovo declaration of independence.

(2) Declaration by the provincial assembly of Vojvodina on the Protection of Constitutional and Legal Rights of the Autonomous Province of Vojvodina of 21 May 2013.

46. would draw attention to the Commission's call for Serbia to continue to work to strengthen the rule of law, to fight corruption and organised crime, and to promote media freedom, anti-discrimination and protection of minorities;

47. proposes the creation of a Joint Consultative Committee with Serbia following the entering into force of the SAA;

Turkey

48. believes that Turkey and the EU need to make every effort to move on from their current strained relationship by taking forward negotiations in the spirit of cooperation, along the lines of recent positive bilateral developments. In the interests of both parties, the prospect of Turkish membership must go hand in hand with reforms aiming to consolidate the rule of law and ensure pluralism;

49. welcomes the recent reform stepping up the powers of provincial governors, but calls for this reform to be implemented as a means of contributing to Turkish regionalisation and to strengthening regional democracy through the democratic election of governors;

50. welcomes the recent opening of negotiations on chapter 22 — *Regional policy and coordination of structural instruments* — and the National Strategy for Regional Development (NSRD) and hopes that these will contribute to a reduction in regional and urban-rural disparities;

51. is concerned about the difficulties some local elected representatives are facing in Turkey by exercising their functions as representatives of their constituencies, and calls for them to be treated with due regard for the law and in a climate of trust, in line with the recommendations by the Congress of Local and Regional Authorities of the Council of Europe ⁽³⁾;

52. agrees with the Commission that further changes are needed in the Turkish legal system to ensure that freedom of expression and of the media, freedom of religion and freedom of assembly and of association are protected, thus securing the sustainability of current reform-oriented policies;

53. urges the regional courts of appeal which, by law should have been in operation by June 2007, to be established and the continued training of judges and prosecutors to be prioritised for the regional courts of appeal. Underlines that regional court of appeals are an important step in address the efficiency of the judicial system and reducing the current back-log of cases;

54. reiterates its dissatisfaction regarding Turkey's failure to fully abide by its commitments arising from the Additional Protocol of the EU-Turkey Association Agreement and urges Turkey to move towards full compliance, noting that further delays might impact afresh upon the accession process;

55. also points out that good neighbourhood relations are a key element of preparation for accession, thus making any kind of threat or action directed against a Member State and its sovereign rights a major breach of common European values;

56. expresses concern over recent developments in Turkey and stresses the importance of the independence of the judiciary. It recalls that Turkey is a candidate country for accession to the EU and in this respect it has committed itself to fully meeting the Copenhagen political criteria;

57. notes that concerns have been expressed that the Turkish government does not always conduct sufficient consultations and impact assessments with local authorities, including on key legislation such as the recent Law on Metropolitan Municipalities, a comprehensive debate on which could have served as a positive step in this direction and could have genuinely helped to implement the multi-level governance principle;

58. welcomes recent progress in terms of devolving power to local governments, some signs of which can be seen in the new Law on Metropolitan Municipalities, which has extended the scope of municipal competences and partially addressed the criticism from the Congress of the Council of Europe ⁽⁴⁾ concerning the poor capacity of smaller municipalities to deliver public services. The Committee regrets, however, that the Congress' recommendations on strengthening municipalities by enabling them to raise their own revenue have not been implemented;

⁽³⁾ Congress of Local and Regional Authorities of the Council of Europe Recommendation 301 (2011), Local and regional democracy in Turkey, Strasbourg, 22—24 March 2011.

⁽⁴⁾ *idem*.

59. welcomes the fact that decentralisation and the devolution of powers to local government were discussed in the context of the work on a new Constitution, the recently introduced democratisation package and in relation to Kurdish and other minority rights, and underlines the growing consensus on the need to overcome Turkey's reservations regarding the Council of Europe's European Charter of Local Self-Government;

60. strongly welcomes the provisions of the democratisation package, which decentralised the education system and promotion rights of political parties enabling the use of dialects and languages other than Turkish; welcomes that the package will enable the former names to be restored to settlement places where the name was in a language other than Turkish or written using non-Turkish characters;

61. calls on the Turkish authorities to cooperate closely with the European Commission to assess which programmes under IPA could be used to promote sustainable development in the South East of Turkey in the framework of negotiations on Chapter 22;

62. is concerned about the very low level of female participation in local politics and calls on all political parties to nominate more women as candidates for the next local elections;

63. welcomes the strengthening of the institutions involved in the implementation of Pre-accession Assistance (IPA) through training and technical assistance and recommends that further efforts be deployed in order to increase the administrative capacity of local authorities;

64. supports further measures which aim to increase transparency and supports the continued fight against corruption, especially at municipal level, as well as measures aimed at increasing transparency, accountability and participation;

65. calls on Turkey and the other parties involved to actively support current UN negotiations aimed at finding a fair, comprehensive and enduring solution to the Cyprus question, and on Turkey to assist the peace process by beginning to withdraw its military forces from Cyprus as well as to return the sealed-off zone of Famagusta to its lawful inhabitants, in accordance with the relevant Security Council decisions and the principles on which the EU is founded;

66. taking into consideration the ongoing negotiations, reiterates its request for the Committee of the Regions' Working Group with Turkey to be upgraded to a Joint Consultative Committee;

Potential candidate countries

67. taking into consideration the aspiration of potential candidate countries to make progress towards membership and the increasing intensity of contacts involving local and regional actors, looks forward to the establishment of Joint Consultative Committees with each potential candidate country from the Western Balkans region;

Albania

68. notes the progress made towards ensuring the principles of free and fair competition in national⁽⁵⁾ and local elections (2011)⁽⁶⁾ as well as overall progress in terms of meeting the political conditions required for opening negotiations on EU membership;

69. reiterates the Commission's recommendation of October 2012 and 2013 to grant Albania candidate status, subject to a number of structural reforms, and urges Albania to make progress in the areas of public administration reform, judicial independence, the fight against corruption and organized crime as well as the protection of human rights;

70. considers that moderate progress has been made in the area of regional policy and the coordination of structural instruments. In view of IPA accreditation, management and control systems need to be further strengthened to minimise risks of delays and decommitments. In addition, programming capacity needs to be improved, particularly as regards the preparation of a solid project pipeline;

71. takes note of Albania's plans to downsize its number of local government units and reiterates the need to strike a balance between administrative efficiency and democratic legitimacy as well as accessibility for the citizens in this process;

⁽⁵⁾ The elections took place in June 2013. See European Parliament progress report on Albania, presented by Rapporteur: Nikola Vuljanić (GUE/NGL), AFET meeting, 25/11/2013.

⁽⁶⁾ See OSCE and Congress of Local and Regional Authorities of the Council of Europe monitoring mission report as of 08/05/2011, <http://www.osce.org/odihr/77446>.

72. welcomes the adoption of the Law on Urban Planning in April 2013 as a step towards building effective and contemporary local self-government and regrets that the implementation of this law remains very slow;

73. regrets that, despite ongoing administrative improvements, local authorities still have highly limited financial and administrative resources for the development of infrastructure and services and that their revenues have fallen by 21%;

74. also regrets that their human resource management and financial control systems remain weak and considers that this has hindered their effectiveness and has limited the role of local authorities and their associations in strengthening coordination between local and central government. It therefore calls for closer coordination between central and local government and for the strengthened role of local authority associations;

75. points out the serious gaps which remain in terms of monitoring corruption, including at local level, and calls for the appointment of an anti-corruption coordinator with a strong mandate to carry out an assessment of the overall anti-corruption set-up;

76. welcomes the existence of a National Strategy on improving living conditions for Roma people and the corresponding National Action Plan, and underlines the need to implement the respective commitments;

Bosnia and Herzegovina

77. regrets that Bosnia and Herzegovina has made very limited progress towards improving the functionality and efficiency of all levels of government. the Committee is concerned that the EU integration process has stalled and believes that substantial efforts are still needed to meet the conditions required for a credible membership application;

78. underlines that Bosnia and Herzegovina's authorities have also made no progress towards establishing the necessary structure for the decentralised management of EU funds, which puts the EU's financial assistance (IPA) at risk and has already led to a loss in such funds for Bosnia and Herzegovina this year;

79. underlines that there is a lack of clarity regarding the division of competences between the entities, cantons and municipalities, with a relatively low level of financial autonomy at municipal level;

80. points out that the current political situation in Bosnia and Herzegovina is impacting negatively upon the country's ability to speak with one voice on EU matters. It considers that it is important to strengthen the role of the Directorate for European Integration, to coordinate EU matters among all levels of authorities or via another similar mechanism. The Committee notes that the Commission has been forced to postpone further discussions on IPA II in the absence of such a mechanism;

81. regrets that the Parliamentary Assembly of Bosnia and Herzegovina has made only very limited progress towards adopting EU-related legislation. Political disagreements have continued to have a negative impact on the functioning of the Assembly;

82. urges that account be taken of the outcomes of the expert working group set up with support from the US and the EU, which drafted recommendations on the reform of the Federation's Constitution aimed at addressing the country's costly and complex governance structures where there is a certain overlap in competences between the Federation, the cantons and the municipalities. It welcomes the fact that this expert working group based its recommendations on a broad participatory consultation process with all levels of government, including the local level through the involvement of the municipalities and cities of the Federation, as well as civil society;

83. further emphasises the need to strengthen the protection of human rights, including the implementation of already adopted target strategies;

84. calls on all entities of the Federation to maintain constructive political dialogue among themselves and the federal authorities;

Kosovo (*)

85. welcomes the decision of the Council to commence negotiations on a Stabilisation and Association Agreement with Kosovo;

(*) This designation is without prejudice to positions on status, and is in line with UNSCR 1244/99 and the ICJ Opinion on the Kosovo declaration of independence.

86. welcomes the decision of the Regional Cooperation Council (RCC) to amend its statute to allow Kosovo to become a participant in its own right. The formula for Kosovo's participation in the RCC represents a good basis for Kosovo to increase and extend its participation in other regional fora;
87. praises the active and constructive participation of Kosovo and Serbia in an EU-facilitated dialogue and notes the importance of peaceful and comprehensive settlement of disputes between Serbia and Kosovo for the development of the entire region;
88. points out that although the fundamental structures for governance at both central and local levels are in place, the municipal level remains weak and needs both adequate financing and administrative capacities. It calls for further efforts to improve the implementation of legislation, accountability and transparency of government, including at municipal level, and for support to be given to local authorities to continue the process of decentralisation;
89. welcomes the fact that local governments have improved their capacity, including in addressing returns and reintegration of refugees and displaced persons, regarding the transparency of management and budget information, and in terms of reporting on municipal decision-making;
90. reiterates the importance of transparent and effective administration and calls on the Kosovo government to pay high attention to the Commission recommendations on the need to tackle organised crime and corruption as well as to build adequate judicial and public administrative systems;
91. points out that cooperation between civil society organisations and government institutions in Kosovo continues to be predominately ad hoc and should be improved, particularly as regards defining and implementing public policies;
92. reiterates the need to further promote the rule of law, which is a cornerstone of the Stabilisation and Association Process. In this context, the continuation of the Structured Dialogue on the Rule of Law is highly welcomed as it continues to support and guide Kosovo in this area, including in the discussions on the future of EULEX, the EU rule of law mission in Kosovo;
93. proposes further negotiations on a special local self-government status for the Serbian dominated regional enclave around Mitrovica in northern Kosovo.

Brussels, 2 April 2014

*The President
of the Committee of the Regions*
Ramón Luis VALCÁRCEL SISO

Opinion of the Committee of the Regions — Affordable Energy for All

(2014/C 174/04)

Rapporteur	Christian Illedits, Member of the Burgenland Landtag (PES/AT)
Reference document	Letter from Greek Council presidency of 4 November 2013

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

1. notes that energy poverty already affects large sections of the European population, and emphasises that short-, medium-, and long-term measures are needed in order to contain and reduce energy poverty which has a direct impact on public health and on people's quality of life;
2. points out that there is a widening gap between rising energy prices and income growth, and emphasises the resulting danger that energy poverty could gain a permanent foothold in all EU Member States;
3. therefore calls for measures to achieve both short- (e.g. emergency help in extreme situations), medium- and long-term objectives, for example taking energy efficiency measures, energy saving measures switching to sustainable energy systems producing renewable energy locally and optimising transport needs;
4. notes that in EU debates, energy poverty is reduced to the more narrowly defined concept of 'fuel poverty', yet, energy poverty is more comprehensive, since also the energy needs for communication, mobility and hygiene, which are all necessary to allow social participation, have to remain affordable. Families and households are being squeezed between rising bills and falling incomes, and as a result they either cannot afford sufficient heating, resort to inferior energy sources which are often harmful to health and the environment, or accumulate debt; it also has the effect of limiting their ability to travel;
5. believes that energy poverty should firstly be seen as an aspect of poverty more generally and that the problem should be addressed chiefly through national and EU employment, social affairs, competition, regional development and cohesion policies, and corresponding measures envisaged in coordination with the EU level. However, because the EU has a shared competence with the Member States in the area of energy, and also adopts policy measures in other areas (the Single Market, climate change, etc.) which affect energy prices and access to energy, there are many arguments for addressing energy poverty specifically under energy policy.

To guarantee affordable energy provision, the EU must ensure that there is sufficient supply on the energy market, that the creation and abuse of monopolies is resisted and that methods of promoting energy transition are cost-effective; it stresses that an effective European energy and environmental policy should be thoroughly compatible with a decisive industrial policy and with the international competitiveness of European businesses;

6. feels therefore the elaboration of a definition of 'energy poverty' at European level is necessary to promote the recognition of the problem at the political level on the one hand, and to ensure legal certainty for measures to combat energy poverty on the other; such a definition should be flexible in view of the diverse circumstances of the Member States and their regions, in order to be able to accommodate the different energy systems, income levels and social structures of different parts of the EU;
7. in view of this, suggest, as the basis for discussion, the introduction of a quantitative definition of energy poverty based on an EU-wide threshold for the percentage of household income paid for energy; other criteria which could be included in such a definition could, for example, be a 'right to access to appropriate energy services', or a threshold for 'decent housing';

8. notes that the European Commission has so far failed to sufficiently address energy poverty as a significant policy challenge, despite pressure from the European Parliament, European Economic and Social Committee and other stakeholders;

9. emphasises that the direct vulnerability factors with regard to energy poverty are low levels of income and social protection (especially in the new EU Member States) on the one hand and the effects of austerity measures on the other (e.g. in southern European Member States). An indirect risk factor is that energy price increases are on average outstripping household income growth, with more and more people affected by energy poverty as a result;

10. therefore calls on the EU to urgently adopt measures to help the most vulnerable regional economies, mainly located in the 'convergence' regions, to cope with the challenges of rapidly rising energy prices at the same time as slowly growing, stagnating or even falling incomes across many sectors of society;

11. in that context, calls for the completion of the EU internal energy market that aims at secure and sustainable energy supply keeping the prices at the lowest level possible; more investment is needed in distribution grids, transmission infrastructure, interconnections, and the development of smart grids;

12. in this context, notes that renewable forms of energy must be developed and sold as cost-effectively as possible. Energy providers subject to mandatory renewable energy quotas should be allowed to decide for themselves how they invest in wind, solar, biomass or other resources. Municipal utility companies must have full discretion to seek the most cost-effective solution for their clean energy. The establishment of cooperatives and similar organisations to generate renewable energy or improve energy efficiency would be another good way of focusing on the needs of consumers;

13. feels that future EU energy-related structural funding must primarily benefit projects for reducing fossil and nuclear fuel use and bringing about a transition to alternative energy sources, and set overcoming energy poverty as an objective, and calls on the EU Commission to bear these goals in mind when designing the relevant programmes;

14. therefore calls for a policy to help reduce energy bills by improving energy efficiency and changing supplies to more local energy sources;

15. Structural Fund allocation should take account not only of households but also of the most vulnerable consumer sectors;

Climate policy and social challenges should be addressed jointly, rather than continuing to subsidise fossil fuels.

16. points out that the subject of affordable energy is emerging as a new political priority all over the world, despite the climate implications. For the time being, there is an apparent conflict between the funding needed to develop renewable energies and the demand for affordable energy;

17. however, points out that the societal and environmental costs (including incidental costs) of fossil fuels and of nuclear energy far exceed all other energy costs. At the same time, most of these costs are not reflected in markets and prices;

18. points out that the many advantages of smart distributed systems combining various renewable energy sources, demand-side management and energy efficiency investments are still insufficiently acknowledged by European and Members States' policy makers;

19. emphasises that there is no reason to play people suffering from energy poverty off against other energy consumers. No unavoidable conflict between supporting renewable energy and measures to combat energy poverty exists, but on the contrary, both kinds of measures complement each other;

20. takes note of the considerations presented by the European Commission on the elements influencing energy prices in the EU and points out that a number of factors are to blame for the problem of energy affordability. In any case, it has been proven that local and regional investment in energy efficiency and renewable energy can create jobs and, in the medium term at least, alleviate energy poverty;

Impact of energy poverty

21. is concerned to note that across the EU, average electricity prices for households and industries increased by 29% between 2005 and 2011. Over the same period of time electricity prices in the USA increased by only 5% and in Japan by a mere 1%; it should be noted that the price of a barrel of oil on international markets doubled over the same period, and quadrupled between 2001 and 2011;

22. would like to emphasise that new Member States and crisis-ridden southern European countries are particularly exposed to the threat of growing fuel poverty. The gap between energy price rises and income growth continues to widen. Together with overall poverty and an initial lack of concerted efforts to improve the energy efficiency of rapidly decaying housing stock and energy infrastructure, energy poverty now affects large sections of the population;

23. in this connection, points out that between 50 and 125 million people are affected by energy poverty in Europe. In Bulgaria, Portugal, Lithuania, Romania, Cyprus, Latvia and Malta over 30% of people are unable to keep their homes warm and face disproportionately high energy bills. Meanwhile over 20% of people living in Greece, Poland, Italy, Hungary and Spain face the same challenges. Rapidly rising energy prices (compared to income growth) could result in energy poverty spreading to further sections of the population, in all EU countries;

24. therefore agrees that energy poverty is one indicator of material deprivation, which could be measured by surveys on income, social inclusion and living conditions, through questions such as 'can you afford to keep your home warm when needed?' (Eurostat, 2012) and 'can you meet the cost of your transport needs?';

25. is therefore pleased that Directives 2009/72/EC and 2009/73/EC of the European Parliament and the Council concerning common rules for the internal market in electricity and natural gas supply required Member States to adopt a definition of 'vulnerable customers', among other things. The European Economic and Social Committee (EESC) has also recommended adopting an EU-wide definition of energy poverty as well as harmonising existing statistics in order to rigorously assess the energy poverty situation in Europe;

26. also agrees with the view that the number of households affected by energy poverty could increase, and recommends urging the Member States to make good on their commitment to define 'vulnerable customers';

Involvement of local and regional authorities

27. points out that one of the tasks of local and regional authorities is to give residents impartial advice about options to make their homes more energy-efficient. This measure encourages job creation in construction-related sectors by re-directing their activities towards improving the energy efficiency of the existing housing stock, thereby reducing energy poverty rates, minimising CO₂ emissions and encouraging technological innovation;

28. also realises that given the major social and geographical differences in the incidence of energy poverty within the EU, specific measures are best implemented at local level;

29. points out that analyses of energy poverty risks at regional level provide a much more informative picture of social inequalities in Europe than similar analyses at national level. In terms of a purchasing power standard (PPS) taking into account differing price levels, Bulgarians for example pay an average of 17,07 PPS for 100 kWh of electricity, compared to 15,37 for British consumers. There was already a South-North/East-West divide in the European Union before the 2005 crisis, and since then it has become even worse;

30. emphasises that supporting residents to improve the energy efficiency of their homes is key to addressing both poverty in general and climate change challenges. Energy-efficient homes would also be more resilient to future energy price rises;

31. considers it necessary to encourage local and regional awareness-raising campaigns with the appropriate support from the European institutions to encourage people to adopt habits that will help save energy;

32. draws attention to the impact of the cost of energy required for transport, which is also a factor in energy poverty, and which should lead to a long-term regional planning policy aimed at reducing this transport demand, and at providing, where possible, more fuel-efficient modes of transport;

A clearer consumer perspective on energy policy implementation

33. therefore calls on the EU to make efforts to ensure that all market-led initiatives potentially entailing exploitation of vulnerable energy consumers are flanked by local, regional and national social policy measures, keeping taxes, surcharges and fees and therefore energy prices to a minimum throughout the value chain from energy producers to end users;

34. moreover, argues that consumers should not be charged unreasonable prices with e.g. an increased renewables surcharge, especially given the many periods when no renewable energy is fed into the grid. Nor should consumers be called on to compensate energy-intensive industries for lost profits, among other things due to shutting down production in order to protect the grid;

The requirement not to disconnect vulnerable costumers from energy supplies should be combined with the following measures:

35. therefore proposes that programmes be implemented to improve the energy efficiency of buildings for vulnerable customers, in order to achieve lasting savings on energy costs (e.g. by establishing a financing plan for modernising distance heating systems and all those elements that produce or process any form of thermal energy, or improved insulation for buildings). Such programmes should go hand-in-hand with support for energy production facilities intended mainly for individual use (hot water from thermal solar panels, electricity from small photovoltaic plants). Not only would this help to reduce the demand for energy, but it would also stimulate the production of renewable energy, thus reducing dependency on fossil fuels, most of which are imported;

36. recommends the rapid implementation of programmes to deliver energy advice and support energy efficiency measures (changing behaviour, using energy-efficient devices and draught-proofing doors and windows) which are relatively cheap but offer significant benefits, as well as a specific support programme targeting energy-poor households;

37. emphasises the objective of ensuring that individually, collectively or locally produced domestic renewable energy is more easily and cheaply accessible than imported energy. A general legal framework is needed to ensure that the local population can benefit from energy production initiated and operated by residents;

38. would like to see social support for households in energy poverty (spending over 10% of income on electricity and heating bills). This should be combined with subsidies for increased energy efficiency;

39. also recommends implementing additional support measures such as 'lifeline tariffs', with lower rates for at least basic energy needs that avoid penalising poorer people whose energy consumption is low;

40. is in favour of effort to cap energy price increases in order to combat energy poverty and keep heating costs below fossil fuel prices, to encourage a more rapid shift from heating using gas-, oil- or coal-fired boilers to combined heat and power, local biomass combustion, or highly efficient heat pumps, all of which can be powered by regional renewable energy sources;

41. feels that the Member States should make provisions to exempt low-income earners from energy taxes or tax them only lightly, as in the case of tax relief on labour.

Brussels, 2 April 2014

*The President
of the Committee of the Regions*
Ramón Luis VALCÁRCEL SISO

Opinion of the Committee of the Regions — New Guidelines for State aid for Energy

(2014/C 174/05)

Rapporteur	Mr Gusty Graas, member of Bettembourg municipal council (LU/ALDE)
Reference document	Own-initiative opinion

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS,

General comments on European energy

1. points out that the International Energy Agency is forecasting a one third increase in global energy consumption by 2035, primarily as a result of heightened demand from the newly industrialised countries;
2. stresses that the energy market is undergoing a major change because new natural gas-producers are entering the market and renewable energy production is increasing substantially in many Member States. The guidelines for granting state aid thus need to be adjusted, so that EU Member States will have clear rules governing their energy subsidy policy as of 2014. This clarity is essential for enabling investors to set up their projects;
3. draws attention to the fact that, in the European Union, the objectives proposed by the Commission in the *Policy framework for climate and energy in the period from 2020 to 2030* have to be reconciled with differing resources and with Member States' sometimes divergent interests;
4. points out that competition and the existence of a free market in energy are not ends in themselves, but are means of achieving the higher objectives of the European Union as defined in Article 3 of the Treaty on European Union;
5. suggests, in the light of the conclusions by the Advocate General of 28 January 2014 in the *Ålands Vindkraft* Case C-573/12, that the European Commission postpone the presentation of its new guidelines until after the judgment of the Court of Justice. In fact, the Advocate General is proposing that the Court declare invalid Article 3(3) of Directive 2009/28 which, in the framework of a national scheme for producing energy from renewable resources, allows electricity certificates to be granted to green electricity producers established in the Member State concerned. If this provision were to be declared invalid, it would call into question the design of aid schemes for developing renewable energy sources in a large number of Member States and would probably make the guidelines obsolete if they were to be submitted before the judgment, thus creating legal uncertainty;
6. supports the EU's climate and energy policy goals, which are enshrined in the renewable energy directive 2009/28/EC and elsewhere. The Member States and local and regional authorities have developed regulations and measures aimed at achieving these climate and energy policy goals by 2020. New guidelines on state aid in the area of energy and the environment must not stand in the way of these bindingly agreed targets or of the regulations and measures introduced to achieve these objectives;
7. underlines in this context the need to achieve a balance between the diversity of energy sources and support mechanisms for renewable energy on the one hand, and the common EU-level rules to avoid market distortion, on the other; is therefore concerned that the proposals by the European Commission in the consultation paper could too much curtail the possibilities to differentiate, in particular as far as the possibility to support the sustainable production of energy from renewables is concerned;

Comments on the trend in current European energy policies

8. takes note of the consultation document on the December 2013 new draft guidelines on state aid for the environment and energy for the 2014-2020 period; deplores the fact that the document in question has only been issued in one official language of the EU and that the deadline for responding to the consultation has in practice been reduced to six weeks instead of the usual eight; fears that such conditions are likely to make the responses less representative;

9. regrets that the Commission's consultation document contains no reference to the European Charter on the Rights of Energy Consumers
10. emphasises that an integrated approach to energy and environmental policies needs to be adopted at EU level;
11. believes that climate change and energy policy cannot be considered and dealt with separately;
12. underlines that the EU emission trading scheme (ETS) was set up by Directive 2003/87/EC of 13 October 2003 to 'promote reduction of greenhouse gas emissions in a cost-effective and economically efficient manner'. Phase 3 (2013-2020) should further develop the scheme with a view to achieving a 20% reduction in greenhouse gases by 2020 (compared with 1990). The CoR notes, however, that the excessive number of emission quotas allocated makes this mechanism less effective;
13. hopes that the guidelines for state aid for energy will also take account of the goals established for 2030 and of the aim of striving to reach a majority share of renewable energy by 2050;
14. is convinced that combating climate change, improved energy efficiency, boosting production of renewables and reducing the environmental footprint are objectives of common interest in themselves;
15. believes that expanding the production of renewables offers real opportunities for stimulating green growth and creating new stable jobs;
16. is pleased that the European structural and investment funds are paying growing attention to energy, climate and environmental goals;
17. points out that the European Commission wants 20% of the European regional development funds in the developed regions, and 6% of those funds in the less developed regions, to be invested in energy efficiency and renewables;
18. supports the European Union's efforts at international level to maintain the lead in fighting climate change;

Comments on the appropriateness of state aid in energy

19. approves the principle whereby state aid is justified if the market alone is unable to make substantial improvements in environmental protection; and shares the Commission's opinion that state aid can be an appropriate instrument for attaining ambitious goals in CO₂ reduction;
20. since the high cost of producing some types of renewable energy does not allow undertakings to charge competitive prices on the market, feels that state aid is justified in these cases provided that the technology can be expected to mature and be market-ready in the foreseeable future; however, this aid should, if possible, be coordinated at the European Union level and between the Member States and take account of the specificities of different regions;
21. in principle supports the Commission in its attempts to introduce more market mechanisms in granting aid, and urges it to make use of local and regional energy agencies for this purpose;
22. considers that state aid for energy should be considered as also having economic and social repercussions at regional and local levels. The positive and negative, short-, medium- and long-term external factors should be internalised as far as possible in the real cost of energy to minimise distortions of competition;
23. points out that, so as to ensure cutting-edge innovative capacity, the European Union must facilitate establishment of a scheme where different technologies compete on the energy market;
24. considers that the granting of state aid must be made transparent so that the Member States, the Commission, economic operators, local and regional authorities and the public have access to the necessary information;

Practical proposals: general trend in European energy policies

25. points out that subsidies for fossil fuels should be axed in the short term as they result in distorted competition and considerable environmental costs;

26. bearing in mind that shale gas and oil extraction by fracking is a controversial technique, but that some countries will begin commercial development in the course of this year, considers that discussions about state aid at this level cannot be avoided;

27. believes that the guidelines for state aid for energy should not include specific provisions enabling state aid for nuclear energy; at the same time, market principles should also apply to nuclear technology;

28. wishes to point out that all sources of renewable energy such as wind, solar, geothermal and hydroelectric power, biomass, landfill gas, sewage treatment plant gas and biogas used by local and regional authorities call for particular attention. The production of biofuels may be supported as long as they meet environmental sustainability criteria as laid down by EU provisions;

29. stresses that electricity produced by hydroelectric power stations can contribute to storage and to network balance, and that it can therefore also be supported if it is ensured that the relevant sustainability criteria are met;

30. wonders whether the specific reference to CCS (carbon capture and storage) technology is compatible with the principle of being technology neutral which the Commission espouses elsewhere;

31. believes that the EU should set a common legal framework for a more rational use of energy and support for renewable energies;

32. calls for greater energy efficiency at EU level, a larger share of renewable energy, a better energy mix and a regulatory framework that offers stakeholders fairer conditions;

33. draws attention to the difficulty of reconciling the competition framework at EU level, for which the EU has exclusive competence, with the fundamental principles of EU energy policy, such as those laid down in Article 194 TFEU, which provide for shared competence between the EU and its Member States, whilst taking account of the subsidiarity principle and the important role of local and regional authorities, especially local and regional energy agencies;

34. is aware that the risks of power cuts still remain. The CoR can therefore not overlook the fact that in order to guarantee continuity of electricity supply, some types of public aid should be allowed, firstly for the establishment of smart energy networks that encourage flexible production and consumption of energy on a decentralised basis, secondly for setting up energy-efficient storage, and finally for the building of flexible environment and climate-friendly plants to play a balancing role. These so-called 'back-up' power stations, for which state aid in the form of compensation payments may be necessary, should nevertheless not compete with renewables and should use the most modern technologies so that their CO₂ production is kept to a minimum. By contrast, the CoR believes that the construction of new coal-fired power stations should no longer receive state aid. Before considering reserve capacities, the CoR recommends giving consumers greater encouragement to use electricity outside peak periods. The Commission believes that there is a 10% margin of manoeuvre;

35. introducing smart meters and connecting terminals to the internet would make it possible to further synchronise supply and demand on the electricity market, while the resulting fall in storage costs for suppliers could help to reduce electricity costs for customers;

Practical proposals: energy support methods

36. notes that environmental taxes are in principle a suitable instrument for reducing CO₂ emissions, but accepts that they could in some cases affect the competitiveness of businesses, and that therefore exemption from such taxes can strengthen their position. Exemptions that could lead to distortions between states or regions must be avoided, especially if they lead to a higher burden on certain consumer groups or society in general. As an alternative to taxes or tax exemptions, rules or limits are needed that apply to all market participants and could help to raise environmental awareness while in the long term reducing the environmental footprint;

37. acknowledges that introducing environmental taxes on specific products is particularly appropriate if alternative products with a less negative impact on the environment are available on the market, so that consumers have a certain choice;

38. asks Member States, when granting state aid, to pay greater attention to the specific characteristics of their regions, including climatic, demographic and cultural features, especially where the least developed are concerned, so as not to hold back their energy development. Comprehensive retention of acquired rights for projects that have already been completed must be ensured. Moreover, the specific conditions of local energy cooperatives and small private investors must be taken into consideration for the purposes of tenders and direct marketing. To this end, the Member States must be given sufficient room for manoeuvre;

39. is therefore concerned that the Commission's proposals would restrict the system of fixed feed-in tariffs for renewable energy, which is applied in many Member States to promote renewable energy and to achieve climate goals, to very small plants and/or quantities of energy, and that it uses an inflexible definition of 'market-ready' technologies based on their Europe-wide market share; this definition does not do justice to the different situations in the Member States and the regions and jeopardises the development of their potential for sustainable energy;

Practical proposals: future direction regarding the appropriateness of state aid for energy

— Market mechanisms

40. notes that it is essential to guarantee a range of energy providers in order to establish a properly functioning market, given that diversification not only ensures continuity in energy production and consumption, but also promotes the use of new technologies, thanks to market-based competition;

41. supports the Commission in its approach whereby, before contemplating any public aid mechanism, governments should analyse the reasons for the energy production shortfall and, where necessary, remove the distortions preventing the market from providing incentives for investment in generation capacity;

42. points out that, regardless of the method selected, the principle of technological neutrality must under no circumstances jeopardise achieving the long-term environmental and energy goals;

— Regional and local initiatives

43. feels that municipalities and regions should enjoy a certain latitude for financially supporting projects whose marketing potential is not clear in the short term, but which offer a promising technology that could lead to more efficient energy use and a higher level of environmental protection in the future;

44. believes that local and regional citizen cooperatives for further promoting renewable energy need special attention, firstly so that they create additional energy providers and secondly to play a significant educational role in consolidating awareness of rational energy use. This incentive effect should thus be considered as a positive externality to be taken into account by the market. The new guidelines on state aid must therefore leave open the prospects for development of plants organised along cooperative lines;

45. proposes respecting the specific socio-economic characteristics of small networks for which calls for tender issued by the Member States are inappropriate, as this method does not guarantee a level playing field for participants;

46. notes with satisfaction the proposed extension of exemptions (GBER) for aid in support of district heating initiatives and improved energy efficiency in buildings;

47. also calls for special conditions for aid for the training of staff providing technical support and advice to local and regional authorities;

48. encourages civic participation not only in the environmental and energy debate, but also in practical production initiatives, especially through cooperatives;

49. has reservations about the Commission's intention to replace the feed-in tariff for energy from renewables, whereby green energy producers receive a fixed price per kWh, with feed-in premiums. Investors' legitimate confidence concerning the profitability of existing investments must be respected in order to guarantee their long-term commitment. The CoR therefore supports the option of keeping the feed-in tariffs that has been tried and tested in 19 Member States;

50. asks that the eligibility ceiling for aid for alternative energy production installations starting commercial production for the first time and for small plants be increased to 5MW, and to 15MW for wind power plants;

51. warns that a cumbersome administrative process for assessing the appropriateness of state aid could lead to additional costs, particularly for small-scale initiatives;

52. welcomes the Commission's intention of also supporting the use of biomass in the future, particularly as a number of local and regional authorities are operating such plants and in view of the jobs created per MW installed. It also suggests considering legal and financial support for public- and private-sector initiatives for the sustainable exploitation of existing forests in order to provide high-quality biomass;

— *Infrastructure*

53. endorses the CEDEC (European Federation of Local Energy Companies) opinion as regards facilitating investments in smart distribution technologies for electricity networks, as they encourage efficient energy use by the end consumer. At the same time, these investments in the energy infrastructure guarantee security of supply;

54. believes that Member States, municipalities and regions should set up or improve a scheme to facilitate investment in energy efficiency, for example by providing subsidies for insulating the external walls of dwellings, providing heat insulation for walls backed by earth or adjacent to unheated areas of dwellings, installing thermal insulation for sloping or flat roofs of dwellings, providing thermal insulation for the floor under unheated lofts, replacing the doors and windows of dwellings, installing solar and photovoltaic heat collectors, installing wood-pellet or log-fired central heating, installing controlled ventilation with heat retrieval, installing geothermal energy based solutions and installing heat exchangers;

55. points out that cogenerating heat and electricity is the most efficient way of producing electricity and heat simultaneously. The CoR thus calls for municipalities to set up cogeneration plants. Local authorities investing in highly efficient cogeneration installations should be able to receive aid;

56. welcomes the idea that guidelines will henceforth promote the use of public subsidies for cross-border energy infrastructure or for projects that contribute to regional cohesion;

— *Research and development*

57. considers that aid should also be granted for environmental studies undertaken by local and regional authorities in the following areas: improving on EU standards or increasing the level of environmental protection in the absence of such standards; asks that, in certain cases, aid for studies not directly linked to investments, such as studies on support for eco-construction or eco-design, could be granted under the *de minimis* system. The European Commission should also introduce specific programmes to promote applied research and technological development, bringing together energy sector businesses, universities and research centres;

58. points to the considerable role universities and research institutes, technology centres and energy agencies must assume as regards applying new technologies in the energy sphere. Adequate funding should thus be made available to achieve these objectives;

59. considers that a high proportion of research and development costs for relatively young renewable energy and energy efficiency technologies, together with a lack of internalisation of external costs of energy production from fossil fuels as a consequence of the current prices for greenhouse gas emission certificates, make a pay-as-you-go scheme to support investment in such technologies necessary.

Practical proposals: procedure for granting state aid for energy

60. calls for local and regional beneficiaries to be included in drafting aid schemes;
61. is in favour of simplifying administrative procedures for granting state subsidies;
62. advocates a guarantee of transparency in all decisions to be taken concerning state aid for energy and assessing the many benefits to be derived from using measures drawn up for providing state aid. Moreover, checks should be made to ensure there is no overlapping of actions funded in various contexts.

Brussels, 2 April 2014

*The President
of the Committee of the Regions*
Ramón Luis VALCÁRCEL SISO

III

(Preparatory acts)

COMMITTEE OF THE REGIONS

106TH PLENARY SESSION, 2—3 APRIL 2014

Opinion of the Committee of the Regions — information provision and promotion measures for agricultural products on the internal market and in third countries

(2014/C 174/06)

Rapporteur	Pedro Sanz Alonso, President of the Regional Government of La Rioja (ES/EPP)
Reference document	Proposal for a Regulation of the European Parliament and of the Council on information provision and promotion measures for agricultural products on the internal market and in third countries COM(2013) 812 final

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

General aspects

1. welcomes and endorses the European Commission's proposal for a regulation, because it demonstrates the Commission's interest in information and promotion measures for agricultural products on the internal market and in third countries and in particular because it proposes a new framework for supporting and boosting information and promotion measures for European agricultural products both within and beyond our borders;
2. considers that information and promotion measures for agricultural products on the internal market and in third countries are particularly important for enabling the agricultural sector to cope with the many challenges it faces at a time of growing competition. These are also important for making it easier to open up markets, giving these products a greater presence, as European agricultural producers are now having to deal with the challenges of open borders and market globalisation;
3. considers that this proposal for information and promotion measures for agricultural products will enable consumers, in Europe and across the world, to learn more about the EU's quality and high production standards by ensuring food safety/security and environmental protection, thus building confidence in the products they purchase and consume. This could lead to a better return for producers, by raising the profile of European agricultural products;
4. believes that the European agricultural sector is essential to the development of local and regional economies, playing a very substantial role in job creation and in encouraging population settlement and growth in the area, since production and processing have close local and regional links. This regional dimension should remain a key component in achieving the goal of ensuring that Europe's regions develop in a balanced manner;
5. reiterates that the regions need an ambitious and effective promotion policy that showcases the quality and distinctive characteristics of their agricultural products. These products not only represent the European Union's cultural and gastronomic heritage but are also crucial to the economic and social life of many European regions since, especially in rural areas, they underpin activities that have a direct connection with the area;

6. recommends that special attention be paid to the group of agricultural products that are specifically made using traditional ingredients and processed in a way peculiar to a given region;

The gradual but significant increase in the budget

7. the increase in the budget allocation for this measure is essential, since the Commission proposes to extend the range of beneficiaries and the list of eligible products, and has also increased its contribution to multi-programmes;

8. the bilateral agreements currently being negotiated with third countries such as Canada, the USA, Mercosur and other association agreements clearly show that promotion and information measures will be increasingly needed, both on the internal market and in third countries, if European products are to be competitive;

9. emphasises that information and promotion measures for the internal market could continue to be financed, to ensure that Europe remains competitive, at least where products from recognised production schemes or organic farming are concerned;

10. points out that the CAP reform that has been adopted ties in with European trade policy and, at the global level, the European Union should contribute to global food security, as well as to international trade policy. This will ensure a level playing field for EU farm production within the WTO;

Focussing promotion measures on third countries

11. considers that allocating 75% of the planned budget to information and promotion measures in third countries could result in the internal market being neglected, despite being the main market for European products and in which producers have to work hard to remain competitive, facing competition from the influx of products from third countries;

12. calls on the Commission not to fix any a priori objective regarding the percentage of the funds for information and promotion measures for EU agricultural products in third countries, as the EU's internal market should be given the same visibility as third-country markets;

Increasing the use of brands and designations of origin

13. endorses the initiative for the use of brands and references to the origin of agricultural products, since the visibility of trademarks as part of a generic promotion will improve beneficiaries' opportunities to generate financing and interest, provided that a balance is maintained, especially on the EU's internal market;

14. supports the Commission's proposal for quality schemes to use official Community logos, but considers that the region's name is closely linked to the overall message, which should highlight a product's intrinsic characteristics. The geographical origin of the product should therefore be clearly stated;

15. notes that quality schemes recognised at the European level are multiplying and are increasingly recognised in Europe, in order to meet the growing food demands of European consumers who are particularly interested in local, high-quality products that meet the EU's stringent standards for food safety and environmental protection; points out that goods covered by recognised quality schemes are extremely important to the internal market and should therefore be maintained and supported;

16. calls on the Commission to ensure that implementing arrangements can be established by means of implementing acts; considers, furthermore, that promotion agencies could coordinate and even implement collective measures by groups of producers in their regions;

17. believes that positive synergies between different regional products can boost the prosperity of every European region; they are therefore important sources of a region's income and high-quality services and are linked to its identity and heritage; creating such synergies would help improve quality in areas linked to regional agricultural products, which would have a positive effect on job creation, particularly in fragile areas, offering new opportunities on both local and international markets;

Extending the range of beneficiaries and the list of eligible products

18. agrees that producer organisations should be given a prominent role, although the representativeness requirements that might apply to them would need to be detailed, to ensure that they represent all sectors;

19. calls for particular attention to be given within producer organisations to SMEs, provided that these focus promotion measures on recognised quality schemes; SMEs are the most common type of business across Europe's regions and are largely representative of the European agri-food industry;

20. agrees that any product originating in the EU should be able to benefit from information and promotion measures on the internal market and in third countries, with the exception of tobacco. The priority should be for measures proposed for products that are conducive to a balanced diet and for measures proposed for other products that have a distinctive European quality indication;

The Commission's setting of priorities in a work programme

21. welcomes the Commission's proposal to establish a work programme to support the promotion policy with clear and well-defined strategies;

22. requests clarification as to how the Commission will take account of Member States' priorities and how these will be included in the work programme;

23. proposes adopting a three-year work programme, as is the case with the current promotion campaigns, so that market trends can be taken into account, while allowing for annual adjustments;

The evaluation, selection and management of simple and multi-programmes

24. the evaluation and selection of programmes should not be carried out by the Commission alone. Member State involvement should also be allowed, thus enabling European regions to take part, as regions will co-finance the promotion measures that are finally retained in the EAFRD for the period 2014-2020 (Article 17) under arrangements that are quite similar to those for measure 133 in the 2007-2013 period;

25. calls on the Commission to consider measures for Member State and regional involvement — without making the process too burdensome — in the promotion programme financed by the European Union, to ensure that measures funded by this programme reflect regional promotion strategies;

26. is also in favour of maintaining the two calls for proposals allowed under the current regulation, since applicants do not have to wait so long to apply again if their programme does not pass the selection process the first time;

The proposed co-financing rates

27. accepts the co-financing rates as proposed by the Commission and agrees that they are consistent with the aim of encouraging the submission of programmes in third countries and multi-programmes; proposes, however, that where multi-programmes in third countries are concerned, co-financing should be higher — 75%; this percentage could even apply to SMEs, where programmes of special interest are concerned;

28. is aware that the promotion policy carried out to date has helped restore consumer confidence in crisis situations, but information tools and promotion measures should continue to be much more flexible and effective;

29. proposes that thought be given to increasing EU co-financing, especially for information and promotion measures during agricultural crises, so as not to create situations that discriminate between producers;

30. states the need for the proposal for a regulation to clarify how it is proposed to improve preparedness for crisis situations, to be able to act quickly and efficiently;

The possibility of Member States being prevented from also financing programmes

31. requests that Member States be allowed voluntarily to co-finance programmes with the Commission, as this might be necessary in production sectors that are under-developed, or which have little economic capacity;

Final recommendations

32. recommends that the Commission give greater recognition to Europe's regions and their key role in the production of agricultural products and high-quality agri-foods by making it easier for them to be involved in the selection of programmes;

33. recommends that the Commission finance promotional measures on the internal market in order to increase sales of agricultural products and foodstuffs originating in the European Union and that are covered by recognised quality or organic traditional and regional farming schemes. Disseminating and promoting traditional products will help to change consumption patterns shaped by globalisation on the European market;

II. RECOMMENDATIONS FOR AMENDMENTS**Amendment 1**

Recital 2

Text proposed by the Commission	CoR amendment
The aim of these measures is to enhance the competitiveness of European agriculture in both the internal market and third countries by increasing consumers' awareness of the merits of the Union's agricultural products and food products based on agricultural products and developing and opening up new markets. They usefully complement and reinforce the measures implemented by the Member States.	The aim of these measures is to enhance the competitiveness of European agriculture in both the internal market and third countries by increasing consumers' awareness of the merits of the Union's agricultural products and food products based on agricultural products, <u>taking account of quality schemes recognised at European level that bring added value to European production</u> , and developing and opening up new markets. They usefully complement and reinforce the measures

Reason

European consumers are not generally aware of the rules and high quality standards that European producers are obliged to comply with. To remedy this situation, European products must be shown to comply with stringent standards for food safety, animal health and welfare, plant health and the environment. The information and promotion policy for agricultural products is therefore important for explaining and raising awareness among European consumers that European products do meet these requirements.

Attention should also be paid to those products covered by quality schemes recognised by the European Union.

Amendment 2

Recital 7

Text proposed by the Commission	CoR amendment
The Union's information provision and promotion measures relating to wine are one of the landmarks of the aid programmes available to the wine sector under the CAP. Consequently, the eligibility of wine for the information provision and promotion measures provided for under this scheme should be limited solely to wine which is associated with another agricultural or food product.	(7) The Union's information provision and promotion measures relating to wine are one of the landmarks of the aid programmes available to the wine sector under the CAP. Consequently, the eligibility of wine for the information provision and promotion measures provided for under this scheme should be limited solely to wine which is associated with another agricultural or food product.

Reason

The wine sector should not be treated differently to any other agricultural product sector and should be fully included on the list of eligible products and not only in conjunction with other products as part of general campaigns. Wine would be the only product not entitled to benefit from European campaigns exclusively for their sector. A sector that is so crucial to European production cannot be omitted.

Amendment 3

Recital 8

Text proposed by the Commission	CoR amendment
Over the period 2001-11, barely 30 % of the budget earmarked for information provision and promotion measures under Regulation (EC) No 3/2008 was spent on measures targeting third-country markets, even though these markets offer major growth potential. With the aim of reaching 75 % of estimated expenditure, specific arrangements are therefore required to encourage a larger number of information provision and promotion measures for Union agricultural products in third countries, in particular through increased financial support	Over the period 2001-11, barely 30 % of the budget earmarked for information provision and promotion measures under Regulation (EC) No 3/2008 was spent on measures targeting third-country markets, even though these markets offer major growth potential. With the aim of reaching 75 % of estimated expenditure, specific arrangements are therefore required to encourage a larger number of information provision and promotion measures for Union agricultural products in third countries, in particular through increased financial support.

Reason

European products now have to compete with products from third countries on both the internal and external markets, while having to meet the many and demanding Community standards. It is also important to bear in mind the differing production forms and conditions that exist both within and outside the EU.

We do not believe that percentages should be set for estimated expenditure for information and promotion measures for agricultural products in third countries

Amendment 4

Recital 9

Text proposed by the Commission	CoR amendment
In order to guarantee the impact of the information provision and promotion measures that are implemented, these should be developed in the context of information and promotion programmes. Such programmes have hitherto been submitted by professional or inter-professional organisations. In order to increase the number and raise the quality of the measures proposed, the range of beneficiaries should be widened to include producer organisations. Moreover, the Commission must be able to supplement programmes by implementing measures at its own initiative, particularly with a view to contributing to the opening-up of new markets.	In order to guarantee the impact of the information provision and promotion measures that are implemented, these should be developed in the context of information and promotion programmes. Such programmes have hitherto been submitted by professional or inter-professional organisations. In order to increase the number and raise the quality of the measures proposed, the range of beneficiaries should be widened to include producer organisations <u>and their SME members, provided that promotion focusses on recognised quality schemes.</u> Moreover, the Commission must be able to supplement programmes by implementing measures at its own initiative, particularly with a view to contributing to the opening-up of new markets.

Reason

SMEs should not be overlooked as beneficiaries, since they account for around 90% of the EU's agri-food sector and, given that these businesses also have a closer link with the rural and regional environment, they should therefore benefit most from these measures.

Amendment 5

Recital 11

Text proposed by the Commission	CoR amendment
(11) In order to ensure that information provision and promotion measures are implemented effectively, they should be entrusted to duly selected implementing bodies.	(11) In order to ensure that information provision and promotion measures are implemented effectively, they should be entrusted to duly selected implementing bodies <u>that have qualified specialist staff to ensure effective implementation.</u>

Reason

It is important that the implementing bodies selected have specialist staff to provide technical support to help develop promotional programmes, a task which has traditionally fallen to the Member States.

Amendment 6

Recital 14

Text proposed by the Commission	CoR amendment
(14) The Union is keen to simplify the regulatory environment of the CAP. This approach should also be applied to the Regulation on information provision and promotion measures for agricultural products. In particular, the principles of administrative management of information and promotion programmes should be reviewed with the aim of simplifying them and enabling the Commission to establish the rules and procedures applicable to the submission and selection of proposals for programmes.	(14) The Union is keen to simplify the regulatory environment of the CAP. This approach should also be applied to the Regulation on information provision and promotion measures for agricultural products. In particular, the principles of administrative management of information and promotion programmes should be reviewed with the aim of simplifying them and enabling the Commission, <u>with the option to adopt implementing acts that would enable Member States to take part, in cooperation with European regions,</u> to establish the rules and procedures applicable to the submission and selection of proposals for programmes.

Reason

The Commission should, in conjunction with the Member States and European regions, adopt the rules and procedures governing the submission and selection of proposals for programme, since the Member States and European regions will take account of more specific criteria reflecting the different situations and conditions in their territories. We do not believe that simplifying the selection procedure means that the Member States should be excluded.

Amendment 7

Recital 16

Text proposed by the Commission	CoR amendment
(16) Financing rules should be set. As a general rule, so that interesting proposing organisations assume their responsibilities, the Union should cover only part of the cost of programmes. Certain administrative and staff costs which are not linked to implementation of the CAP form an integral part of information provision and promotion measures and could be eligible for Union funding.	(16) Financing rules should be set. As a general rule, so that interesting proposing organisations assume their responsibilities, the Union should cover only part of the cost of programmes. Certain administrative and staff costs which are not linked to implementation of the CAP form an integral part of information provision and promotion measures and could be eligible for Union funding. <u>Member States could also voluntarily co-finance some of the programme costs.</u>

Reason

European Member States and regions should be allowed to co-finance simple programmes, because certain key actors in the sector do not always have the necessary budgetary resources to carry out this type of promotion campaign. Furthermore the recital's current wording might primarily benefit European producers that have greater financial resources for promotion programmes.

Amendment 8

Article 2

Text proposed by the Commission	CoR amendment
<i>Measures on the internal market</i>	<u><i>Measures on the internal market and in third countries</i></u>
The eligible measures on the internal market are as follows:	The eligible measures on the internal market are as follows:
a) information measures aimed at stressing the specific features of agricultural productions methods in the Union, particularly in terms of food safety, authenticity, nutritional and health aspects, animal welfare or respect for the environment;	a) information measures aimed at stressing the specific features of agricultural productions methods in the Union, particularly in terms of food safety, authenticity, <u>labelling</u> , nutritional and health aspects, animal welfare or respect for the environment;
b) information measures on the themes referred to in Article 5(4);	b) information measures on the themes referred to in Article 5(4);

Reason

No distinction should be made between internal and external market measures. It is proposed that articles 2 and 3 be merged into a single article.

Amendment 9

Article 3

Text proposed by the Commission	CoR amendment
<i>Measures in third countries</i>	<i>Measures in third countries</i>
The eligible measures in third-countries are as follows:	The eligible measures in third countries are as follows:
a) information measures aimed at stressing the characteristics of agricultural and food products and on the themes referred to in Article 5(4);	a) information measures aimed at stressing the characteristics of agricultural and food products and on the themes referred to in Article 5(4);
b) promotion measures aimed at increasing sales of agricultural and food products from the EU.	b) promotion measures aimed at increasing sales of agricultural and food products from the EU.

Reason

No distinction should be made between internal and external market measures. It is proposed that articles 2 and 3 be merged into a single article.

Amendment 10

Article 5

Text proposed by the Commission	CoR amendment
<p>1. The following products may be the subject of the information provision and promotion measures referred to in Article 3 and illustrate the production methods and themes referred to in Article 2 and in Article 3(a).</p> <p>a) the agricultural products listed in Annex I to the Treaty on the Functioning of the European Union (hereinafter referred to as 'the Treaty'), excluding the fishery and aquaculture products listed in Annex 1 to Regulation (EU) No [COM(2011)416] of the European Parliament and of the Council and tobacco;</p> <p>b) the food products based on agricultural products listed in point I of Annex I to Regulation (EU) No 1151/2012 of the European Parliament and of the Council;</p> <p>c) spirit drinks with a protected geographical indication pursuant to Regulation (EC) No 110/2008 of the European Parliament and of the Council.</p> <p>2. Wine may be the subject of information provision and promotion measures provided that other products as referred to in paragraph 1(a) or (b) are also covered by the programme in question.</p>	<p>1. The following products may be the subject of the information provision and promotion measures referred to in Article 3 and illustrate the production methods and themes referred to in Article 2 and in Article 3(a).</p> <p>a) the agricultural products listed in Annex I to the Treaty on the Functioning of the European Union (hereinafter referred to as 'the Treaty'), excluding the fishery and aquaculture products listed in Annex 1 to Regulation (EU) No [COM(2011)416] of the European Parliament and of the Council and tobacco;</p> <p>b) the food products based on agricultural products listed in point I of Annex I to Regulation (EU) No 1151/2012 of the European Parliament and of the Council;</p> <p>c) spirit drinks with a protected geographical indication pursuant to Regulation (EC) No 110/2008 of the European Parliament and of the Council.</p> <p>d) <u>wine with a protected designation of origin or protected geographical indication as provided for by Regulation (EU) No 1308/2013 of the European Parliament and of the Council, and wine produced by organic farming may benefit from information and promotion measures.</u></p> <p>2. Wine may be the subject of information provision and promotion measures provided that other products as referred to in paragraph 1(a) or (b) are also covered by the programme in question.</p>

Reason

The wine sector should not be treated differently to any other agricultural product sector. The European wine sector is a recognised sector that should be protected due to its importance to the European internal market and due to its recognition outside the EU.

Amendment 11

Article 8

Text proposed by the Commission	CoR amendment
<p>1. Information provision and promotion measures shall contribute to strengthening the competitiveness of European agriculture both on the internal market and in third countries. The objectives to be attained shall be set out in the work programme referred to in paragraph 2.</p>	<p>1. Information provision and promotion measures shall contribute to strengthening the competitiveness of European agriculture both on the internal market and in third countries. The objectives to be attained shall be set out in the work programme referred to in paragraph 2.</p>

Text proposed by the Commission	CoR amendment
<p>2. The Commission shall, by means of an implementing act, adopt a work programme setting out the objectives pursued, the priorities, the expected results, the implementing arrangements and the total amount of the financing plan. It shall also contain the main evaluation criteria, a description of the measures to be financed, an indication of the amounts allocated to each type of measure and an indicative implementation timetable and, in the case of grants, the maximum rate of co-financing.</p> <p>The implementing act referred to in the first subparagraph shall be adopted in accordance with the advisory procedure referred to in Article 24(3).</p> <p>3. The work programme referred to in paragraph 1 shall be implemented through the publication by the Commission:</p> <p>a) for simple programmes, of a call for proposals indicating, notably the conditions for participation and the main assessment criteria;</p> <p>b) for multi programmes, of a call for proposals in accordance with Title VI of Part I of Regulation (EU, Euratom) No 966/2012 .</p>	<p>2. The Commission shall, by means of an implementing act, adopt a work programme setting out the objectives pursued, the priorities, the expected results, the implementing arrangements and the total amount of the financing plan. It shall also contain the main evaluation criteria, a description of the measures to be financed, an indication of the amounts allocated to each type of measure and an indicative implementation timetable and, in the case of grants, the maximum rate of co-financing.</p> <p><u>When devising that programme, the Commission shall take into account the specific natural handicaps of the mountain, island and outermost regions.</u></p> <p>The implementing act referred to in the first subparagraph shall be adopted in accordance with the advisory <u>examination</u> procedure referred to in Article 24(32).</p> <p>3. The work programme referred to in paragraph 1 shall be implemented through the publication by the Commission:</p> <p>a) for simple programmes, of a call <u>two calls</u> for proposals indicating, notably the conditions for participation and the main assessment criteria;</p> <p>b) for multi programmes, of a call <u>two calls</u> for proposals in accordance with Title VI of Part I of Regulation (EU, Euratom) No 966/2012 .</p> <p><u>The calls for proposals referred to in points a) and b) above shall take account of the specific natural handicaps of the mountain, island and outermost regions.</u></p>

Reason

The Commission is taking on too much power in the decision-making procedure relating to the work programme. The current regulation allows for two calls for proposals, so that applicants do not have to wait so long to apply again.

Amendment 12

Article 12

Text proposed by the Commission	CoR amendment
<p>1. The Commission shall assess and select proposals for simple programmes further to the call for proposals referred to in Article 8(3)(a).</p> <p>2. The Commission shall, by means of implementing acts, decide on the simple programmes selected, on any changes to be made to them, and on the corresponding budgets. Those acts shall be adopted in accordance with the examination procedure referred to in Article 24(2).</p>	<p>1. The Commission shall assess and select proposals for simple programmes further to the call for proposals referred to in Article 8(3)(a)</p> <p><u>2. The Commission shall adopt implementing acts that enable European Member States and regions to be involved in assessing and selecting proposals for simple programmes.</u></p>

Text proposed by the Commission	CoR amendment
	3. The Commission shall, by means of implementing acts, decide on the simple programmes selected, on any changes to be made to them, and on the corresponding budgets. Those acts shall be adopted in accordance with the examination procedure referred to in Article 24(2).

Reason

Member States should not be excluded from the process of evaluating and selecting simple programmes. National governments should play an active part in this selection procedure given that, according to Article 14, they will be responsible for their implementation, monitoring and control.

Amendment 13

Article 13

Text proposed by the Commission	CoR amendment
After competitive tendering has been duly carried out, the proposing organisation shall choose the bodies that will implement simple programmes that have been selected, with a view, in particular, to ensuring that measures are implemented effectively.	After competitive tendering has been duly carried out, the proposing organisation shall choose the <u>specialised</u> bodies that will implement simple programmes that have been selected, with a view, in particular, to ensuring that measures are implemented effectively. <u>Recognition of national collective measures with a connection to the regions or to information on a product's origin could be provided by regional promotion agencies or departments.</u>

Reason

It is important to reiterate the need for Member States and regions to be involved in information and promotion measures. We therefore propose adding the assistance of regional promotion agencies and departments. These agencies are proposed as effective and flexible instruments for financing and assisting with implementation of the programmes, not with a view to financing them through these funds.

Amendment 14

Article 15(1)

Text proposed by the Commission	CoR amendment
1. The Union's financial contribution to simple programmes shall not exceed 50 % of the eligible expenditure. The remaining expenditure shall be borne exclusively by proposing organisations.	1. The Union's financial contribution to simple programmes shall not exceed 50 % of the eligible expenditure. <u>The percentage contributed by the Union shall rise to 75% for programmes held by the outermost regions of the Union.</u> <u>The Member States, together with the European regions, may on a voluntary basis also cover another share of the programmes' expenditure, not exceeding 20%. The remaining expenditure shall be borne exclusively by proposing organisations.</u>

Reason

The possibility of co-financing by the Member States should not be excluded for simple programmes, because a number of the sector's key actors do not always have the necessary budgetary resources to carry out this type of promotion campaign, which can be extremely costly for businesses. SMEs are the worst affected by these costs, and as a result, we could end up with a situation in which only large businesses take part. The costs can also lead to a drop in participation in the programmes, which is the opposite of what was intended. We consider 20% to be appropriate, because it means that there is little difference in expenditure on promotion between Member States.

Amendment 15

Article 23(2)

Text proposed by the Commission	CoR amendment
2. The power to adopt delegated acts referred to in this Regulation shall be conferred on the Commission for an indeterminate period of time from the date of entry into force of this Regulation.	2. The power to adopt delegated acts referred to in this Regulation shall be conferred on the Commission for an indeterminate period of time from the date of entry into force of this Regulation.

Reason

We do not believe that the Commission should be given an indefinite period of time to adopt delegated acts, and so this part of paragraph 2 should be deleted.

Amendment 16

Article 27

Text proposed by the Commission	CoR amendment
By not later than 31 December [2020], the Commission shall submit to the European Parliament and the Council a report on the application of this Regulation together with any appropriate proposals.	By not later than 31 December [2020], the Commission shall submit to the European Parliament and the Council a report on the application of this Regulation together with any appropriate proposals. <u>In addition, an interim report shall be submitted by 31 December 2017.</u>

Reason

We believe that the Commission should submit to the European Parliament and the Council an interim report on the progress made on the implementation of this Regulation and on its state of play to ensure that, should any improvements or adjustments need to be made, there is enough time to achieve the objectives set for the end of 2020.

Brussels, 2 April 2014

*The President
of the Committee of the Regions*
Ramón Luis VALCÁRCEL SISO

Opinion of the Committee of the Regions — The Quality Framework for Traineeships

(2014/C 174/07)

Rapporteur	Andrius KUPČINSKAS (LT/EPP), Mayor of Kaunas
Reference document	Proposal for a Council Recommendation on a Quality Framework for Traineeships COM(2013) 857 final

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

1. **welcomes** the recommendation adopted by the Council of the European Union for a Quality Framework for Traineeships (QFT), the establishment of which has been called for in previous opinions, but deeply regrets that the Commission has chosen to present this Framework in the form of a Council Recommendation rather than a Directive;
2. **notes** with concern — given that there was too little time between the presentation of the Commission proposal (4 December 2013) and the adoption of the Council recommendation (10 March 2014) for the Committee of the Regions to issue an opinion in line with the usual procedures — that neither the European Commission while drawing up the recommendation for a Quality Framework for Traineeships, nor the Council before adopting it, consulted the EU's assembly of regional and local representatives, the Committee of the Regions;
3. **regrets** that youth unemployment is still very high in the EU, particularly in some regions, and **stresses** the importance of active steps to combat it. If the target set in the Europe 2020 Strategy of achieving an employment rate of 75% of the 20 to 64 age group by 2020 is to be achieved, youth education must be improved, i.e. better targeted to the needs of the labour market, and more favourable conditions created for the transition to the labour market;
4. **believes** that it is imperative that more be done at both national and European level to encourage young people to aspire to the professions of the future. To this end, studies should be drawn up that make it possible to recognise and influence trends at an early stage, as well as to predict changes in demand for labour by sector and profession, the number of workers requiring training for specific professions and emerging jobs, and the likely need for training places aimed at young people;
5. as traineeships are an essential part of the Youth Guarantee, **reiterates** its support for the Council Recommendation on establishing a Youth Guarantee ⁽¹⁾ of 22 April 2013 ⁽²⁾, which aims to ensure that *'all young people under the age of 25 years receive a good-quality offer of employment, continued education, an apprenticeship or a traineeship within four months of becoming unemployed or leaving formal education'*. Local and regional authorities should play a fundamental role in implementing youth guarantee schemes;
6. **welcomes** the QFT as a useful measure which seeks to ensure that traineeships efficiently ease education-to-work transitions and thus increase young people's employability;
7. considers that the transmission of expertise from one generation to the next, the 'master-apprentice' model, should be given positive emphasis in traineeships;
8. **endorses** the innovations listed in the QFT, as the aim of the QFT is to ensure that traineeships are transparent and to focus on learning objectives; at the same time, is **disappointed** that the Quality Framework does not provide for any discussion of recommendations to the Member States on such important issues as social security or remuneration of trainees; regrets that the remit of the QFT does not match the ones of the Youth Guarantee as the QFT only covers open market traineeships and excludes traineeships undertaken in the framework of a course of study, formal education or vocational training;

⁽¹⁾ COM(2012) 729 final of 5.12.2012.

⁽²⁾ Council Recommendation on Establishing a Youth Guarantee. 2013/C 120/01, 22 April 2013.

9. **points out** that the local and regional authorities play an important part in drawing up and implementing measures to combat unemployment, including in the areas of education and training. The Member States should be aware of this role and make use of the related opportunities to facilitate the process of moving from education into employment for skilled young workers, as local authorities in particular have a role as service providers in the areas of education, training and employment; **regrets**, therefore, that the Council recommendation fails to address the role of local and regional authorities in implementing the QFT;

10. **calls on** the Member States to provide for the active involvement of the social partners and of local and regional authorities in order to ensure that the system is successfully implemented;

11. and to examine thoroughly under what legal and other conditions the QFT could be made a national practice and/or implemented in national law;

Introductory remarks

12. **expresses its concern** about high youth unemployment in the European Union and the resultant current danger of youth poverty, which is also referred to in the European Commission's 2012 Annual Report on Employment and Social Developments ⁽³⁾;

13. **stresses** the importance of effective measures to solve the increasing problem in Europe of young people who are neither in work nor in training and **points to** the social, economic and demographic consequences and dangers of these young people's lack of independence;

14. **agrees** with the Commission on the importance of traineeships and **points out** that good-quality traineeships offer young people the opportunity to obtain valuable vocational experience, knowledge and skills and in this way to improve their chances of finding a job and establishing themselves on the labour market quickly and in a lasting way;

15. **shares** the Commission's **concern** that traineeships are sometimes abused as a way of obtaining cheap or even unpaid labour. Thus, the basic challenges are to set an upper time limit for traineeships and to improve their quality, so that they provide useful experience for getting onto the labour market;

16. **points out** that the best results with youth employment can be seen in countries and regions where young people have the opportunity to undertake good-quality traineeships or apprenticeships and where established traineeship and work placement schemes are an inseparable part of the education and employment system; it is important for education institutions to collaborate with the entrepreneurial sphere to ensure the mutual benefits of a traineeship programme are realised;

General aspects of the recommendation

17. **endorses** the basic approach of the QFT and notes that the learning process, which makes it possible to become familiar with the workplace, clear learning objectives and the selection of a suitable supervisor are all important for traineeships;

18. **supports** the QFT's call for traineeship providers to certify through a certificate of completion of the traineeship the knowledge, skills and competences acquired during traineeships; this is essential to ensure that the value of the traineeship is formally recognised as an instrument that helps young people enter the labour market and find good-quality employment;

19. **regrets** that the Council recommendation does not refer to traineeships undertaken as part of a course of study, formal education or vocational training; therefore **calls on** the Commission to put forward a separate proposal for a quality framework for these traineeships;

20. **endorses** the support, provided for under the QFT, for Member State measures from the EU funding framework (financing of traineeship programmes from the resources of the European Social Fund (ESF), the European Regional Development Fund (ERDF) and the Youth Employment Initiative), and through the exchange of good practices and monitoring; nevertheless urges that care be taken to ensure that European funding does not replace private funding;

⁽³⁾ Employment and Social Developments in Europe 2012.

Working conditions and transparency

21. in order to guarantee the quality of traineeships, **calls for** greater use of the Open Method of Coordination to promote the discussion of sharing best practice in Europe so as to help the Member State formulate minimum requirements for traineeships based on such practices;

22. **welcomes** the reference in the QFT to the transparency requirements for vacancy notices or announcements advertising traineeship positions, but points out that, despite its importance, transparency alone is not sufficient to ensure the quality of traineeships;

23. **regrets** in this connection that the QFT does not recommend that traineeship providers guarantee appropriate social and health insurance, but merely calls on them to indicate in traineeship announcements whether provision is made for such insurance;

24. **welcomes** the position set out in the QFT that traineeship vacancy notices should indicate whether remuneration and/or compensation for the traineeship is provided and welcomes the Council's recommendation that vacancy notices or announcements should indicate the level of any remuneration or compensation. At the same time, the Committee considers that it must be ensured that this duty to inform does not become a bureaucratic burden for traineeship providers and that any regulation in this area promotes rather than hinders the creation of traineeships in all sectors of the labour market;

25. **points out** that the QFT does not address the question of unpaid or only partly paid traineeships. The results of a recent Eurobarometer survey ⁽⁴⁾ show that three fifths of all trainees receive no compensation, or else so little that in more than half the cases it is insufficient to cover basic living costs. This carries the risk of access to traineeships being restricted to those who can afford it, which in turn will mean a decline in the number of traineeships and in their economic usefulness, as well as growing inequality;

26. The plan to guarantee the quality of traineeships by requiring the establishment of conditions for appropriate insurance and compensation or remuneration for all trainees could, in view of the heavy financial burden which this would place both on local and regional authorities and firms, lead to a reduction in the number of traineeship places. Since diversity within Europe may make it impossible to develop a suitable uniform model for all, the CoR **welcomes** the efforts to establish effective systems for the partial or full financing of traineeships from a combination of different sources;

27. **notes** that the Council recommendation does not adequately define the role of the trainee's supervisor, and therefore, while being aware that regulation of the matter ultimately falls under the competence of the Member States, **calls on** the Member States and social and economic partners to exchange best practices for regulating the role of the trainee's supervisors, their duties and responsibilities as well as other relevant issues, so as to develop a gradual understanding of what European best practice is and put the principle of multi-level governance into practice;

Transnational traineeships

28. **welcomes** the positive influence of the QFT, which facilitates transnational traineeships, which are still too rare, and improves access to information;

29. given article 153 TFEU as the legal basis for the QFT foresees that the European Union supports and complements the action of the Member States, suggests that EU-wide efforts should be made to gather and disseminate information about the rules on traineeships in order to promote the mobility of trainees, because it will be easier for young people to undertake a traineeship in another country if they have ready access to information about what trainees can expect;

30. **points out**, however, that the fact that there is often no compensation for expenses, or that this is insufficient and is compounded by a failure to provide accommodation, can be a barrier to transnational traineeships, because potential trainees are often unable to undertake a traineeship in another Member State because of the difficult financial situation;

31. **stresses** that the creation of more favourable conditions for transnational traineeships could have a number of positive effects, for instance increasing trainees' chances of employment and improving integration into the labour market;

⁽⁴⁾ Eurobarometer: 'The experience of a Traineeship in the EU', 2013.

32. **welcomes** the view expressed in the QFT that EURES could be extended to traineeships, as called for by the European Council in its conclusions ⁽⁵⁾ of June 2012, and **welcomes** the proposal to use the network for the exchange of information on traineeships;

33. **endorses** the use of EURES to ensure access to information on vacant traineeships and **recommends** that it also be used as a feedback instrument, enabling trainees to assess their experience with traineeships;

34. **points out** that the number of transnational traineeships is very low, despite high mobility rates among students, e. g. in the Erasmus programme ⁽⁶⁾. This is a missed opportunity to reduce youth unemployment through mobility: transnational traineeships could be a key factor in helping young people take up employment in another Member State; therefore **welcomes** the launch of the Erasmus+ programme, which could help to increase the number of traineeships abroad;

35. the opportunity to obtain experience under different conditions offers young people an invaluable chance to increase the number of potential employers in the various Member States. Ways to ensure the effectiveness of support for traineeships in another Member State **should therefore be sought**: by looking for ways of cushioning trainees' expenses for moving to another country and providing appropriate information to ensure that trainees do not suffer financial hardship, taking account of the cost of living in the country in which the traineeship takes place and the administrative regulations applicable in the host country (work and residence permit, registration where applicable, etc.);

Implementation of the QFT

36. **points out** that the local and regional authorities should be involved in the comprehensive drafting and implementation of new initiatives, giving them the funds they need to implement them, as they are best placed to assess the different conditions and needs at local level;

37. **regrets** that the Council recommendation does not propose that local and regional authorities and firms be consulted more fully on the establishment and fine tuning of educational programmes to take into account the needs of the labour market and train specialists in vocations where there is a demand;

38. also **points out** that the local and regional authorities are often largely responsible for the implementation of employment and general and vocational education measures and that the regional aspect of these policy areas is very important;

39. **welcomes** the fact that 'the active involvement of employment services, educational institutions and training providers in implementing the Quality Framework for Traineeships' is to be promoted and stresses the important role of the local and regional authorities in all three areas;

40. **stresses** that the local and regional authorities must be involved in the successful implementation of the QFT in their capacity as employers and **regrets** that the Commission recommendation contains no specific reference to their responsibilities and experience; considers it important to establish a legal framework enabling public institutions to receive trainees and to disseminate best practices of public authorities;

41. calls on the Commission to take further action to collect and disseminate information and to encourage the Member States to complete their legislation so as to ensure that the conditions of traineeships meet the expectations of all those involved even more closely;

42. **points out** that the local and regional authorities, as major employers and traineeship providers, should set a good example with the implementation of rules for high-quality traineeships; calls therefore on the local and regional authorities to provide as many high-quality traineeship places as possible;

43. **stresses** how important it is for active civil society stakeholders, particularly young people and youth organisations, to be able to get involved in the implementation phase of the QFT, inter alia through the European Alliance for Apprenticeships, a cooperation platform which the Commission set up in July 2013;

⁽⁵⁾ http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/131388.pdf.

⁽⁶⁾ The 2013 Eurobarometer survey found that only 9 % of traineeships took place abroad.

44. also **stresses** the importance of private industry, and above all SMEs, for the successful implementation of the QFT;

45. **calls on** local and regional authorities, when establishing programmes to improve students' skills, to work together more closely with local training institutions and employers, and establish grants and offer paid traineeships for the best students; also **points out** the importance of disseminating across the EU best practice developed in individual Member States;

Final provisions

46. **welcomes** the Commission recommendations for the promotion of close cooperation with stakeholders in order to ensure rapid implementation of the QFT and again **points to** the important role of the local and regional authorities in this area;

47. **calls on** the Member States to follow the Commission recommendation and, when implementing the QFT, to test and improve its effectiveness in achieving the objectives pursued by national youth employment policies.

II. RECOMMENDATIONS FOR AMENDMENTS

Amendment 1

Recital 1

Text proposed by the Commission	CoR amendment
Young people have been hit particularly hard during the crisis. Youth unemployment rates have reached historical peaks in the past years in several Member States, without any sign of decrease in the short term. Fostering the employability and productivity of young people is key to bringing them onto the labour market.	Young people have been hit particularly hard during the crisis. Youth unemployment rates have reached historical peaks in the past years in several Member States, without any sign of decrease in the short term. <u>The extremely wide variation in unemployment rates between regions is undermining the European Union's social and territorial cohesion objectives.</u> Fostering the employability and productivity of young people is key to bringing them onto the labour market.

Amendment 2

Recital 16

Text proposed by the Commission	CoR amendment
Member States' programmes promoting and offering traineeships to young people can be financially supported by the European Funds. In addition, the Youth Employment Initiative will support traineeships in the context of the Youth Guarantee, targeting young people from the Union's regions worst affected by youth unemployment and which will be co-financed by the European Social Fund (ESF) 2014-20. The ESF as well as the Youth Employment Initiative can be used to increase the number and the quality of Member States' traineeship schemes. This involves a possible contribution to the cost of the traineeships including, under certain conditions, a part of the remuneration. In addition, they can also support the costs of other trainings that young people may pursue outside their traineeship, e.g. language courses.	Member States' programmes promoting and offering traineeships to young people can be financially supported by the European Funds. In addition, the Youth Employment Initiative will support traineeships in the context of the Youth Guarantee, targeting young people from the Union's regions worst affected by youth unemployment and which will be co-financed by the European Social Fund (ESF) 2014-20. The ESF as well as the Youth Employment Initiative can be used to increase the number and the quality of Member States' traineeship schemes. This involves a possible contribution to the cost of the traineeships including, under certain conditions, a part of the remuneration, <u>whilst taking the necessary precautions to ensure that this public funding does not replace private funding.</u> In addition, they can also support the costs of other trainings that young people may pursue outside their traineeship, e.g. language courses.

Amendment 3

Recital 29

Text proposed by the Commission	CoR amendment
This Recommendation does not cover work experience placements that are part of academic curricula, of formal education or vocational course. Traineeships the content of which is regulated under national law and whose completion is a requirement to obtain a university degree or to access a specific profession (e.g. medicine, architecture, etc.) are not covered by this Recommendation.	This Recommendation does not cover work experience placements that are part of academic curricula, of formal education or vocational course. Traineeships the content of which is regulated under national law and whose completion is a requirement to obtain a university degree or to access a specific profession (e.g. medicine, architecture, etc.) are not covered by this Recommendation; <u>this second type of traineeship will be covered by a separate Commission proposal.</u>

Amendment 4

Recommendation 5

Text proposed by the Commission	CoR amendment
Encourage traineeship providers to designate a supervisor for trainees guiding the trainee through the assigned tasks, and monitoring his/her progress;	Encourage <u>Stipulate that</u> traineeship providers are to designate a supervisor for trainees guiding the trainee through the assigned tasks, and monitoring his/her progress;

Amendment 5

Recommendation 13

Text proposed by the Commission	CoR amendment
Proper recognition of traineeships (13) Encourage traineeship providers to certify through a certificate or a letter of reference the knowledge, skills and competences acquired during traineeships;	Proper recognition of traineeships (13) Encourage <u>Require</u> traineeship providers to certify through a certificate or a letter of reference the knowledge, skills and competences acquired during traineeships;

Amendment 6

Recommendation 25

Text proposed by the Commission	CoR amendment
Work with Member States, social partners, employment services, and youth and trainee organisations to promote this Recommendation;	Work with Member States, social partners, employment services, and youth and trainee organisations <u>and local and regional authorities</u> to promote this Recommendation;

Amendment 7

Recommendation 26

Text proposed by the Commission	CoR amendment
Encourage and support Member States, including through promoting the exchange of best practices among them, to make use of the European Social Fund and the European Regional Development Fund or other European Funds for the 2014-2020 programming period to increase the number and quality of traineeships;	Encourage and support Member States <u>and local and regional authorities</u> , including through promoting the exchange of best practices among them, to make use of the European Social Fund and the European Regional Development Fund or other European Funds for the 2014-2020 programming period to increase the number and quality of traineeships;

Amendment 8

New recommendation after recommendation 28

Text proposed by the Commission	CoR amendment
	<u>Propose at a later stage a quality framework covering traineeships undertaken as part of a course of study, formal education or vocational training;</u>

Brussels, 3 April 2014

*The President
of the Committee of the Regions*
Ramón Luis VALCÁRCEL SISO

Opinion of the Committee of the Regions — Proposal for a Directive on Lightweight Plastic Carrier Bags

(2014/C 174/08)

Rapporteur	Linda Gillham Councillor, Runnymede Borough Council (UK/EA)
Reference document	Proposal for a Directive of the European Parliament and the Council Amending Directive 94/62/EC on Packaging and Packaging Waste to Reduce the Consumption of Lightweight Plastic Carrier Bags COM(2013) 761 final — 2013/0371 (COD)

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

General context

1. recognises that the properties that have made plastic carrier bags commercially successful — low weight, strength and resistance to degradation — have also contributed to their proliferation. It is estimated that in 2010 every EU citizen used 198 plastic carrier bags, some 90% of which were estimated to be lightweight bags; these are less frequently re-used than thicker bags and more prone to littering;
2. notes that the commercially advantageous properties of carrier bags thinner than 50 microns (lightness, combined with high carrying capacity and non-degradability) have resulted and are continuing to result in limited re-use together with pollution on a global scale, on land and in the water;
3. notes that plastic bag waste in water ecosystems does not just affect countries with a marine coastline, but also countries with large lakes as a considerable amount of the waste from land travels down rivers. Once discarded, plastic carrier bags can last for hundreds of years, mostly in fragmented form and the cumulative number of plastic bags littered increases over time and is recognised to be a major global challenge;
4. notes that plastic carrier bags are considered as packaging under the Packaging and Packaging Waste Directive (PPWD: Directive 94/62/EC). Plastic carrier bags can be put on the market only if they comply with essential requirements for packaging minimisation, limitation of hazardous substances and suitability for reuse and recovery, including recycling, energy recovery, composting and biodegradation. However, there is no EU legislation or policy specifically targeting plastic carrier bags;
5. acknowledges that Member States have implemented various actions to reduce the use of plastic carrier bags, ranging from voluntary agreements to fiscal measures (Belgium, Ireland, Denmark), to the outright ban of non-biodegradable carrier bags, as seen in Italy. Some Member States have already achieved great results in terms of reducing their use of plastic bags ranging from an estimated 4 plastic bags consumed per citizen in Denmark and Finland, to an estimated 466 in Poland, Portugal and Slovakia;
6. applauds those Member States who have reduced their annual per capita consumption of lightweight plastic bags. There clearly is scope to learn from the successful action taken in a number of Member States and encourages national, regional and local governments worldwide to note these measures;
7. emphasises that all plastic waste must be managed as a resource as envisaged by the Roadmap to a Resource-Efficient Europe in order to meet 2020 objectives;

Level of ambition of the proposed Directive

8. believes, in the light of recent CoR opinions ⁽¹⁾, that the European Commission proposal is not ambitious enough for the prevention of lightweight plastic bags. and calls on the European Parliament and Council to consider:

— a change in the definition/scope to include single-use bags made of paper or starch and to include multi-use carrier bags when applying economic instruments;

⁽¹⁾ CdR 3751/2013 fin, CdR 1617/2013 fin.

- a binding EU level reduction/prevention target, instead of voluntary national reduction targets, and the additional mandate for the European Commission to explore a European ban of free lightweight bags by 2020;
- an obligation for Member States to use economic instruments, in addition to a voluntary approach.

9. believes that a combination of these measures, including the proposed possibility for Member States to apply market restrictions by way of derogation of Article 18, presents a more effective approach. The measures would be mutually supportive, with economic instruments most appropriately implemented at national and regional level, but an ambitious EU level target being important to help ensure implementation and raise awareness ⁽²⁾;

Definition/Scope

10. supports the proposed definition based on wall thickness of 50 microns as an appropriate parameter in order to discourage use of lightweight plastic carrier bags without adversely affecting multiple-use plastic carrier bags known as 'bags for life'. Plastic carrier bags with a thickness below 50 microns, which are estimated to represent 90% of the total number of plastic carrier bags consumed in the Union, are less frequently re-used and more prone to littering ⁽³⁾;

11. stresses the importance of the definition/scope of the proposed Directive to avoid unintended consequences, such as a switch to other materials, thicker, yet still single-use plastic bags, and other forms of plastic bags with a similar function, which may not deliver the desired environmental outcomes and have the potential to increase the volume of packaging produced;

12. supports the exclusion of multiple-use carrier bags from the reduction targets and possible bans, however believes that economic instruments should also apply to multiple-use carrier bags, and request inclusion of them in the definition/scope of the Directive for this specific purpose;

13. notes that 'bags for life' are often replaced without cost by the retailer and this is to be encouraged. This measure can help give value to the natural resource and change behaviour from regarding the bag as waste;

14. seeks clarification as to whether very lightweight plastic bags (less than 10 microns) used for fresh or raw food for human or animal consumption will fall in the proposed definition. These are generally excluded from plastic carrier bag policies for reasons of practicality, hygiene or food safety (especially when used for raw meat). However, a EU prevention/reduction target might need to include them in order to avoid unintended changes in consumer behaviour ⁽⁴⁾;

15. also seeks clarification why the definition of lightweight plastic carrier bags has been restricted to plastic bags, rather than to be material non-specific and to include also single-use carrier bags made of paper, plant based material or starch, in order to address unsustainable consumption patterns and resource efficiency;

16. notes in this regard that the impact assessment carried out by the European Commission suggests that for every 1 000 single-use plastic bags avoided, people will use on average 127 paper bags. It assumes that 50% of the plastic bags consumed in non-supermarket sectors will be displaced by paper bags if these are not made the subject of the policy, which e.g. has been the experience in Ireland ⁽⁵⁾;

17. welcomes the European Commission's review of waste policies currently being undertaken and looks forward to receiving greater clarification of the environmental properties both positive and negative, arising from new technologies claiming to produce, oxo-bio degradable bio degradable or compostable bags. It is also necessary to understand the impact of these microscopic particles on marine life;

⁽²⁾ BIO 09/2011.

⁽³⁾ BIO 09/2011.

⁽⁴⁾ SWD(2013) 444.

⁽⁵⁾ SWD(2013) 444.

18. strongly objects to any exemption of biodegradable and compostable plastic carrier bags from the definition/scope of this Directive. The CoR reiterates its concerns on misleading labelling and definitions and partially green credentials of such bags ⁽⁶⁾. Furthermore, a shift to biodegradable bags would not reduce the number of bags discarded as litter. It also has the potential to cause problems for municipalities in plastic recycling processes and leads to confusion about home or commercial composting;

19. reiterates its call for a ban on oxo-degradable plastic until further research establishes these products have added value;

20. considers that product design is pivotal to minimising waste. Believes that whereas the current eco-design directive focuses on water and energy consumption, a review could now include preparation for re-use, reparability and recycling with advice to the consumer on the durability of a carrier bag;

21. advocates a minimum recycled content in future design reviews while understanding that some food and personal health uses require specified standards from the material;

National or EU reduction targets and bans

22. supports a minimum EU wide reduction target set for each Member State at a limit of 35 bags consumed per capita per year to be achieved within a phase of transition after the entry into force of the Directive. This equates an 80% reduction on the 2010 EU average of single-use plastic bag consumption and has already been achieved or exceeded by some Member States;

23. welcomes the proposed provision which enables Member States to ban lightweight plastic carrier bags on their territory, in derogation of Article 18 of Directive 94/62/EC. This new provision reflects that more and more countries, regions and cities and towns worldwide have banned lightweight plastic bags or have considered the introduction of bans and this number is still rising;

24. acknowledges that such national marketing restrictions are subject to the requirements laid down in Articles 34 to 36 of the Treaty on the Functioning of the European Union. This means that certain conditions need to be met — the ban can't be discriminatory to a certain type of lightweight plastic bag over another, and it mustn't be a disguised restriction on trade between Member States. In this regard considers all currently available lightweight bags should be subjected to ban by 2020;

25. calls upon the European Commission to explore means of introducing by 2020 an EU level ban of lightweight plastic carrier bags in retail service ⁽⁷⁾. And invites the European Commission to study the possible conflicts with internal market rules and international trade law, of the need for a change in the legal basis of the PPWD, of the length of a transitional period needed, and of the need for combining the ban with charging for multiple-use plastic bags and other measures to avoid unintended consequences;

26. recommends Member States should include representatives of local and regional authorities in any reflection on the introduction of such bans;

Economic instruments

27. calls for a full implementation of the 'polluter pays' principle ⁽⁸⁾ and notes that Member States that have successfully reduced plastic bag consumption have introduced economic instruments (levies/taxes). This can be seen for instance from the encouraging results achieved by the Irish levy or Danish tax on plastic bags ⁽⁹⁾;

28. reiterates that a ban on the free provision of lightweight plastic and other carrier bags is showing positive results in a number of regions and should therefore be considered ⁽¹⁰⁾;

⁽⁶⁾ CdR 3751/2013 fin.

⁽⁷⁾ See also SWD(2013) 444.

⁽⁸⁾ CdR 3751/2013 fin.

⁽⁹⁾ BIO study 09/2011, ACR+/ACR+MED 2013.

⁽¹⁰⁾ CdR 3751/2013 fin.

29. considers the *encouragement* of the use of such instruments as proposed as not sufficient and calls for a change in the proposed Directive to an *obligation* for Member States to use economic instruments to reduce plastic bag consumption and ensure that lightweight plastic carrier bags are not provided for free. This obligation could also build on Article 15 of the PPWD, which already *encourages* the use of economic instruments in general;

30. stresses that the implementation of economic instruments should be left to Member States or regions with relevant legislative powers;

31. underlines some factors in the design are crucial for the effectiveness of economic instruments:

- appropriate levels of the levy/tax which provide a real disincentive to the use of plastic bag; less successful economic measures introduced by some Member States underline this necessity;
- representatives of local and regional authorities should be involved in any review of the introduction of levies/taxes and the ultimate use of such monies to be used in local clean-up initiatives;
- the levy/tax should be high enough to cover the true environmental and social costs generated over the life cycle of a lightweight plastic carrier bag;
- in light of the principles of producer responsibility, the costs of collection/littering and treatment of lightweight plastic carrier bags should be reflected in the price of the carrier bag;
- awareness-raising campaigns with emphasis on the environmental benefits using education programmes, 'clean-up initiatives', encouraging responsible behaviour in the tourist/leisure industry and other initiatives in co-operation with the plastics industry and retailers;
- the role of educational institutions in encouraging children to act responsibly and raising environmental awareness;
- effective enforcement without increasing the burden on local and regional authorities.

32. believes that the obligation to introduce economic instruments should be applied to all plastic carrier bags, and not just lightweight bags, in order to encourage greater reuse of plastic carrier bags overall, and because in practice multiple-use plastic carrier bags are rarely distributed for free anyway. However multiple-use bags may be replaced for free by the original retailer;

33. believes that voluntary initiatives at national level, including take-back responsibility for retailers, could help to transfer the cost of handling some plastic waste from waste and environmental authorities throughout the entire value chain;

34. underlines the potential of economic instruments to generate revenues for local and regional authorities, which could be used to offset the administrative costs related to implementation and enforcement, and by ring-fencing funds for litter clean-up activities, and environmental projects;

35. reiterates its call on the European Commission to study the best way of applying extended producer responsibility in the EU in the prevention and management of plastic waste ⁽¹¹⁾;

36. requests that the European Commission considers a reference to Extended Producer Responsibility to include the full internalisation of costs and transfer the cost for handling this type of plastic from local and regional authorities as waste handlers to the producers, including litter costs;

37. welcomes the Environment Commissioner's proposal for a 'European Clean-up Day' Initiative beginning this year;

⁽¹¹⁾ CdR 3751/2013 fin.

38. reiterates support for this and similar initiatives which raise the profile of the challenge to local and regional authorities of littering in the environment. This is pre-requisite to changing behaviour to reduce the environmental impact of increased waste generation and preserving natural resources;

39. recognises that while the growing accumulation of plastic litter in the global marine environment is a wake-up call, it is acknowledged that the majority of this uncontrolled disposal originated on land. Plastic bag litter in any environment is unacceptable!

II. RECOMMENDATIONS FOR AMENDMENTS

Amendment 1

COM(2013) 761 final — Recital 2

Text proposed by the Commission	CoR amendment
Consumption of plastic carrier bags results in high levels of littering and an inefficient use of resources and is expected to increase if no action is taken. Littering of plastic carrier bags contributes to the problem of marine litter that threatens marine eco-systems worldwide.	Consumption of plastic carrier bags results in high levels of littering and an inefficient use of resources and is expected to increase if no action is taken. Littering of plastic carrier bags contributes to the problem of marine litter that threatens marine eco-systems <u>and those of rivers and large water bodies</u> worldwide.

Reason

Littering of plastic carrier bags does not only contribute to the problem of marine litter, but also has adverse consequences for the environment generally.

Amendment 2

COM(2013) 761 final — Recital 5

Text proposed by the Commission	CoR amendment
To promote similar reductions of the average consumption level of lightweight plastic carrier bags, Member States should take measures to reduce the consumption of plastic carrier bags with a thickness below 50 microns in line with the overall objectives of the Union's waste policy and the Union's waste hierarchy as provided for in Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste and repealing certain Directives ⁷ . Such reduction measures should take account of current consumption levels of plastic carrier bags in individual Member States, with higher levels requiring more ambitious efforts. To monitor progress in reducing the use of lightweight plastic carrier bags national authorities will provide data on their use under article 17 of Directive 94/62/EC.	To promote similar reductions of the average consumption level of lightweight plastic carrier bags, Member States should take measures to <u>substantially</u> reduce the consumption of plastic carrier bags with a thickness below 50 microns in line with the overall objectives of the Union's waste policy and the Union's waste hierarchy as provided for in Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste and repealing certain Directives ⁷ . Such reduction measures should take account of current consumption levels of plastic carrier bags in individual Member States, with higher levels requiring more ambitious efforts. To monitor progress in reducing the use of lightweight plastic carrier bags national authorities will provide data on their use under article 17 of Directive 94/62/EC.

Reason

This is a strengthening of the wording in line with the proposed concrete target of a reduction of at least 80% as proposed in Article 4 of Directive 94/62/EC.

Amendment 3

COM(2013) 761 final — Recital 6

Text proposed by the Commission	CoR amendment
Measures to be taken by Member States may involve the use of economic instruments such as taxes and levies, which have proved particularly effective to reduce the use of plastic carrier bags, as well as marketing restrictions such as bans in derogation of Article 18 of Directive 94/62/EC, subject to the requirements laid down in Articles 34 to 36 of the Treaty on the Functioning of the European Union.	Measures to be taken by Member States may <u>should</u> involve the use of economic instruments such as taxes and levies, which have proved particularly effective to reduce the use of plastic carrier bags, as well as marketing restrictions such as bans in derogation of Article 18 of Directive 94/62/EC, subject to the requirements laid down in Articles 34 to 36 of the Treaty on the Functioning of the European Union.

Reason

The most effective way to reduce the use of carrier bags is to stop providing them free of charge. This should become compulsory in all Member States.

Amendment 4

COM(2013) 761 final, Article 1, point 1 (insert new point 1) — Directive 94/62/EC, Article 3

Text proposed by the Commission	CoR amendment
None.	<u>In Article 3, a new point 2a is inserted:</u> “2.a <u>carrier bags</u> ” shall mean bags which are supplied to consumers at the point of sale for the purposes of enabling goods or products to be taken away or delivered.”

Reason

A general definition of carrier bags should be introduced before defining ‘lightweight’ bags, in particular in relation with the amendment 6.

Amendment 5

COM(2013) 761 final, Article 1, point 1 — Directive 94/62/EC, Article 3

Text proposed by the Commission	CoR amendment
In Article 3, a new point 2a is inserted: ‘2a. ‘lightweight plastic carrier bags’ shall mean bags made of plastic materials as defined in Article 3(1) of Commission Regulation (EU) No 10/2011* with a wall thickness below 50 microns and which are supplied to consumers at the point of sale of goods or products.’	In Article 3, a new point 2a <u>2b</u> is inserted: ‘ 2a <u>2b</u> . “lightweight plastic carrier bags” shall mean bags made <u>wholly or partly</u> of plastic materials as defined in Article 3(1) of Commission Regulation (EU) No 10/2011* with a wall thickness below 50 microns and which are supplied to consumers at the point of sale of goods or products.’

Reason

To include bags with a plastic laminate or plastic element.

Amendment 6

COM(2013) 761 final, Article 1, point 2 — Directive 94/62/EC, Article 4

Text proposed by the Commission	CoR amendment
<p>(2) In Article 4, the following paragraph 1a is inserted:</p> <p>"1a Member States shall take measures to achieve a reduction in the consumption of lightweight plastic carrier bags on their territory within two years of entry into force of the Directive.</p> <p>These measures may include the use of national reduction targets, economic instruments as well as marketing restrictions in derogation from Article 18 of this Directive.</p> <p>Member States shall report on the effects of these measures on the overall formation of packaging waste when reporting to the Commission in accordance with Article 17 of this Directive."</p>	<p>(2) In Article 4, the following paragraph 1a is inserted:</p> <p>"1a Member States shall take measures to achieve a <u>minimum EU wide reduction target to 35 bags per capita per year</u> in the consumption of lightweight plastic carrier bags on their territory within two years of entry into force of the Directive.</p> <p><u>These measures taken by Member States to reduce the consumption of carrier bags shall</u> may include the use of <u>economic instruments, and may also include the use of</u> national reduction targets, economic instruments as well as <u>and</u> marketing restrictions in derogation from Article 18 of this Directive.</p> <p>Member States shall report on the effects of these measures on the overall formation of packaging waste when reporting to the Commission in accordance with Article 17 of this Directive.</p> <p><u>Member States shall ensure that the measures to reduce the consumption of lightweight plastic carrier bags do not lead to an overall increase in the generation of packaging."</u></p>

Reason

There should be a clear reduction target in the consumption of lightweight plastic carrier bags. It is based on an 80% reduction of the average consumption in the EU in 2010.

All carrier bags as defined in amendment 4 should be made subject to economic instruments.

The provision from Recital 7 of the Commission proposal should be carried over into the operational part to avoid that there are any unintended negative effects of the reduction target.

Brussels, 3 April 2014

*The President
of the Committee of the Regions*
Ramón Luis VALCÁRCEL SISO

Opinion of the Committee of the Regions — Amendment of the directives on exclusions for seafarers

(2014/C 174/09)

Rapporteur	Mr Paul Lindquist (SE/EPP), Mayor of Lidingö
Reference document	Proposal for a Directive of the European Parliament and of the Council on seafarers amending Directives 2008/94/EC, 2009/38/EC, 2002/14/EC, 98/59/EC and 2001/23/EC COM(2013) 798 final

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

1. welcomes the Commission's initiative to review the current exclusion rules relating to application of certain labour law directives to seafarers, and broadly endorses the current proposal for a directive;

Conclusions of the CoR

2. notes that a well-functioning maritime sector and labour market for seafarers are very important for coastal regions and their inhabitants in particular;

3. stresses how important it is for protection rules relating to Article 151 TFEU to apply as far as possible in the same way to all categories of workers in the Member States, and for there to be a level playing-field for the maritime sector within the EU regardless of which Member State operations take place in;

4. considers that individual Member States must be able to provide cogent and clear-cut reasons based on the specificities of current operations to justify derogations from employee protection rules under EU legislation;

5. believes the requirement to ensure equal treatment of employees must carry particular weight where there is a question of rights that are recognised in the European Union Charter of Fundamental Rights. As the Commission notes, this includes the right to information and consultation and the right to fair and just working conditions;

6. believes that an important consideration in assessing whether such an exclusion can be regarded as justified is the extent to which the Member States have applied the exclusion in question and the effects this has had on, for instance, competition in the maritime industry in the Member States that have decided to implement the directives so that the rules also apply to seafarers;

7. observes that no Member State has reported any significant negative effects, with respect for example to flagging out and general costs, resulting from the same rules being applied to seafarers and shore-based employees. Nor have Member States which have not excluded seafarers from the scope of the rules on information and consultation and other employee protection provisions in the current directives reported any competitive disadvantages against other EU countries that have applied one or more exclusions;

8. notes that because only certain Member States have made use of exclusions or derogations from the rules on information and consultation under the current directives, rules governing employers in the maritime sector vary depending on which Member State's flag a vessel is sailing under;

9. believes that the particular situation of maritime compared with land-based activities should still be taken into consideration, especially where purely practical difficulties arise in fully implementing a mandatory employee protection requirement owing to the particular nature of an activity, together with potential negative competition effects for EU businesses;

10. points to the 2006 ILO Maritime Labour Convention which came into force on 30 August 2013 and which has already been ratified by a large number of countries. With Directive 2009/13/EC, the EU implemented the agreement on the Convention concluded by the social partners in the maritime sector at EU level. This Directive ensured a minimum international standard for conditions of employment and recruitment of seafarers and created the basis for a level playing-field in the maritime industry as a whole. However, the directives which the Commission is now proposing to amend go further, containing additional rules on employee protection in relation to the Convention;

Assessment of the Committee of the Regions

11. notes that opting to exclude share-fishermen from the protection requirements under Directive 2008/94/EC would prevent this category of employee from enjoying the right to a guaranteed wage like other employees in the Member States, and considers that such discrimination cannot be regarded as justified by the specificities of the sector and should therefore be abolished;

12. notes that employees' right to information and consultation is a basic right contained in the EU Charter of Fundamental Rights, and believes that a high bar should be set for justifying the exclusion of certain categories of employee from the rights that other employees enjoy under EU law in this area;

13. agrees with the Commission's assessment that, partly in view of developments in communications technology, practical obstacles cannot be considered to exist that would in themselves justify an exclusion from applying the same rules for information and consultation to seafarers;

14. shares the Commission's view that exclusions, or special arrangements, should be abolished with respect to the right to information and consultation for seafarers under the current directives;

15. considers employee protection in the case of a transfer of an undertaking or of collective redundancies to be a special case, in view of the particular nature of the maritime sector. Buying and selling of ships is often integral to the business and it is general practice in the international market for vessels to be bought and sold without a crew;

16. notes that employer organisations and several Member States have pointed out that mandatory implementation of the protection provisions under Directives 2001/23/EC and 98/59/EC would entail increased costs for the maritime industry and competitive disadvantages compared with companies in non-EU countries, especially where buying and selling of vessels is part of the business. It has also been observed that applying protection requirements for purely practical reasons would be quite problematic;

17. considers that reservations based on the risks of putting EU businesses at a competitive disadvantage — even if Member States that also apply the protection requirements of the directives to seafarers have not reported any obviously negative consequences for competitiveness — should be taken seriously. Individual Member States are best placed to assess the impact of mandatory implementation of a given rule according to the practices and traditions applicable to the country's shipping industry;

18. considers that it should still be left to each Member State to decide, on the basis of local conditions, whether protection rules should apply to seafarers alongside the right to information and consultation in cases of transfer of an undertaking and collective redundancies, and to what extent these rules should apply;

19. shares the Commission's view that exclusions under Directives 2001/23/EC and 98/59/EC should be limited to situations in which the transfer of an undertaking consists solely in the sale of a vessel or where a collective redundancy is the result of a future sale of one or more vessels; with regard to the Collective Redundancies Directive, also shares the Commission's view that exclusions should only be possible with respect to the length of the 'cooling-off' period;

20. questions the proposal to amend Directive 98/59/EC by defining 'transfer' with reference to Directive 2001/23/EC, and sees no reason to allow derogations with respect to the 'cooling-off' period in Directive 98/59/EC on the grounds that the sale of a vessel constitutes a transfer of an undertaking within the meaning of Directive 2001/23/EC. Implementing the rules in this way would also produce considerable legal uncertainty because it is often difficult to judge in advance the extent to which the transfer of an undertaking constitutes a transfer within the meaning of Directive 2001/23/EC;

21. notes that the transition period proposed in Article 8 is quite long. Given that the proposal concerns the application of employee protection principles that are recognised in the EU Charter of Fundamental Rights, a shortening of the transition period should be considered during further discussion of the proposal;

Subsidiarity and proportionality

22. notes that the Directives to which the Commission proposal relates are intended to harmonise certain rules on employee protection in the EU and to create the basis for a level playing-field for businesses in the Union. The Directives can only be amended at EU level, and the Committee believes that the proposed changes comply with the subsidiarity and proportionality principles.

II. RECOMMENDATIONS FOR AMENDMENTS

Amendment 1

Recital 5

Text proposed by the Commission	CoR amendment
The present legal situation gives rise to unequal treatment of the same category of workers by different Member States, according to whether they apply or not the exemptions and derogations allowed by present legislation. An important number of the Member States have made limited use of the exclusions.	<p>The present legal situation gives rise to unequal treatment of the same category of workers by different Member States, according to whether they apply or not the exemptions and derogations allowed by present legislation. An important number of the Member States have made limited use of the exclusions.</p> <p><u>The ILO Maritime Labour Convention of 2006 entered into force on 30 August 2013 and is intended to provide international protection for seafarers and to ensure a level playing-field within the maritime industry. The social partners reached an agreement on the Convention that was implemented by Council Directive 2009/13/EC.</u></p>

Reason

Work on the Directive should take account of joint efforts between the social partners and the EU that draw attention to protection for seafarers and endeavour to ensure a level playing-field within the maritime industry internationally.

Amendment 2

Article 4

Text proposed by the Commission	CoR amendment
<p>Directive 98/59/EC is amended as follows:</p> <p>1. Article 1 is amended as follows:</p> <p>(a) In paragraph 1, the following point (c) is added:</p> <p> '(c) 'transfer' is interpreted in the meaning of Directive 2001/23/EC.'</p> <p>(b) In Article 1(2), point (c) is deleted.</p>	<p>Directive 98/59/EC is amended as follows:</p> <p>1. Article 1 is amended as follows:</p> <p>(a) In paragraph 1, the following point (c) is added:</p> <p> '(c) 'transfer' is interpreted in the meaning of Directive 2001/23/EC.'</p> <p>(b) In Article 1(2), point (c) is deleted.</p>

Text proposed by the Commission	CoR amendment
<p>2. In Article 3(1), a new second subparagraph is inserted:</p> <p>‘When the projected collective redundancy concerns members of the crew of a seagoing vessel, the notification shall be made to the competent authority of the State of the flag which the vessel flies.’</p> <p>3. In Article 4, the following paragraph 1a is inserted:</p> <p>‘1a. When projected collective redundancies of members of a crew, are carried out in connection with or deriving from a transfer of a seagoing vessel, Member States may, after consulting the social partners, grant the competent public authority the power to derogate, in full or in part, from the period provided for in paragraph 1 in the following circumstances:</p> <p>(a) the object of the transfer consists exclusively of one or more seagoing vessels,</p> <p>(b) the employer only operates one seagoing vessel.’</p>	<p>2. In Article 3(1), a new second subparagraph is inserted:</p> <p>‘When the projected collective redundancy concerns members of the crew of a seagoing vessel, the notification shall be made to the competent authority of the State of the flag which the vessel flies.’</p> <p>3. In Article 4, the following paragraph 1a is inserted:</p> <p>‘1a. When projected collective redundancies of members of a crew, are carried out in connection with or deriving <u>derive exclusively</u> from a transfer <u>sale</u> of a <u>one or more</u> seagoing vessels, Member States may, after consulting the social partners, grant the competent public authority the power to derogate, in full or in part, from the period provided for in paragraph 1, in the following circumstances:</p> <p>(a) the object of the transfer consists exclusively of one or more seagoing vessels,</p> <p>(b) the employer only operates one seagoing vessel.’</p>

Reason

To establish whether a transfer of an undertaking or part of an undertaking has taken place within the meaning of the Transfer of Undertakings Directive, assessment of a given case must show the undertaking to have retained its identity after the transfer. Under EU case law, all the circumstances of the individual case should be taken into account when deciding whether an undertaking can be regarded as having retained its identity after a transfer (see in particular the Spijkers case). It is by no means guaranteed that the circumstances when a vessel is sold always involve a transfer within the meaning of the Transfer of Undertakings Directive.

The grounds invoked for derogating from the ‘cooling-off’ period under the Collective Redundancies Directive should apply regardless of whether a sale of one or more vessels constitutes a transfer within the meaning of the Transfer of Undertakings Directive. With the Commission’s proposed wording, it will be difficult to determine beforehand in a given case to what extent the derogation is admissible. The exclusion should therefore instead be explicitly linked to a collective redundancy concerning only the sale of one or more vessels, and the reference to the concept of transfer within the meaning of the Transfer of Undertakings Directive should be dropped.

Amendment 3

Article 5 (3)

Text proposed by the Commission	CoR amendment
<p>The following paragraph 4 is added:</p> <p>‘4. Member States may, after consulting the social partners, provide that Chapter II of this Directive does not apply in the following circumstances:</p> <p>(a) the object of the transfer consists exclusively of one or more seagoing vessels,</p> <p>(b) the undertaking or business to be transferred operates only one seagoing vessel.’</p>	<p>The following paragraph 4 is added:</p> <p>‘4. Member States may, after consulting the social partners, provide that Chapter II of this Directive does not apply in the following circumstances:</p> <p>(a) the object of the transfer consists exclusively of one or more seagoing vessels, ;</p> <p>(b) the undertaking or business to be transferred operates only one seagoing vessel.’</p>

Reason

It is quite reasonable to treat undertakings equally irrespective of whether they have one or more vessels.

Brussels, 3 April 2014

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