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The Minutes of this session have been published in OJ C 407, 30.11.2017.

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Key to symbols used

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure: first reading
- ***II Ordinary legislative procedure: second reading
- ***III Ordinary legislative procedure: third reading

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments by Parliament:

New text is highlighted in ***bold italics***. Deletions are indicated using either the **■** symbol or strikeout. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

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Thursday 2 February 2017

I

(Resolutions, recommendations and opinions)

RESOLUTIONS

EUROPEAN PARLIAMENT

P8_TA(2017)0012

An integrated approach to Sport Policy: good governance, accessibility and integrity

European Parliament resolution of 2 February 2017 on an integrated approach to Sport Policy: good governance, accessibility and integrity (2016/2143(INI))

(2018/C 252/01)

The European Parliament,

- having regard to Article 165 of the Treaty on the Functioning of the European Union (TFEU), which specifies the purposes of the EU sport policy,
- having regard to the Commission communication of 18 January 2011 entitled ‘Developing the European Dimension in Sport’ (COM(2011)0012),
- having regard to the Report of the EU Expert Group on Good Governance on ‘the Principles for Good Governance of Sport in the EU of October 2013’,
- having regard to the Report of the High Level group on Grassroots Sport on ‘Grassroots Sport — Shaping Europe’ of June 2016,
- having regard to the Report of the High Level group on Sport Diplomacy of June 2016,
- having regard to the Erasmus+ programme, which aims to tackle cross-border threats to the integrity of sport, promote and support good governance in sport, dual careers of sportspeople and voluntary activities in sport, together with social inclusion and equal opportunities,
- having regard to the Commission White Paper on Sport (COM(2007)0391),
- having regard to its resolution of 11 June 2015 on recent revelations on high-level corruption cases in FIFA ⁽¹⁾,
- having regard to its resolution of 23 October 2013 on organised crime, corruption and money laundering: recommendations on action and initiatives to be taken ⁽²⁾,

⁽¹⁾ OJ C 407, 4.11.2016, p. 81.

⁽²⁾ OJ C 208, 10.6.2016, p. 89.

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- having regard to its resolution of 10 September 2013 on online gambling in the internal market ⁽¹⁾,
- having regard to its resolution of 14 March 2013 on match-fixing and corruption in sport ⁽²⁾,
- having regard to its resolution of 2 February 2012 on the European dimension in sport ⁽³⁾,
- having regard to its resolution of 8 May 2008 on the White Paper on Sport ⁽⁴⁾,
- having regard to its resolution of 29 March 2007 on the future of professional football in Europe ⁽⁵⁾,
- having regard to its resolution of 17 June 2010 on players' agents in sports ⁽⁶⁾,
- having regard to its resolution of 21 November 2013 on Qatar: situation of migrant workers ⁽⁷⁾,
- having regard to its resolution of 19 January 2016 on the role of intercultural dialogue, cultural diversity and education in promoting EU fundamental values ⁽⁸⁾,
- having regard to the Council conclusions of 31 May 2016 on enhancing integrity, transparency and good governance in major sport events,
- having regard to the Council conclusions of 26 May 2015 on maximising the role of grassroots sport in developing transversal skills, especially among young people,
- having regard to the Council resolution of 21 May 2014 on the European Union Work Plan for Sport (2014-2017),
- having regard to the Council conclusions of 26 November 2013 on the contribution of sport to the EU economy, and in particular to addressing youth unemployment and social inclusion,
- having regard to the Council recommendation of 25 November 2013 on promoting health-enhancing physical activity across sectors,
- having regard to the Council conclusions of 18 November 2010 on the role of sport as a source of and a driver for active social inclusion ⁽⁹⁾,
- having regard to the Council of Europe convention of 3 July 2016 on an integrated safety, security and service approach at football matches and other sport events,
- having regard to the Council of Europe convention of 18 September 2014 on the manipulation of sport competitions,

⁽¹⁾ OJ C 93, 9.3.2016, p. 42.

⁽²⁾ OJ C 36, 29.1.2016, p. 137.

⁽³⁾ OJ C 239 E, 20.8.2013, p. 46.

⁽⁴⁾ OJ C 271 E, 12.11.2009, p. 51.

⁽⁵⁾ OJ C 27 E, 31.1.2008, p. 232.

⁽⁶⁾ OJ C 236 E, 12.8.2011, p. 99.

⁽⁷⁾ OJ C 436, 24.11.2016, p. 42.

⁽⁸⁾ Texts adopted, P8_TA(2016)0005.

⁽⁹⁾ OJ C 326, 3.12.2010, p. 5.

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- having regard to the case-law of the Court of Justice and General Court of the European Union and the Commission's decisions on sport matters, betting and gambling,
 - having regard to the Global Agenda 2030 on Sustainable Development Goals,
 - having regard to Article 6 of the Treaty on the Functioning of the European Union,
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on Culture and Education (A8-0381/2016),
- A. whereas with the entry into force of the Lisbon Treaty in 2009, the European Union acquired a specific competence for sport to build up and implement an EU-coordinated sport policy supported by a specific budget line, and to develop cooperation with international bodies in the area of sport, whilst taking into account the specific nature of sport and respecting the autonomy of sport's governing structures;
- B. whereas sport plays a prominent role in the life of millions of EU citizens; whereas amateur and professional sport is not merely a matter of athletic abilities, sporting achievements and competitions, but also brings a significant social, educational, economic, cultural and unifying contribution to the EU's economy and society, as well as to the EU's strategic objectives and social values;
- C. whereas sport represents a significant and fast-growing sector of the EU economy and makes a valuable contribution to growth, jobs and society, including at local level, with value added and employment effects exceeding average growth rates; whereas sport-related employment has been estimated at equivalent to 3,51 % of total EU employment, and the share of sport-related gross value added at EUR 294 billion (2,98 % of total EU gross value added);
- D. whereas sport is not only a growing economic reality, but also a social phenomenon which makes an important contribution to the European Union's strategic objectives, and to social values such as tolerance, solidarity, prosperity, peace, respect for human rights and understanding among nations and cultures;
- E. whereas practicing sports contributes to a better quality of life, prevents diseases and plays a fundamental role in strengthening personal development and health condition;
- F. whereas compliance with basic labour rights is essential for professional athletes;
- G. whereas sport also contributes to the integration of people and transcends race, religion and ethnicity;
- H. whereas the integrity of sport is of paramount importance if its credibility and its attractiveness is to be promoted;
- I. whereas sport has a specific nature that is based on voluntary structures and that is a prerequisite of its educational and societal functions;
- J. whereas recent corruption scandals in sport, and within sports organisations at European and international levels, have tarnished the image of sport, raising voices and questions about the need for genuine and structural reforms of sport governing bodies and organisations while taking into account the great diversity of sport structures in different European countries and the fact that sports organisations are by their nature largely self-regulated;

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- K. whereas both professional and grassroots sports play a key role in the global promotion of peace, respect for human rights and solidarity, carry health and economic benefits for societies and have an essential role in highlighting fundamental educational and cultural values, as well as in promoting social inclusion;
- L. whereas good governance in sport should respect the appropriate regulation of sport through principles of effective, transparent, ethical and democratic management, participatory governance, processes and structures with the participation of stakeholders;
- M. whereas sports organisations are responsible for ensuring high governance and integrity standards and should raise these further, and adhere them in all circumstances, in order to restore citizens' confidence and increase public trust in the positive value of sport;
- N. whereas balanced policies that aim to increase financial transparency, stability and credibility in sport are key to improving financial and governance standards;
- O. whereas the European organised sport model is based on the principles of territoriality and nationality, with one federation per discipline, and on solidarity mechanisms between elite and grassroots sports, as well as on promotion-relegation, open competitions and financial redistribution;
- P. whereas the recognition of the principle of a single federation per sport is of particular relevance and is rooted in the social importance of sport as the best means of safeguarding the interests of sport and the benefits that it delivers to society;
- Q. whereas it is legitimate and necessary for all stakeholders to require that any sport competition be played and decided in accordance with the internationally recognised rules of the game;
- R. whereas sport tribunals have a central role to play in guaranteeing the universality of the rules of the game, the right to a fair trial in sport-related disputes and good governance, since they constitute the most appropriate means of settling disputes in sport in compliance with fundamental EU procedural rights;
- S. whereas the increasing amounts of money circulating in the sport sector and in the organisations involved have prompted demands for better governance and transparency; whereas sport, as an economic activity, is confronted with a series of match-fixing scandals involving various other crimes and illegal activities such as money laundering, corruption and bribery;
- T. whereas increasing practices of doping remains a threat to the integrity and reputation of sport in that it violates sport's ethical values and principles such as fair play, and whereas the use of doping seriously jeopardises the health of the athletes concerned, often causing serious and permanent damage, and whereas the fight against doping is a matter of public interest and public health;
- U. whereas any act of violence, hooliganism and discrimination directed against a group of persons or a member of such a group, whether in an amateur or a professional sport, tarnishes its image and discourages spectators from attending sport events;
- V. whereas promoting sport for people with intellectual or physical disabilities should be a key priority at European, national and local level;
- W. whereas women's participation and visibility in sport and sport competitions needs to be improved;

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- X. whereas athletes, in particular minors, face increasing economic pressures, and are treated as commodities, and have therefore to be protected against any form of abuse, violence or discrimination that may occur in the course of their participation in sport;
- Y. whereas there is a growing, worrying trend of third-party ownership in team sports in Europe whereby players, who are often very young, are partially or integrally owned by private investors and can no longer determine the future paths of their careers;
- Z. whereas bad practices linked to agents and players' transfers have led to cases of money laundering, fraud and exploitation of minors;
- AA. whereas grassroots sports offer opportunities to tackle discrimination, foster social inclusion, cohesion and integration, and make a strong contribution to the development of transversal skills;
- AB. whereas an increasing number of clubs rely mainly on the transfer market to compose their teams when they should pay more attention to local training;
- AC. whereas sport is perceived as a fundamental right of everyone, and whereas everyone should have equal right to engage in physical activity and sport;
- AD. whereas, overall, physical activity is stagnating despite hard evidence that it improves personal health, including mental health, and well-being, as a result of which Member States make significant savings in terms of public expenditures on health, and despite a growing trend for recreational sports, such as jogging, which are also practised outside of any organised structures;
- AE. whereas sport events and activities, and in particular major international competitions, showcase the benefits of sport and have a positive social, economic and environmental impact;
- AF. whereas national teams play an essential role not only in terms of fostering national identity and inspiring young athletes to reach the highest level of sporting performance, but also by promoting solidarity with grassroots sports;
- AG. whereas the further education and vocational training of athletes is a crucial part of preparing them for their careers at the end of their sporting careers;
- AH. whereas investment in and promotion of the training and education of talented young athletes at local level is crucial for the long-term development and societal role of sports;
- AI. whereas volunteers are the backbone of organised sport, providing for the development and accessibility of sport activities, especially at grassroots level; whereas, in addition, it offers a further excellent training and non-formal education opportunity for young people, also internationally and in association with cooperation and development programmes in non-EU areas in which dialogue needs to be strengthened and EU external policy supported;
- AJ. whereas sport, in its broadest sense, represents a value system for a community, and whereas these values form the basis of a shared language that goes beyond all cultural and linguistic barriers; whereas it can help, and should be considered an opportunity, to strengthen dialogue and solidarity with third countries, to promote the protection of basic human rights and freedoms worldwide and to support EU external policy;

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AK. whereas infringements of sports organisations' intellectual property rights, including in the form of digital piracy, especially the unlicensed live transmission of sporting events, raise serious concerns for the long-term funding of sport, at all levels;

AL. whereas the freedom of press must be ensured at all sport events;

AM. whereas sport can contribute to fulfilling the objectives of the Europe 2020 strategy;

Integrity and good-governance of sports

1. Repeats that fighting corruption in sport requires transnational efforts and cooperation among all stakeholders, including public authorities, law enforcement agencies, the sports industry, athletes and supporters;

2. Calls on international, European and national sports organisations to commit to good governance practices, and to develop a culture of transparency and sustainable financing, by making financial records and activity accounts, including disclosure obligations as to the compensation of top executives and term limits, publicly available;

3. Is of the opinion that developing a culture of transparency must be complemented by a better separation of powers within the sports governing bodies, better division between commercial and charitable activities and better internal self-regulatory procedures to advance, detect, investigate and sanction sport crimes and illegal activities within the sports organisations;

4. Recalls that good governance, which should be a priority in the next EU Work Plan for sport, must be a condition for the autonomy of sports organisations, in compliance with the principles of transparency, accountability, equal opportunities, social inclusion and democracy, including appropriate stakeholder inclusiveness;

5. Stresses the need for a zero-tolerance policy to corruption and other types of crime in sports;

6. Underlines that the application of good governance principles in sport, together with monitoring, supervision and appropriate legal instruments, is a key factor to help eradicate corruption and other malpractices;

7. Calls on the Commission and the Member States, and on sports organisations and bidding entities, to ensure that bidding to host major events comply with good governance standards, with human and labour rights, and with the principle of democracy, in order to ensure a positive social, economic and environmental impact on local communities, whilst respecting diversity and traditions with a view to guaranteeing a sustainable legacy and credibility for sport;

8. Is of the opinion that countries bidding for or hosting sport events need to implement socially, environmentally and economic responsible planning, organisation, implementation, participation and a follow-up of those events; calls on sports organisations and countries hosting such events to avoid undesired changes in the living environment of local residents, including the displacement of local populations;

9. Calls on the Commission to develop a pledge board, and to explore the possibility of creating a code of conduct in the areas of good governance and integrity in sport; is of the opinion that sports organisations should lay down transparency rules, ethical standards, a code of conduct for their supervisory bodies, executive committees and members, as well as operational policies and practices to guarantee independence and compliance with the established rules; believes, furthermore, that exploring new instruments for cooperation between governments, sports organisations and the EU can help address some of the current challenges facing the sports industry;

10. Urges the Member States to make public funding for sports conditional, subject to compliance with established and publicly available minimum governance, monitoring and reporting standards;

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11. Believes that improving good governance and integrity in sports requires a change in the mind-set of all relevant stakeholders; supports the initiatives taken by sports organisations and other relevant stakeholders to improve governance standards in sports and to enhance dialogue and cooperation with local and national authorities;
12. Calls on sports organisations to put forward by 2018, and duly implement, concrete proposals to enhance good governance standards for sports organisations, sports governing bodies and their member associations, and to publish the outcomes; stresses that appropriate monitoring is essential in this regard;
13. Calls on the Member States to establish match fixing as a specific criminal offence and to ensure that any criminal activity, such as match fixing and corruption in sports, is subject to judicial proceedings and appropriate sanction, where this is not already the case, as match fixing and the manipulation of sport competitions violate the ethics and integrity of sports and are already subject to sanctions by sports authorities;
14. Points out that the challenges associated with the investigation of international cases of match-fixing require cross-border information-sharing and cooperation between sports bodies, state authorities and betting operators, within the framework of national platforms, in order to detect, investigate and prosecute match-fixing; calls on the Member States to consider introducing, where they have not already done so, dedicated prosecution services tasked specifically with investigating sports fraud cases; recalls that the Fourth Anti-Money Laundering Directive introduces a requirement for gambling providers to carry out due diligence checks on high transactions;
15. Urges the Council to find a solution that will allow the EU and its Member States to sign and ratify the Council of Europe Convention on the manipulation of sports competitions with a view to enabling its full implementation and ratification, and urges the Commission to support and facilitate this process and ensure that it is followed up effectively;
16. Reminds the Commission of its promise to issue a recommendation on the exchange of best practices in preventing and combating betting-related match rigging, and urges it to publish this recommendation without delay;
17. Calls on the Commission to strengthen interinstitutional links with the Council of Europe and, subsequently, to develop coordinated operational programmes ensuring the most efficient use of resources;
18. Supports, and further encourages, prevention, education and awareness-raising campaigns and information programmes serving to provide athletes, coaches, officials and relevant stakeholders at all levels with advice on the threats of match fixing, doping and other integrity-related matters, including risks they may encounter and ways in which they can report doubtful approaches; calls on the Commission and the Member States to propose concrete measures to be included in the next EU Work Plan, such as pilot programmes and projects, aimed at ensuring that young persons are given civic education in sports at as early an age as possible;
19. Calls on the Commission to continue to support anti-doping projects through the Erasmus+ programme, while assessing its impact and ensuring that it complements in a useful way existing anti-doping funding schemes;
20. Calls on the Commission to support good governance in sports management projects throughout the Erasmus+ programme;
21. Calls on the Member States to support doping controls, national testing programmes and legislations allowing coordination and information-sharing between state authorities, sports organisations and anti-doping agencies; calls on the Member States to enable the latter to establish extensive monitoring programmes for doping, and to process and exchange data in accordance with current and future EU data protection rules;

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22. Notes the importance of the World Anti-Doping Agency (WADA) in the monitoring and coordination of anti-doping policies and rules all over the world; calls on the Commission and the Member States to work closely with WADA, UNESCO and the Council of Europe with a view to preventing and combating doping more effectively by reinforcing the legal and political commitments of the World Anti-Doping Code (WADAC); calls on the EU to encourage the exchange of information and best practices on health and prevention policies in the fight against doping worldwide;
23. Calls on the Commission and the Council to encourage and facilitate the negotiation of agreements between countries permitting duly authorised doping control teams from other countries to conduct testing, respecting athletes' fundamental rights, in accordance with the International Convention against doping in sport;
24. Is of the opinion that doping is also a growing problem in the recreational sports sector, where education and information campaigns, and experienced and professional instructors and trainers, are needed to help promote healthy behaviour with regard to doping;
25. Calls on the Member States and the Commission to work closely with WADA and the Council of Europe in defining a policy to protect whistleblowers;
26. Encourages sports organisations and national public authorities to establish coordinated anti-doping systems for cross-border monitoring, and to take concrete measures against the manufacture and trafficking of illegal performance-enhancing substances in the sports world;
27. Welcomes the new Council of Europe Convention on an Integrated Safety, Security and Service Approach at Football Matches and Other Sports Events, and urges the Member States to sign and ratify it without delay; reiterates its proposal for the introduction of the mutual recognition of stadium bans in Europe and the exchange of data in this regard;
28. Calls on the Commission to explore ways of information sharing in the context of violence in sports through the existing networks;
29. Notes that the threat of terrorism requires new efforts to ensure operational safety and security at sports events;
30. Stresses that sports bodies should ensure necessary access and news-gathering opportunities at all sport events for independent news media in order to allow them to fulfil their role as important and critical observers of sport events and of the administration of sports;
31. Condemns strongly all forms of discrimination and violence in sport, both on and off the field, and underlines the need to prevent such behaviour at all levels, to improve the reporting and monitoring of such incidents and to promote core values such as respect, friendship, tolerance and fair play; is of the opinion that sports organisations abiding by high standards of good governance are better equipped to promote the societal role of sports and to fight racism, discrimination and violence;
32. Recalls the need to boost the fight against human trafficking in sports, in particular the trafficking of children;
33. Welcomes good, self-regulatory practices, such as the Financial Fair Play initiative, in that they encourages more economic rationality and better standards of financial management in professional sports, with a focus on the long-term as opposed to the short-term, thereby contributing to the healthy and sustainable development of sport in Europe; emphasises that Financial Fair Play has encouraged better financial management standards and should therefore be applied strictly;
34. Welcomes transparent and sustainable investment in sports and sports organisations, provided that they are subject to strict controls and disclosure requirements and are not detrimental to the integrity of competitions and athletes;

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35. Considers the ownership model whereby club members retain control of the club (through the 50+1 rule) as a good practice in the EU, and invites the Member States, sports governing bodies, national federations and leagues to start a constructive dialogue on, and exchange of, this model;

36. Stresses that athletes, in particular minors, must be protected from abusive practices such as third-party ownership, which raise numerous questions of integrity and broader ethical concerns; supports decisions by governing bodies to ban third-party ownership of players, and calls on the Commission to consider the prohibition of third-party ownership under EU law and to invite the Member States to take additional measures to address the rights of athletes;

37. Considers that a reassessment of the rules promoting local players is required in order to broaden the opportunities for talented young players to play in their clubs' first team and thus improve the competitive balance across Europe;

38. Calls on governing bodies and national authorities at all levels to take measures that guarantee compensation to training clubs with a view to encouraging the recruitment and training of young players, in accordance with the Bernard ruling of the European Court of Justice of 16 March 2010;

39. Reiterates its attachment to the European organised sports model, where federations play a central role, insofar as it balances the numerous diverging interests between all stakeholders, such as athletes, players, clubs, leagues, associations and volunteers, with appropriate and democratic representation and transparency mechanisms in decision-making, and with open competitions based on sporting merit; calls for more financial solidarity at all levels;

40. Welcomes the annual EU Sport Forum, promoting dialogue with stakeholders from international and European sport federations, the Olympic movement, European and national sport umbrella organisations and other sport-related organisations; points out that the dialogue structure with stakeholders, the functions of the forum and the follow-up of the discussion need to be improved further;

41. Welcomes the efforts of the Commission, and of all concerned stakeholders, to promote social dialogue in sport, which is an excellent opportunity to provide a balance between the fundamental and labour rights of sportspeople and the economic nature of sport by involving all stakeholders, including social partners, in the discussion and conclusion of agreements; acknowledges the responsibility of sporting organisations to commit to developing a culture of transparency; insists that the EU should actively promote minimum employment and labour standards for professional athletes across Europe;

42. Reiterates its call for the establishment of transparency registers for the payment of sports agents, underpinned by an efficient monitoring system such as a clearing house for payments and appropriate sanctions, in cooperation with relevant public authorities, in order to tackle agent malpractice; repeats its call for the licensing and registration of sports agents, as well as the introduction of a minimum level of qualifications; calls on the Commission to follow-up on the conclusions of its 'Study on sports agents in the European Union', in particular with regard to the observation that agents are central in financial streams that often are not transparent, making them prone to illegal activities;

43. Believes that an integrated approach to gender equality in sports can help avoid stereotypes and create a positive social environment for all; welcomes initiatives that encourage gender equality and equal participation in decision-making roles in sports, enable female athletes to reconcile their family and professional sport life, and seek to reduce gender-based remuneration gap and award disparities, as well as any kind of stereotypes and harassment in sports; calls on sports organisations to pay particular attention to the gender dimension by encouraging women participation in sports;

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Social inclusion, social function and accessibility of sport

44. Believes that investing in sports will help us build united and inclusive societies, move barriers and enable people to respect each other by building bridges across cultures and across ethnic and social divides, and to promote a positive message of shared values, such as mutual respect, tolerance, compassion, leadership, equality of opportunity and the rule of law;
45. Welcomes transnational sporting events staged in various European countries insofar as they contribute to the promotion of key shared values of the EU such as pluralism, tolerance, justice, equality and solidarity; recalls that sporting activities and events promote tourism in European towns, cities and territories;
46. Underlines the value of transversal skills acquired through sports as part of non-formal and informal learning, and further stresses the link between sports employability, education and training;
47. Emphasises the role of sport in the inclusion and integration of disadvantaged groups; welcomes initiatives to give refugees, migrants and asylum seekers the possibility to compete as athletes at sport competitions;
48. Underlines the importance of education through sport and the potential of sport to help get socially vulnerable youngsters back on track; recognises the importance of grassroots sports in preventing and fighting radicalisation, and encourages and supports initiatives in this respect; welcomes two pilot projects adopted by the European Parliament: 'Sport as a tool for integration and social inclusion of the refugees' and 'Monitoring and coaching through sports of youngsters at risk of radicalisation';
49. Recalls that young European athletes are often faced with the challenge of combining their sports careers with education and work; recognises that higher education and vocational training are crucial to the aim of maximising the future inclusion of athletes in the labour market; supports the introduction of effective dual-career systems, with minimum quality requirements and appropriate monitoring of the progress of dual-career programmes in Europe, as well as the provision of career guidance services through agreements with universities or institutes of higher education; calls on the Commission and the Member States to facilitate the cross-border mobility of athletes, to harmonise the recognition of sport and education qualifications, including non-formal and informal education acquired through sports, and to strengthen the exchange of good practises;
50. Underlines the need to ensure sustainable financial support for dual-career exchange programmes at EU and national level through the Erasmus+ Sport chapter and to foster further research in this area; calls on the Member States to promote, in collaboration with educational institutions, cross-border exchanges of athletes and to provide access to scholarships for athletes;
51. Supports the mobility of coaches and other service providers (such as physiotherapists and dual-career advisers), and the exchange of good practices, with a focus on the recognition of qualifications and of technical innovations;
52. Calls on sports organisations to promote, together with the Member States, minimum standards for coaches that include criminal record checks, training in the safeguarding and protection of minors and vulnerable adults, as well as in preventing and combating doping and match fixing;
53. Stresses that lack of physical activity is identified by WHO as the fourth leading risk factor for global mortality, with considerable direct and indirect social and economic impacts and costs for Member States; is concerned that, notwithstanding the considerable costs expended to promote physical activity, and despite the significant impact on general health of the lack of it, physical activity levels are falling across some Member States;
54. Calls on sports organisations and the Member States to cooperate on supporting the employability and mobility of coaches seeking to work across the EU, through a commitment to ensure quality controls of coaching competence and standards of qualification and training;

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55. Encourages the Member States and the Commission to make physical activity a political priority in the next EU Work Plan on Sport, especially for young people and vulnerable communities from socially deprived areas where physical participation is low;
56. Calls on international and national federations, and on other providers of education, to ensure that issues pertaining to integrity in sport are included in the curriculum of sport coaching qualifications;
57. Underlines that the promotion of physical education in schools is an essential entry point for children when it comes to learning life skills, attitudes, values, knowledge and understanding, as well as to enjoying lifelong physical activity; recalls that the participation in sports at universities and by older people play a vital role in maintaining healthy lifestyles and promoting social interaction;
58. Takes into account the fact that the EU population is ageing, and that specific attention should therefore be paid to the positive impact that physical activity can have on the health and wellbeing of the elderly;
59. Highlights the fact that sport and physical activity should be promoted in a better way across policy sectors; encourages local authorities and municipalities to promote equal access to physical activity; recommends the Member States and the Commission to encourage citizens to pursue physical activities on a more regular basis by means of appropriate health policies and programmes for their daily lives;
60. Calls on the Member States to promote sport better among socially excluded groups, and among people living in socially deprived areas, where participation in sport is often low, and to enhance cooperation with non-governmental organisations and schools active in this area, in particular in the urban planning and construction of sport facilities, so that the special needs of the public, and in particular of vulnerable groups, are taken into account; calls on the Member States to ensure full and equal access to public sports facilities in all areas, and to foster the establishment of new sports clubs, particularly in rural and disadvantaged urban areas;
61. Stresses that disabled people should have equal access to all sports facilities, and to the transport and other facilities — and the competent support staff — that this requires, and calls for greater integration of all sports-related components according to the principle that sports facilities should be accessible to all; urges the Member States to implement inclusive sport programmes for disabled people at schools and universities, including by providing trained coaches and adapted physical activity programmes, starting at lower levels at schools, so that pupils and students with disabilities can participate in sport lessons and in extra-curricular sport activities;
62. Recognises the fundamental role of the International Paralympic Games in fostering awareness, fighting discrimination and promoting access to sport for disabled people; calls on the Member States to step up the efforts towards the inclusion in sport activities of persons with disabilities, and to increase public media visibility and broadcasting of the Paralympic Games and other competitions involving disabled athletes;
63. Calls on the Member States and the Commission to ensure that children practise sports in a safe environment;
64. Welcomes the initiatives taken to promote inclusion, integrity and accessibility in sports through the use of new technologies and innovation;
65. Welcomes the success of the European Week of Sport, which aims to promote sport, physical activity and a healthier lifestyle for all across Europe regardless of age, background or fitness level, and calls on all EU institutions and Member States to take part in, and further promote, this initiative, while ensuring that it is accessible to the widest possible audience, particularly in schools;
66. Considers that traditional sports are part of the European cultural heritage;
67. Welcomes the Commission's study on the specificity of sport; calls on the Commission and sports organisations to consider further steps to develop sport specificity;

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68. Stresses that funding is an important EU policy tool used to improve key fields of EU activity in sport; calls on the Commission to allocate more funds to sport under Erasmus+, with a focus on grassroots sports and education, and to enhance its visibility and accessibility in order to improve the mainstreaming of sport into other funding programmes such as the ESIF or the Health Programme; calls for better communication between the Commission and the Member States to allow these funds to be used more effectively and to minimise the administrative burden on grassroots sports organisations;
69. Encourages the Member States and the Commission to support measures and programmes promoting the mobility, participation, education, skills development and training of volunteers in sport, as well as the recognition of their work; recommends the exchange of best practices in volunteering by lending a hand in promoting the growth of sports practice and culture, including through the lines provided for by the Erasmus+ programme;
70. Asks the Commission to issue guidelines on the application of state aid rules in sport taking into account the social, cultural and educational goals in order to bring more legal certainty; considers, in this regard, that no sports organisations, in particular grassroots sports organisations, should be discriminated against when applying for public funding at national and local level;
71. Considers it crucial that financial solidarity mechanisms within sports establish the necessary link between professional and amateur sports; welcomes, in this regard, the contribution made by national lotteries to grassroots sports, and encourages Member States to make licensed betting operators subject to mandatory and fair financial return to grassroots sports and projects aimed at improving mass-access to sports, with a view to ensuring their sustainability, transparency and traceability, in complement to the financial contributions already made by the selling of media and broadcasting rights;
72. Maintains that the selling of TV rights on a centralised, exclusive and territorial basis, with equitable sharing of revenues, is essential to the sustainable funding of sport at all levels and to ensuring a level playing field;
73. Emphasises that infringements of intellectual property rights in sport threaten its long-term funding;
74. Recommends the Member States to introduce and use actively their respective tax systems to support VAT exemption, tax breaks and other forms of financial incentives in grassroots sport; recognises that State Aid rules should not apply to such support;
75. Calls on the Commission and the Member States to allocate more funds to open public sports grounds and playgrounds in order to enhance easy accessibility to grassroots sports;
76. Considers that sustainability and environmental protection should be an integral part of sports events and that sport stakeholders should contribute towards the Global Agenda 2030 on Sustainable Development Goals;
77. Encourages the national Olympic committees and sports federations of the Member States to adopt and use the EU flag and symbol, together with individual flags and national symbols, on the occasion of international sports events;
78. Emphasises that sport is a powerful factor in creating and strengthening a feeling of local, national and even European belonging;
79. Stresses the importance of having full transparency of ownership in professional sports clubs;
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80. Instructs its President to forward this resolution to the Council and the Commission, the governments and parliaments of the Member States, and to the European, international and national sports federations and leagues.
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Cross-border aspects of adoptions

European Parliament resolution of 2 February 2017 with recommendations to the Commission on cross border aspects of adoptions (2015/2086(INL))

(2018/C 252/02)

The European Parliament,

- having regard to Article 225 of the Treaty on the Functioning of the European Union,
- having regard to Articles 67(4) and 81(3) of the Treaty on the Functioning of the European Union,
- having regard to the United Nations Convention on the Rights of the Child of 20 November 1989, and in particular Articles 7, 21 and 35 thereof,
- having regard to Article 2 of the Optional Protocol to the United Nations Convention on the Rights of the Child on the sale of children, child prostitution and child pornography of 25 May 2000,
- having regard to the Vienna Convention on Consular Relations of 24 April 1963,
- having regard to the Hague Convention of 29 May 1993 on Protection of Children and Co-operation in Respect of Intercountry Adoption,
- having regard to the Issue Paper of the Commissioner for Human Rights on Adoption and Children: a Human Rights Perspective, published on 28 April 2011,
- having regard to Rules 46 and 52 of its Rules of Procedure,
- having regard to the report of the Committee on Legal Affairs and the opinion of the Committee on Petitions (A8-0370/2016),

Common minimum standards for adoptions

- A. whereas in the area of adoption, it is essential that any decision should be taken in accordance with the principle of the best interests of the child, non-discrimination, and with respect for his or her fundamental rights;
- B. whereas the purpose of adoption is not to give adults the right to a child, but to give the child a stable, loving and caring environment to grow up and develop in harmoniously;
- C. whereas the adoption procedure concerns children who, at the time adoption is applied for, have not yet attained 18 years of age or the age of majority in their country of origin;
- D. whereas a good balance needs to be struck between the right of the adopted child to know its true identity and the right of the biological parents to protect theirs;
- E. whereas the relevant authorities should not consider the economic circumstances of the biological parents as the only basis and justification for the withdrawal of parental authority and giving a child up for adoption;
- F. whereas adoption proceedings should not commence before any decision withdrawing parental authority from the biological parents is final, and the latter have been given the opportunity to exhaust all legal avenues of appeal against that decision; whereas the recognition of an adoption order taken in the absence of such procedural guarantees can be refused by other Member States;

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- G. whereas greater efficiency and transparency will enable improvements to be made to domestic adoption procedures and could make international adoptions easier, which could increase the number of children being adopted; whereas, in this respect, compliance with Article 21 of the UN Convention on the Rights of the Child, which all Member States have ratified, should be the primary benchmark for all procedures, measures and strategies regarding adoptions in a cross-border context, while respecting the best interests of the child;
- H. whereas more work should be done in a determined manner in order to prevent prospective parents interested in adoption from being exploited by unscrupulous intermediary organisations, and whereas cooperation in combating crime and corruption within the EU therefore needs to be stepped up in this area as well;
- I. whereas the placement of siblings in the same adoptive family should be encouraged as far as possible, in order to spare them further trauma arising from their separation;

Intercountry adoptions under the 1993 Hague Convention

- J. whereas the Hague Convention of 29 May 1993 on Protection of Children and Co-operation in Respect of Intercountry Adoption (the Hague Convention), which all Member States have ratified, provides a system of administrative cooperation and recognition for intercountry adoptions, i.e. adoptions where the adopters and the child or children do not have their habitual residence in the same country;
- K. whereas the Hague Convention stipulates that recognition of intercountry adoptions is automatic in all signatory states, without the need for any specific procedure for recognition to be effective;
- L. whereas, under the Hague Convention, recognition may be refused only if the adoption is manifestly contrary to the public policy of the state concerned, taking into account the best interests of the child;

Civil justice cooperation in the field of adoption

- M. whereas judicial training in the widest sense is key to mutual trust in all areas of law, including that of adoption; whereas existing EU programmes covering judicial training and support for the European judicial network therefore need to include a stronger focus on specialised courts, such as family courts and juvenile courts;
- N. whereas citizens should be given better access to comprehensive information on the legal and procedural aspects of domestic adoption in Member States; whereas the e-Justice portal could be expanded in this connection;
- O. whereas cooperation within the European Network of Ombudspersons for Children was established in 1997, and Europe's ombudspersons on children's matters should be encouraged to cooperate and coordinate more closely in that forum; whereas efforts to do so could include involving them in existing EU-funded judicial training schemes;
- P. whereas an in-depth analysis should be conducted, as more needs to be done to prevent and combat the cross-border trafficking of children for the purpose of adoption and to improve the proper and efficient implementation of existing rules and guidelines to combat child trafficking; whereas cooperation in combating crime and corruption within the EU therefore needs to be stepped up in this area to prevent the abduction, sale, or trafficking of children;

Cross-border recognition of domestic adoption orders

- Q. whereas the principle of mutual trust between the Member States is of fundamental importance in Union law as it allows an area without internal borders to be created and maintained; whereas the principle of mutual recognition, which is based on mutual trust, obliges Member States to give effect to a judgment or decision originating in another Member State;

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- R. whereas, despite the international rules that exist in this field, opinions still differ in the Member States as regards the principles that should govern the adoption process, just as differences exist in respect of adoption procedures and the legal effects of the adoption process;
- S. whereas the European Union has competence to take measures aimed at enhancing judicial cooperation between the Member States without affecting national family law, including in the field of adoptions;
- T. whereas public policy exemptions serve to safeguard the identity of the Member States, which is reflected in the substantive family law of the Member States;
- U. whereas there is currently no European provision for the recognition — whether automatic or otherwise — of domestic adoption orders, i.e. concerning adoptions which are carried out within a single Member State;
- V. whereas the absence of such provisions causes significant problems for European families who move to another Member State after adopting a child, as the adoption may not be recognised, meaning that the parents may have trouble legally exercising their parental authority, and may encounter financial difficulties regarding the different fees applicable in this field;
- W. whereas the lack of such provisions thus puts at risk the rights of children to a stable and permanent family;
- X. whereas currently, when moving to another Member State, parents may be obliged to go through specific national recognition procedures, or even re-adopt the child, creating significant legal uncertainty;
- Y. whereas the current situation can cause serious problems and prevent families from fully exercising free movement;
- Z. whereas there may be a need to review and assess the overall situation through consultation among Member States' competent authorities;
- AA. whereas the Brussels II Regulation does not address the question of the recognition of adoption orders, as it exclusively covers parental responsibility;
- AB. whereas it is therefore of the utmost importance to adopt legislation providing for the automatic recognition in a Member State of a domestic adoption order granted in another Member State, on condition that full respect for national provisions on public policy and for the principles of subsidiarity and proportionality is ensured;
- AC. whereas such legislation would complement Council Regulation (EC) No 2201/2003 ⁽¹⁾ (Brussels IIa) on issues of jurisdiction and parental responsibility and fill the existing gap on recognition of adoptions as provided under international law (the Hague Convention);

Common minimum standards for adoptions

1. Calls on the authorities of the Member States to take all decisions in adoption matters with the best interests of the child in mind and with respect for his or her fundamental rights, while always taking into account the specific circumstances of the particular case;
2. Stresses that children who have been put up for adoption should not be seen as the property of a state, but as individuals with internationally recognised fundamental rights;
3. Underlines that each adoption case is different and must be assessed on its individual merits;

⁽¹⁾ Council Regulation (EC) No 2201/2003 of 27 November 2003 concerning jurisdiction and the recognition and enforcement of judgments in matrimonial matters and the matters of parental responsibility, repealing Regulation (EC) No 1347/2000 (OJ L 338, 23.12.2003, p. 1).

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4. Considers that in cases of adoption with cross-border aspects the cultural and linguistic traditions of the child should be taken into consideration and be respected as much as possible;
5. Considers that in the context of adoption proceedings, the child should always be given the opportunity to be heard without pressure, and express his or her view on the adoption process, taking into account his or her age and maturity; considers, therefore, that it is of the utmost importance that, whenever possible and regardless of age, the child's consent to the adoption should be sought; in this respect, calls for special attention towards young children and babies, who cannot be heard;
6. Considers that no decision on adoption should be taken before the biological parents have been heard and, where applicable, exhausted all legal remedies concerning their parental authority, and the withdrawal of parental authority from the biological parents is final; calls, therefore, on the authorities in the Member States to take all necessary measures for the well-being of the child while legal remedies are being exhausted, and throughout the entire legal proceedings relating to the adoption, whilst providing the child with the protection and care needed for his or her harmonious development;
7. Calls on the Commission to consider a comparative study to analyse complaints regarding non-consensual adoptions with cross-border aspects;
8. Stresses that the relevant authorities should always first consider the possibility of placing the child with relatives, even when those relatives live in another country, if the child has established a relationship with those members of the family and following an individual assessment of the child's needs, before giving the child up for adoption by strangers; considers that the habitual residence of family members who wish to take over responsibility for a child should not be considered to be a deciding factor;
9. Calls for equal treatment of parents of different nationalities during procedures relating to parental responsibility and adoption; calls on Member States to ensure the equality of procedural rights of the relatives involved in adoption procedures and who are nationals of other Member States, including by the provision of legal assistance and timely information about hearings, the right to an interpreter, and the provision of all documents relevant to the case in their native language;
10. Stresses that where a child being considered for adoption is the citizen of another Member State, the consular authorities of that Member State and the child's family residing in that Member State should be informed and consulted prior to any decision being taken;
11. Calls, moreover, on the Member States to pay very particular attention to unaccompanied minors who have applied for or have refugee status, ensuring they receive the protection, assistance and care that Member States are required to furnish by virtue of their international obligations, preferably by placing them in foster families in the interim period;
12. Stresses the importance of providing social workers with adequate working conditions to properly perform their assessment of individual cases, without any kind of financial or legal pressure and fully taking into account the best interests of the child with the short-, mid- and long-term perspectives all considered;

Intercountry adoptions under the 1993 Hague Convention

13. Notes the successes of, and the importance of applying, the Hague Convention, and encourages all countries to sign, ratify or accede to it;
14. Deplores the fact that problems often occur concerning the issuance of adoption certificates; calls, therefore, on the authorities of the Member States to ensure that the procedures and safeguards established by the Hague Convention are always followed in order to ensure that recognition is automatic; calls on the Member States not to create unnecessary bureaucratic impediments to the recognition of adoptions within the scope of the Hague Convention that might lengthen the procedure and make it more expensive;
15. Points out that further efforts could be made in order to respect and scrupulously enforce the provisions of the Hague Convention, as some Member States require additional administrative procedures or charge disproportionate fees in connection with the recognition of adoptions, for example in order to establish or amend civil status records or to obtain nationality, although this is contrary to the provisions of the Hague Convention;
16. Calls on Member States to respect the procedures concerning the counselling and consent requirements set out in Article 4 of the Hague Convention;

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Civil justice cooperation in the field of adoption

17. Calls on the Member States to intensify their cooperation in the field of adoption, including both legal and social aspects, and calls for greater cooperation between the responsible authorities for follow-up assessments where necessary; in this respect, calls also for the EU to maintain a consistent approach to children's rights across all of its major internal and external policies;

18. Calls on the Commission to establish an effective European network of judges and authorities specialised in adoption in order to facilitate the exchange of information and good practice, which is particularly useful when adoption involves a foreign element; believes it to be extremely important to facilitate coordination and the exchange of good practice with the current European judicial training network, in order to achieve the greatest possible degree of consistency with the schemes already being funded by the EU; in this respect, calls on the Commission to provide funding for the specialised training of judges working in the field of cross-border adoptions;

19. Believes that training and meeting opportunities for judges working in the field of cross-border adoption can assist to precisely identify expected and required legal solutions in the field of the recognition of domestic adoptions; calls, therefore, on the Commission to provide funding for such training and meeting opportunities at the stage of drafting the proposal for the regulation;

20. Calls on the Commission to publish on the European e-Justice Portal relevant legal and procedural information on adoption law and practice in all the Member States;

21. Takes note of the activities of the European Network of Ombudspersons for Children and considers that this cooperation should be further developed and strengthened;

22. Stresses the need to cooperate closely, including through European authorities such as Europol, to prevent the cross-border abduction, sale and trafficking of children for adoption purposes; notes that reliable national birth registration systems may prevent child trafficking for adoption purposes; calls, in this respect, for improved coordination in the sensitive area of adoption of children from third countries;

Cross-border recognition of domestic adoption orders

23. States that there is a clear need for European legislation to provide for the automatic cross-border recognition of domestic adoption orders;

24. Requests the Commission to submit, by 31 July 2017, on the basis of Articles 67 and 81 of the Treaty on the Functioning of the European Union, a proposal for an act on the cross-border recognition of adoption orders, following the recommendations set out in the Annex hereto, and in line with existing international law in this area;

25. Confirms that the recommendations annexed to this motion for a resolution respect fundamental rights and the principles of subsidiarity and proportionality;

26. Considers that the requested proposal does not have negative financial implications, as the ultimate goal, the automatic recognition of adoption orders, will bring about a reduction in costs;

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27. Instructs its President to forward this resolution and the accompanying detailed recommendations to the Commission and the Council, and to the parliaments and governments of the Member States.

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ANNEX TO THE RESOLUTION

DETAILED RECOMMENDATIONS FOR A REGULATION OF THE COUNCIL ON THE CROSS-BORDER RECOGNITION OF ADOPTION ORDERS

A. PRINCIPLES AND AIMS OF THE PROPOSAL REQUESTED

1. Exercising their right to free movement, an increasing number of Union citizens decide each year to move to another Member State of the Union. This creates a number of difficulties regarding the recognition and the legal resolution of the personal and family law situation of mobile individuals. The Union has made a start on addressing these problem situations, for example by adopting Regulation (EU) No 650/2012 of the European Parliament and of the Council⁽¹⁾, and by putting in place enhanced cooperation regarding the recognition of certain aspects of matrimonial property regimes and the property effects of registered partnerships.
2. The Hague Convention of 29 May 1993 on Protection of Children and Co-operation in Respect of Intercountry Adoption (the Hague Convention) is in effect in all Member States. It concerns the procedure for adoptions across borders, and mandates the automatic recognition of such adoptions. However, the Hague Convention does not cover the situation of a family with a child adopted under a purely national procedure which then moves to another Member State. This can lead to significant legal difficulties if the legal relationship between the parent(s) and the adopted child is not automatically recognised. Additional administrative or judicial procedures may be required, and in extreme cases recognition may be refused altogether.
3. It is therefore necessary, in order to protect the fundamental rights and freedoms of such Union citizens, to adopt a regulation providing for the automatic cross-border recognition of adoption orders. The proper legal basis for such a proposal is Article 67(4) of the Treaty on the Functioning of the European Union, which concerns the mutual recognition of judgments and decisions, and Article 81(3) of the Treaty, which concerns measures in the field of family law. The regulation is to be adopted by the Council after consulting the European Parliament.
4. The proposed regulation provides for the automatic recognition of adoption orders made in a Member State under any procedure other than under the framework of the Hague Convention. As European families may also have connections with or have lived in a third country in the past, the regulation also provides that, once one Member State has recognised an adoption order made in a third country under its relevant national procedural rules, that adoption order shall be recognised in all other Member States.
5. However, in order to avoid forum shopping or the application of inappropriate national laws, that automatic recognition is subject, firstly, to the condition that recognition must not be manifestly contrary to the public order of the recognising Member State, while emphasising that such refusals may never lead *de facto* to discrimination prohibited by Article 21 of the Charter of Fundamental Rights of the European Union, and, secondly, that the Member State which took the adoption decision had jurisdiction under Article 4 of the proposal requested in Part B (the proposal). Only the Member State of the habitual residence of the parent or parents or of the child can have that jurisdiction. However, where the adoption decision was taken in a third country, jurisdiction for the initial recognition within the Union of that adoption can also lie with the Member State of nationality of the parents or child. This is in order to ensure access to justice for European families resident overseas.
6. Specific procedures are required for deciding on any objections to recognition in specific cases. These provisions are similar to those encountered in other Union acts in the area of civil justice.
7. A European Certificate of Adoption should be created in order to speed up any administrative query over automatic recognition. The model for the certificate is to be adopted as a Commission delegated act.

⁽¹⁾ Regulation (EU) No 650/2012 of the European Parliament and of the Council of 4 July 2012 on jurisdiction, applicable law, recognition and enforcement of decisions and acceptance and enforcement of authentic instruments in matters of succession and on the creation of a European Certificate of Succession (OJ L 201, 27.7.2012, p. 107).

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8. The proposal only concerns the individual parent-child relationship. It does not oblige the Member States to recognise any particular legal relationship between parents of an adopted child, as the national laws relating to couples differ considerably.

9. Finally, the proposal contains the usual final and transitional provisions encountered in civil justice instruments. The automatic recognition of adoptions only applies to adoption decisions taken from the date of application of the regulation, and, as from that date also, to any earlier adoption orders if the child is still a minor.

10. The proposal complies with the principles of subsidiarity and proportionality, as the Member States cannot act alone to set up a legal framework for the cross-border recognition of adoption orders, and the proposal goes no further than absolutely necessary to ensure the stability of the legal situation of adopted children. It does not affect the family law of the Member States.

B. TEXT OF THE PROPOSAL REQUESTED

Regulation of the Council on the cross-border recognition of adoption orders

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 67(4) and 81(3) thereof,

Having regard to the European Parliament's request to the European Commission,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Parliament,

Having regard to the opinion of the European Economic and Social Committee,

Acting in accordance with a special legislative procedure,

Whereas:

- (1) The Union has set itself the objective of maintaining and developing an area of freedom, security and justice, in which the free movement of persons is assured. For the gradual establishment of such an area, it is necessary that the Union adopt measures relating to judicial cooperation in civil matters having cross-border implications, including in the area of family law.
- (2) Pursuant to Articles 67 and 81 of the Treaty on the Functioning of the European Union (TFEU), those measures are to include measures aimed at ensuring the mutual recognition of decisions in judicial and extrajudicial cases.
- (3) In order to ensure free movement for families which have adopted a child, it is necessary and appropriate that the rules governing jurisdiction and the recognition of adoption orders be governed by a legal instrument of the Union which is binding and directly applicable.
- (4) This Regulation should create a clear, comprehensive legal framework in the area of the cross-border recognition of adoption orders, provide families with appropriate outcomes in terms of legal certainty, predictability and flexibility, and prevent a situation from arising where an adoption order legally made in one Member State is not recognised in another.
- (5) This Regulation should cover the recognition of adoption orders made or recognised in a Member State. However, it should not cover the recognition of intercountry adoptions performed in accordance with the Hague Convention of 29 May 1993 on Protection of Children and Co-operation in Respect of Intercountry Adoption, as that Convention already provides for the automatic recognition of such adoptions. This Regulation should therefore apply only to the recognition of domestic adoptions, and to international adoptions not performed under that Convention.
- (6) There must be a connection between an adoption and the territory of the Member State which made the adoption order, or recognised it. Accordingly, recognition should be subject to compliance with common rules of jurisdiction.

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- (7) The rules of jurisdiction should be highly predictable and founded on the principle that jurisdiction is generally based on the adopting parents' habitual residence, or the habitual residence of one of those parents or of the child. Jurisdiction should be limited to this ground, save in situations involving third countries, where the Member State of nationality may be a connecting factor.
- (8) As adoption generally concerns minors, it is not appropriate to give parents or the child any flexibility in choosing the authorities which will decide on the adoption.
- (9) Mutual trust in the administration of justice in the Union justifies the principle that adoption orders made in, or recognised by, a Member State should be recognised in all other Member States without the need for any special procedure. As a result, an adoption order made by a Member State should be treated as if it had been made in the Member State addressed.
- (10) The automatic recognition in the Member State addressed of an adoption order made in another Member State should not jeopardise respect for the rights of the defence. Therefore, any interested party should be able to apply for refusal of the recognition of an adoption order if he or she considers one of the grounds for refusal of recognition to be present.
- (11) The recognition of domestic adoption orders should be automatic unless the Member State where the adoption took place did not have jurisdiction or if such recognition would be manifestly contrary to the public policy of the recognising Member State, as interpreted in accordance with Article 21 of the Charter of Fundamental Rights of the European Union.
- (12) This Regulation should not affect the substantive family law, including the law on adoption, of the Member States. Furthermore, any recognition of an adoption order under this Regulation should not imply the recognition of any legal relationship between adopting parents as a consequence of the recognition of an adoption order without, however, preconditioning the possible decision on the recognition of an adoption order.
- (13) Any procedural questions not addressed by this Regulation should be dealt with in accordance with national law.
- (14) Where an adoption order implies a legal relationship which is not known in the law of the Member State addressed, that legal relationship, including any ensuing right or obligation, should, to the extent possible, be adapted to one which, under the law of that Member State, has equivalent effects attached to it and pursues similar aims. How, and by whom, the adaptation is to be carried out should be determined by each Member State.
- (15) In order to facilitate the automatic recognition provided for by this Regulation, a model for the transmission of adoption orders, the European Certificate of Adoption, should be drawn up. For that purpose, the power to adopt acts in accordance with Article 290 of the TFEU should be delegated to the Commission in respect of the establishment and amendment of that model certificate. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.
- (16) Since the objective of this Regulation cannot be sufficiently achieved by the Member States and can be better achieved at Union level, the Union may adopt measures in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union (TEU). In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.
- (17) In accordance with Articles 1 and 2 of Protocol No 21 on the position of the United Kingdom and Ireland in respect of the area of freedom, security and justice annexed to TEU and to TFEU, [the United Kingdom and Ireland have given notice of their wish to take part in the adoption and application of this Regulation]/[without prejudice to Article 4 of the Protocol, the United Kingdom and Ireland will not participate in the adoption of this Regulation and will not be bound by it or be subject to its application].
- (18) In accordance with Articles 1 and 2 of Protocol No 22 on the position of Denmark, annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union, Denmark will not participate in the adoption of this Regulation and is not therefore bound by it or required to apply it,

HAS ADOPTED THIS REGULATION:

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Article 1

Scope

1. This Regulation shall apply to the recognition of adoption orders.
2. This Regulation does not apply to or affect:
 - (a) the laws of the Member States on the entitlement to adopt or on other family law matters;
 - (b) intercountry adoptions under the Hague Convention of 29 May 1993 on Protection of Children and Co-operation in Respect of Intercountry Adoption (the Hague Convention).
3. Nothing in this Regulation requires a Member State to:
 - (a) recognise the existence of any legal relationship between parents of an adopted child as a consequence of the recognition of an adoption order;
 - (b) make adoption orders in circumstances in which the relevant national law does not so allow.

Article 2

Definition

For the purposes of this Regulation, 'adoption order' means the judgment or decision creating or recognising a permanent, legal parent-child relationship between a child who has not yet reached the age of majority and a new parent or parents who are not biological parents of that child, howsoever that legal relationship is named in national law.

Article 3

Automatic recognition of adoption orders

1. An adoption order made in a Member State shall be recognised in the other Member States without any special procedure being required, provided that the Member State making the order has jurisdiction in accordance with Article 4.
2. Any interested party may, in accordance with the procedure provided for in Article 7, apply for a decision that there are no grounds for refusal of recognition as referred to in Article 6.
3. If the outcome of proceedings in a court of a Member State depends on the determination of an incidental question of refusal of recognition, that court shall have jurisdiction over that question.

Article 4

Jurisdiction for adoption orders

1. The authorities of a Member State may only make an adoption order if the adopting parent or parents or the adopted child are habitually resident in that Member State.
2. Where an adoption order has been made in respect of a child by the authorities of a third country, the authorities of a Member State may also make such an order, or decide on the recognition of the third country order in accordance with the procedures established by national law, if the adopting parent or parents or the adopted child are not habitually resident in that Member State, but are citizens of the same.

Article 5

Documentation required for recognition

A party wishing to invoke, in one Member State, an adoption order which was made in another Member State shall produce:

- (a) a copy of the adoption order which satisfies the conditions necessary to establish its authenticity; and
- (b) the European Certificate of Adoption issued pursuant to Article 11.

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*Article 6**Refusal of recognition*

On the application of any interested party, the recognition of an adoption order made in a Member State may only be refused:

- (a) if such recognition is manifestly contrary to public policy (*ordre public*) in the Member State addressed;
- (b) if the originating Member State did not have jurisdiction under Article 4.

*Article 7**Application for refusal of recognition*

1. On application by any interested party as defined by national law, the recognition of an adoption order shall be refused where one of the grounds referred to in Article 6 is found to exist.
2. The application for refusal of recognition shall be submitted to the court which the Member State concerned has communicated to the Commission pursuant to point (a) of Article 13 as the court to which the application is to be submitted.
3. The procedure for refusal of recognition shall, in so far as it is not covered by this Regulation, be governed by the law of the Member State addressed.
4. The applicant shall provide the court with a copy of the order and, where necessary, a translation or transliteration of it.
5. The court may dispense with the production of the documents referred to in paragraph 4 if it already possesses them or if it considers it unreasonable to require the applicant to provide them. In the latter case, the court may require the other party to provide those documents.
6. The party seeking the refusal of recognition of an adoption order taken in another Member State shall not be required to have a postal address in the Member State addressed. Nor shall that party be required to have an authorised representative in the Member State addressed unless such a representative is mandatory irrespective of the nationality or the domicile of the parties.
7. The court shall decide on the application for refusal of recognition without delay.

*Article 8**Appeals against the decision on the application for refusal of recognition*

1. The decision on the application for refusal of recognition may be appealed against by either party.
2. The appeal is to be lodged with the court which the Member State concerned has communicated to the Commission pursuant to point (b) of Article 13 as the court with which such an appeal is to be lodged.
3. The decision given on the appeal may only be contested by an appeal where the courts with which any further appeal is to be lodged have been communicated by the Member State concerned to the Commission pursuant to point (c) of Article 13.

*Article 9**Appeals in the Member State of origin of the adoption order*

The court to which an application for refusal of recognition is submitted or the court which hears an appeal lodged under Article 8(2) or (3) may stay the proceedings if an ordinary appeal has been lodged against the adoption order in the Member State of origin or if the time for such an appeal has not yet expired. In the latter case, the court may specify the time within which such an appeal is to be lodged.

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Article 10

No review as to substance

Under no circumstances may an adoption order made, or judgment given, in a Member State be reviewed as to its substance in the Member State addressed.

Article 11

European Certificate of Adoption

The authorities of the Member State which has made the adoption order shall, at the request of any interested party, issue a multilingual European Certificate of Adoption conforming to the model established in accordance with Article 15.

Article 12

Adaptation of adoption order

1. If a decision or judgment contains a measure or an order which is not known in the law of the Member State addressed, that measure or order shall, to the extent possible, be adapted to a measure or an order known in the law of that Member State which has equivalent effects attached to it and which pursues similar aims and interests. Such adaptation shall not result in effects going beyond those provided for in the law of the Member State of origin.
2. Any interested party may challenge the adaptation of the measure or order before a court.

Article 13

Information to be provided by Member States

1. By 1 July 2018, the Member States shall communicate to the Commission their national provisions, if any, concerning:
 - (a) the courts to which the application for refusal of recognition is to be submitted pursuant to Article 7(2);
 - (b) the courts with which an appeal against the decision on the application for refusal of recognition is to be lodged pursuant to Article 8(2); and
 - (c) the courts with which any further appeal is to be lodged pursuant to Article 8(3).
2. The Commission shall make the information referred to in paragraph 1, as well as any other relevant information on adoption procedures and the recognition thereof in the Member States, publicly available through any appropriate means, in particular through the European e-Justice Portal.

Article 14

Legalisation and similar formality

No legalisation or other similar formality shall be required for documents issued in a Member State under this Regulation.

Article 15

Power to adopt delegated acts

The Commission is empowered to adopt delegated acts in accordance with Article 16 concerning the establishment and amendment of the model for the multilingual European Certificate of Adoption referred to in Article 11.

Article 16

Exercise of the delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
2. The power to adopt delegated acts referred to in Article 15 shall be conferred on the Commission for an indeterminate period of time from 1 July 2018.

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3. The delegation of power referred to in Article 15 may be revoked at any time by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. A delegated act adopted pursuant to Article 15 shall enter into force only if no objection has been expressed by the Council within a period of two months of notification of that act to the Council or if, before the expiry of that period, the Council has informed the Commission that it will not object. That period shall be extended by two months at the initiative of the Council.

5. The European Parliament shall be informed of the adoption of delegated acts by the Commission, of any objection formulated to them, or of the revocation of the delegation of powers by the Council.

Article 17

Transitional provisions

This Regulation shall apply only to adoption orders made on or after 1 January 2019.

However, adoption orders made before 1 January 2019 shall also be recognised from the date where the child in question has not yet reached the age of majority on that date.

Article 18

Relationship with existing international conventions

1. This Regulation shall not apply to adoption orders made in application of the Hague Convention.

2. Without prejudice to the obligations of the Member States pursuant to Article 351 of the Treaty on the Functioning of the European Union, this Regulation shall not affect the application of international conventions to which one or more Member States are party at the time when this Regulation enters into force which lay down rules relating to the recognition of adoptions.

3. However, this Regulation shall, as between Member States, take precedence over conventions concluded exclusively between two or more of them in so far as such conventions concern matters governed by this Regulation.

Article 19

Review clause

1. By 31 December 2024, and every five years thereafter, the Commission shall present to the European Parliament, the Council and the European Economic and Social Committee a report on the application of this Regulation. The report shall be accompanied, where appropriate, by proposals to adapt this Regulation.

2. To that end, Member States shall communicate to the Commission the relevant information on the application of this Regulation by their courts.

Article 20

Entry into force and date of application

This Regulation shall enter into force on the 20th day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2019, with the exception of Articles 13, 15 and 16, which shall apply from 1 July 2018.

This Regulation shall be binding in its entirety and directly applicable in the Member States in accordance with the Treaties.

Done at Brussels, ...

For the Council

The President

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P8_TA(2017)0017

Rule of law crisis in the Democratic Republic of the Congo and in Gabon

European Parliament resolution of 2 February 2017 on the rule of law crisis in the Democratic Republic of the Congo and in Gabon (2017/2510(RSP))

(2018/C 252/03)

The European Parliament,

- having regard to its previous resolutions on the Democratic Republic of the Congo (DRC),
- having regard to the statements by the EU Delegation to the DRC on the situation of human rights in the country,
- having regard to the political agreements reached in the DRC on 18 October 2016 and 31 December 2016,
- having regard to the statement of 18 December 2016 by the Vice-President of the Commission / High Representative of the European Union for Foreign Affairs and Security Policy (VP/HR), Federica Mogherini, on the failure to reach an agreement in the DRC,
- having regard to the statement of 23 November 2016 by the spokesperson of the VP/HR on current political efforts in the DRC,
- having regard to the Council conclusions of 23 May 2016 and 17 October 2016 on the DRC,
- having regard to the local EU statements of 2 August 2016 and 24 August 2016 on the electoral process in the DRC following the launch of the national dialogue in the DRC,
- having regard to the UN Security Council resolutions on the DRC, in particular resolutions 2293 (2016) on renewing the DRC sanctions regime and the mandate of the Group of Experts and 2277 (2016), which renewed the mandate of the UN Organisation Stabilisation Mission in the DRC (MONUSCO),
- having regard to the UN Security Council press statements of 15 July 2016 and 21 September 2016 on the situation in the DRC,
- having regard to the annual report of the UN High Commissioner for Human Rights, published on 27 July 2015, on the situation of human rights in the DRC,
- having regard to the UN Secretary-General's reports of 9 March 2016 on the UN Organisation Stabilisation Mission in the DRC, and on the implementation of the Peace, Security and Cooperation Framework for the DRC and the Region,
- having regard to the joint press releases of 16 February 2016 and of 5 June 2016 by the African Union, the United Nations, the European Union and the International Organisation of La Francophonie on the need for an inclusive political dialogue in the DRC and their commitment to supporting Congolese actors in their efforts towards the consolidation of democracy in the country,
- having regard to the Peace, Security and Cooperation Framework Agreement for the DRC and the Region, signed in Addis Ababa in February 2013,
- having regard to the final report of the European Union electoral observation mission (EOM),
- having regard to the joint statement issued on 24 September 2016 by the VP/HR and the Commissioner for International Cooperation and Development, Neven Mimica, following the announcement by the Gabonese Constitutional Court of the official results of the presidential election,

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- having regard to the statement on Gabon issued by the VP/HR's spokesperson on 11 September 2016,
 - having regard to the press release issued by the African Union on 1 September 2016 condemning the violence of the post-electoral conflict in Gabon and calling for its peaceful resolution,
 - having regard to the EU Annual Report on Human Rights and Democracy in the World in 2014, adopted by the Council of the European Union on 22 June 2015,
 - having regard to the 11th European Development Fund 2014-2020 National Indicative Programme, which prioritises strengthening democracy, governance and the rule of law,
 - having regard to the resolutions adopted by the ACP-EU Joint Parliamentary Assembly of 18 May 2011 on challenges for the future of democracy and respecting constitutional order in ACP and EU countries, and of 27 November 2013 on the respect for the rule of law and the role of an impartial and independent judiciary,
 - having regard to the Memorandum of Understanding signed between the Republic of Gabon and the European Union concerning the EU's election observation mission (EOM),
 - having regard to the Congolese and Gabonese Constitutions,
 - having regard to the African Charter on Human and Peoples' Rights of June 1981,
 - having regard to the African Charter on Democracy, Elections and Governance,
 - having regard to the African Union's Declaration on the Principles Governing Democratic Elections in Africa (2002),
 - having regard to the UN International Charter of Human Rights,
 - having regard to the Cotonou Agreement,
 - having regard to Rule 123(2) and (4) of its Rules of Procedure,
- A. whereas the rule of law, accountability, respect for human rights and free and fair elections are essential elements of any functioning democracy; whereas these elements have been challenged in some countries of Sub-Saharan Africa, notably the DRC and Gabon, thereby plunging these countries into a lasting period of political instability and violence;
- B. whereas, most recently, Ali Bongo, the Gabonese outgoing president, in power since the death of his father, Omar Bongo, in 2009, was declared the winner of the 2016 presidential election; whereas international observers, and in particular the EU EOM, identified clear anomalies in the compilation of the results;
- C. whereas Jean Ping, his main contender, immediately challenged and condemned this result; whereas an appeal alleging electoral irregularities and calling for a recount was lodged with the Constitutional Court, who eventually confirmed the result; whereas, however, consideration of the appeal has not dispelled all the doubts surrounding the outcome of the presidential election;
- D. whereas Congolese President Joseph Kabila, in power since 2001, has delayed the election and remained in power beyond the end of his constitutional mandate; whereas this has caused unprecedented political tension, unrest and violence across the country;
- E. whereas violence escalated following the expiry date of President Kabila's mandate, causing the death of at least 40 people in clashes between protesters and security forces; whereas, according to the UN, 107 people have been injured or ill-treated and there have been at least 460 arrests;

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- F. whereas an agreement was signed on 18 October 2016 between President Kabila and a section of the opposition to postpone the presidential election to April 2018; whereas after months of negotiations, the parties to the agreement of 18 October 2016 reached a global and inclusive political agreement on 31 December 2016; whereas this agreement provides for the first peaceful transfer of power in the country since 1960, the putting in place of a transitional government of national unity, the holding of elections by the end of 2017, and the stepping-down of President Kabila;
- G. whereas in both countries street demonstrations broke out and were violently suppressed, leaving a number of people dead; whereas the authorities have clamped down on members of the opposition and of civil society opposing the power in place; whereas human rights groups continuously report on the worsening situation with regard to human rights and freedom of expression and assembly, including the use of excessive force against peaceful demonstrators, arbitrary arrests and detentions, and politically motivated trials;
- H. whereas there has been a serious deterioration in the freedom of the media, which is limited by constant threats and attacks against journalists; whereas media outlets and radio stations have been shut down by the authorities, and restrictions have been put on the internet and social networks;
- I. whereas one of the characteristics of democracies is respect for the Constitution, which underlies the state, the institutions and the rule of law; whereas peaceful, free and fair elections in these countries would have contributed greatly to addressing the challenge of democratic progress and alternation of power faced by the Central African region;
- J. whereas the 11th European Development Fund 2014-2020 National Indicative Programme prioritises strengthening democracy, governance and the rule of law; whereas both EU and African partners have a strong common interest in the continued development of democracy and the establishment of properly functioning constitutionalism;
1. Deplores the loss of lives during the demonstrations over the last few months in both countries, and expresses its deepest sympathy to the families of the victims and the people of the DRC and Gabon;
 2. Is deeply concerned at the increasingly unstable situation in both countries; urges the authorities, and above all the presidents, to abide by their international obligations, to guarantee human rights and fundamental freedoms and to exercise the task of governing with the strictest respect for the rule of law;
 3. Strongly condemns all the violence perpetrated in Gabon and the DRC, the breaches of human rights, arbitrary arrests and illegal detentions, political intimidation of civil society and members of the opposition, and the violations of freedom of the press and freedom of expression in the context of the presidential elections; calls for all restrictions on the media to be lifted and for all political detainees to be released;

Gabon

4. Considers the official presidential election results to be non-transparent and highly doubtful, which has the effect of calling into question President Bongo's legitimacy; deplores the fact that the appeal procedure which led to Ali Bongo being declared the winner in the election was conducted in an opaque manner, and that the Constitutional Court failed to take proper account of the irregularities noted in some provinces, notably in Haut-Ogooué, the fiefdom of Ali Bongo; regrets the Constitutional Courts' refusal to recount the votes and compare the ballots before they were destroyed;
5. Is deeply concerned by the political crisis in Gabon and the unfolding violence between protesters and security forces following the proclamation of the 2016 presidential election;
6. Strongly condemns the intimidation and threats against members of the European Union EOM and the attacks challenging its neutrality and transparency; deeply regrets the fact that, despite the Memorandum of Understanding signed with the Gabonese Government, the EU EOM was granted only limited access to the centralised vote counts in the local electoral commissions (LECs) and at the National Electoral Commission (CENAP) headquarters, and that this prevented the EU EOM from observing key parts of the presidential electoral process;

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7. Notes the planned launch of a national dialogue, as proposed by Ali Bongo, voices reservations as to the credibility and relevance of such a process; points out that the leading opposition figure, Jean Ping, is refusing to take part and has launched and concluded a national dialogue of his own;
8. Urges the Government of Gabon to conduct a thorough and expeditious reform of the electoral framework, taking account of the recommendations made by the EU EOM, in order to improve it and make it fully transparent and credible; stresses that the Gabonese authorities must guarantee full and sincere cooperation with all relevant national and international stakeholders in order to ensure that the next parliamentary elections are fully transparent and fair and take place in a free, democratic, inclusive and peaceful environment;
9. Calls for an independent and objective investigation into the election-related violence and the allegations of serious violations of human rights and fundamental freedoms, and underlines the need to make sure that all those found responsible are brought to justice; calls, moreover, for the EU, in collaboration with the UN and the African Union, to continue to monitor closely the overall situation in Gabon and to report all cases of violation of human rights and fundamental freedoms; notes the requests for a preliminary inquiry at the International Criminal Court (ICC) into the post-electoral violence;
10. Urges the Council to initiate a consultation process under Article 96 of the Cotonou Agreement as soon as there is a lack of progress in the intensified political dialogue; calls on the Council, if no agreement can be reached within the consultation process, to consider imposing targeted sanctions on those responsible for the post-electoral violence and human rights abuses, and for undermining the democratic process in the country;

Democratic Republic of the Congo

11. Deplores the failure of the Congolese Government to hold the presidential election within the constitutional deadline; reiterates its call for all necessary steps to be taken to create an environment conducive to free, fair and credible elections to be held no later than December 2017, in full accordance with the Congolese Constitution and the African Charter on Democracy, Elections and Governance;
12. Urges all political actors to engage in a peaceful and constructive dialogue, to prevent any deepening of the current political crisis and to refrain from further violence and provocations;
13. Welcomes the efforts made by the National Bishops' Conference (CENCO) to forge a wider consensus over a political transition; takes note of the agreement reached in late December 2016 denying a third term to President Kabila and calling for the election to take place before the end of 2017; reminds all parties of their commitment to this agreement, and therefore encourages them to apply it in all its components and to set out a concrete calendar for the next elections as soon as possible; reminds them of the high stakes involved if they fail to bring about a successful outcome;
14. Urges the Congolese Government to immediately address open questions related to the sequencing of the electoral calendar, its budget and the updating of the electoral register in order to allow free, fair and transparent elections; recalls that the Independent National Electoral Commission should be an impartial and inclusive institution with sufficient resources to allow for a comprehensive and transparent process;
15. Calls for the European Union and its Member States to support the implementation of the agreement and the holding of the electoral process; and calls on all international actors to provide major political, financial, technical and logistical support to the DRC as needed for the elections to take place by December 2017; calls for transparency as regards all the financial support of the European Union and its Member States to the Congolese elections;
16. Urges a full, thorough and transparent investigation into the alleged human rights violations that took place during the protests in order to identify those responsible and hold them accountable;

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17. Welcomes the adoption of the EU targeted sanctions, including travel bans and asset freezes, on those responsible for the violent crackdown and for undermining the democratic process in the DRC; calls on the Council to consider extending these restrictive measures in the event of further violence, as provided for in the Cotonou Agreement;

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18. Calls on the UN Human Rights Council to investigate the serious human rights violations which have occurred in both countries recently;

19. Calls on the Congolese and Gabonese authorities to ratify the African Charter on Democracy, Elections and Governance at the earliest opportunity;

20. Calls on the EU Delegation to use all appropriate tools and instruments to support human rights defenders and pro-democracy movements, and to conduct an enhanced political dialogue with the authorities, as enshrined in Article 8 of the Cotonou Agreement;

21. Calls, moreover, for the EU and ACP countries, in collaboration with the UN and the African Union, to continue to monitor closely the overall situation in both countries;

22. Stresses that the situation in Gabon and the DRC poses a serious threat to the stability of the Central African region as a whole; reiterates its support to the African Union in its crucial role in preventing a political crisis in the region and any further destabilisation of the Great Lakes Region;

23. Instructs its President to forward this resolution to the Council, the Commission, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, the African Union, the President, Prime Minister and Parliament of the DRC and of Gabon, the Secretary-General of the United Nations, the UN Human Rights Council and the ACP-EU Joint Parliamentary Assembly.

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P8_TA(2017)0018

Implementation of Erasmus+

European Parliament resolution of 2 February 2017 on the implementation of Regulation (EU) No 1288/2013 of the European Parliament and of the Council of 11 December 2013 establishing ‘Erasmus+’: the Union programme for education, training, youth and sport and repealing Decisions No 1719/2006/EC, No 1720/2006/EC and No 1298/2008/EC (2015/2327(INI))

(2018/C 252/04)

The European Parliament,

- having regard to Articles 165 and 166 of the Treaty on the Functioning of the European Union,
- having regard to the Charter of Fundamental Rights of the European Union, in particular Article 14 thereof,
- having regard to Regulation (EU) No 1288/2013 of the European Parliament and of the Council of 11 December 2013 establishing ‘Erasmus+’: the Union programme for education, training, youth and sport and repealing Decisions No 1719/2006/EC, No 1720/2006/EC and No 1298/2008/EC ⁽¹⁾,
- having regard to Recommendation 2006/962/EC of the European Parliament and of the Council of 18 December 2006 on key competences for lifelong learning ⁽²⁾,
- having regard to the Council Resolution of 27 November 2009 on a renewed framework for European cooperation in the youth field (2010-2018) ⁽³⁾,
- having regard to its resolution of 6 July 2010 on promoting youth access to the labour market, strengthening trainee, internship and apprenticeship status ⁽⁴⁾,
- having regard to the Council conclusions of 19 November 2010 on education for sustainable development,
- having regard to the Commission communication of 18 January 2011 entitled ‘Developing the European Dimension in Sport’ (COM(2011)0012),
- having regard to its resolution of 12 May 2011 on ‘Youth on the move: a framework for improving Europe’s education and training systems’ ⁽⁵⁾,
- having regard to the Commission communication of 20 September 2011 entitled ‘Supporting growth and jobs — an agenda for the modernisation of Europe’s higher education systems’ (COM(2011)0567),
- having regard to the Council Resolution of 28 November 2011 on a ‘Renewed European agenda on adult learning’ ⁽⁶⁾,

⁽¹⁾ OJ L 347, 20.12.2013, p. 50.

⁽²⁾ OJ L 394, 30.12.2006, p. 10.

⁽³⁾ OJ C 311, 19.12.2009, p. 1.

⁽⁴⁾ OJ C 351 E, 2.12.2011, p. 29.

⁽⁵⁾ OJ C 377 E, 7.12.2012, p. 77.

⁽⁶⁾ OJ C 372, 20.12.2011, p. 1.

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- having regard to the Council conclusions of 28 and 29 November 2011 on a benchmark for learning mobility ⁽¹⁾,
- having regard to the Council Recommendation of 20 December 2012 on the validation of non-formal and informal learning ⁽²⁾,
- having regard to the 2012 Joint Report of the Council and the Commission on the implementation of the Strategic Framework for European cooperation in education and training (ET 2020), 'Education and Training in a smart, sustainable and inclusive Europe' ⁽³⁾,
- having regard to its resolution of 22 October 2013 on 'Rethinking Education' ⁽⁴⁾,
- having regard to the Council conclusions of 20 May 2014 on effective teacher education,
- having regard to the Council conclusions of 20 May 2014 on quality assurance supporting education and training,
- having regard to the Declaration on promoting citizenship and the common values of freedom, tolerance and non-discrimination through education ('Paris Declaration'), adopted at the informal meeting of European Union Education Ministers on 17 March 2015 in Paris,
- having regard to its resolution of 8 September 2015 on promoting youth entrepreneurship through education and training ⁽⁵⁾,
- having regard to the Commission communication of 15 September 2015 entitled 'Draft 2015 Joint Report of the Council and the Commission on the implementation of the renewed framework for European cooperation in the youth field (2010-2018)' (COM(2015)0429),
- having regard to the 2015 Joint Report of the Council and the Commission on the implementation of the Strategic Framework for European cooperation in education and training (ET 2020), 'New priorities for European cooperation in education and training' ⁽⁶⁾,
- having regard to the Council conclusions on the role of early childhood education and primary education in fostering creativity, innovation and digital competence ⁽⁷⁾,
- having regard to the Council conclusions on reducing early school leaving and promoting success in school ⁽⁸⁾,
- having regard to its resolution of 12 April 2016 on Learning EU at school ⁽⁹⁾,
- having regard to its resolution of 12 April 2016 on Erasmus+ and other tools to foster mobility in vocational education and training — a lifelong learning approach ⁽¹⁰⁾,
- having regard to the Council conclusions of 30 May 2016 on developing media literacy and critical thinking through education and training,
- having regard to the Council conclusions of 30 May 2016 on the role of the youth sector in an integrated and cross-sectoral approach to preventing and combating violent radicalisation of young people,

⁽¹⁾ OJ C 372, 20.12.2011, p. 31.

⁽²⁾ OJ C 398, 22.12.2012, p. 1.

⁽³⁾ OJ C 70, 8.3.2012, p. 9.

⁽⁴⁾ OJ C 208, 10.6.2016, p. 32.

⁽⁵⁾ Texts adopted, P8_TA(2015)0292.

⁽⁶⁾ OJ C 417, 15.12.2015, p. 25.

⁽⁷⁾ OJ C 172, 27.5.2015, p. 17.

⁽⁸⁾ OJ C 417, 15.12.2015, p. 36.

⁽⁹⁾ Texts adopted, P8_TA(2016)0106.

⁽¹⁰⁾ Texts adopted, P8_TA(2016)0107.

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- having regard to the Commission communication of 10 June 2016 entitled ‘A new skills agenda for Europe’ (COM(2016)0381),
 - having regard to its resolution of 23 June 2016 on follow-up of the Strategic Framework for European cooperation in education and training (ET 2020) ⁽¹⁾,
 - having regard to Rule 52 of its Rules of Procedure, as well as Article 1(1)(e) of, and Annex 3 to, the decision of the Conference of Presidents of 12 December 2002 on the procedure for granting authorisation to draw up own-initiative reports,
 - having regard to the report of the Committee on Culture and Education and the opinions of the Committee on Budgets and the Committee on Employment and Social Affairs (A8-0389/2016),
- A. whereas Erasmus+ is one of the most successful Union programmes and the major tool to support activities in the fields of education, training, youth and sport, and is designed to improve the career potential of young people and to offer social links to participants; giving over the period 2014-2020 the opportunity to study, train and volunteer in another country to more than four million Europeans;
- B. whereas the Commission has shown flexibility and taken innovative steps to target new challenges, such as a proposal for refugees, and to foster civic values within the incentives Erasmus+ offers, towards a more active and participative intercultural dialogue;
- C. whereas the programme’s high educational, societal, political and economic relevance is reflected in the budget increase of 40 % for the programme period, and in the commitment rate of the budget provided for, which has reached nearly 100 % because of a high number of applications;
- D. whereas not all relevant data for a full quantitative and qualitative analysis of the implementation are yet available, whereas it is therefore too early to conduct a qualitative assessment of the programme’s impact;
- E. whereas the results of the Erasmus Impact Study of 2014 ⁽²⁾ show that those who have studied or trained abroad are twice as likely to find work compared to others who lack similar experience, that 85 % of Erasmus students study or train abroad in order to enhance their employability abroad, that the unemployment rate for those who have studied or trained abroad is 23 % lower five years after graduating; whereas the Erasmus Impact Study also shows that 64 % of employers think international experience is important for recruitment (as compared to only 37 % in 2006) and that graduates with an international background are given greater professional responsibility; whereas one in three Erasmus trainees is offered a job at the enterprise where they did their traineeship and almost one in 10 Erasmus trainees who did work placements have started their own company and three out of four plan to or can envisage doing the same;

Main conclusions

1. Points out that Erasmus+ is the EU’s flagship mobility, education and training programme, which has been allocated a 40 % budget increase as compared to the 2007-2013 period, given the positive results and high demand;
2. Notes that a large majority of national agencies expect the Erasmus+ programme’s objectives in the fields of education, training and youth to be reached;
3. Considers that the Erasmus+ programme plays a vital role in fostering European identity and integration, solidarity, inclusive and sustainable growth, quality employment, competitiveness, social cohesion and youth labour mobility by making a positive contribution to the improvement of European education and training systems, lifelong learning, active European citizenship, and better prospects for employment, by providing Europeans with an opportunity to acquire transversal and transferable sets of personal and professional skills and competences via studies, training, work experience abroad, and volunteering, as well as by offering individuals the chance to live more independently, adapt more easily and achieve personal development;

⁽¹⁾ Texts adopted, P8_TA(2016)0291.

⁽²⁾ http://ec.europa.eu/dgs/education_culture/repository/education/library/study/2014/erasmus-impact_en.pdf

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4. Emphasises that although the overall programme is more visible than its predecessor the different sectorial programmes still lack visibility; recalls in this context that the specific features and characteristics of the different sectors must be taken into account during the implementation of the programme;
5. Emphasises that sector-specific formats such as Grundtvig Workshops and national youth initiatives open to informal groups should be reintroduced, and transnational youth initiatives should be more easily accessible; proposes that the impact of the programme be maximised with new eligible actions, for example by introducing large-scale youth exchanges based on the structure of the large-scale European Voluntary Service (EVS) in the framework of Key Action 1 (KA1);
6. Stresses that the youth chapter of the programme is the one most affected by European citizens' increasing interest in Erasmus+; notes that, at present, 36 % of all Erasmus+ submissions are in the field of youth, with a 60 % increase in submissions between 2014 and 2016;
7. Acknowledges the importance of the EU Structured Dialogue on youth, a participatory process that gives young people and youth organisations the opportunity to be involved in and influence EU youth policy making, and welcomes the support the programme is providing to the process through the support to National Working Groups and the Key Action 3 (KA3) Structured Dialogue projects; notes that the European Voluntary Service is an intensive learning and experience format for young people and requires a high-quality framework; emphasises that access to the Erasmus+ programme should continue to be reserved primarily for civil society;
8. Recognises that, according to reports from stakeholders at all levels, while the first two and a half years of programme implementation were difficult and challenging, improvements have been made in the meantime, although simplifications introduced through the one-size-fits-all approach have in many cases had an adverse effect; considers that having fewer bureaucratic obstacles would lead to a wider and more accessible programme; therefore calls for further efforts to be made to reduce bureaucracy across the project cycle and to set the costs appropriately and in relation to the budget or type of project; at the same time, encourages the Commission to strengthen dialogue with social partners, local authorities and civil society so as to ensure the widest possible access to the programme; regrets that, owing to the high administrative burden, Erasmus+ funding can be unattainable for smaller organisations; believes that bureaucracy and reporting requirements should be simplified;
9. Is sorry to see that the Commission does not provide any data on the quality of the successful projects; emphasises that analysing the quality of each project and the transparent exposure of the results are an obvious step that the Commission should take, which may contribute to a higher success rate in the applications;
10. Stresses that the goal of simpler, more user-friendly and more flexible implementation has not yet been reached; deplores in this context the continuing lack of clarity and uneven level of detail in the programme guide, as well as the over-complicated application forms which put smaller, inexperienced and non-professional applicants at a considerable disadvantage; underlines the necessity of pursuing improvements in the programme, making it more user-friendly while taking into consideration the importance of differentiating among various sectors and groups of beneficiaries; regrets that the lengthy payment periods in Erasmus+ affect the possibilities of smaller organisations to apply for funding;
11. Calls on the Commission to significantly simplify the application procedure, and to transform the programme guide and make it more user-oriented and sector-specific by merging all the relevant information for each programme sector into one chapter, and to publish the application forms in all the official languages at the same time as the programme guide and well ahead of the application deadline, as well as providing a clear indication of the documents needed at each stage; calls for clarification and simplification of the financial section of the e-form; emphasises that a coordinated and consistent assessment, supported by independent experts, is necessary for the evaluation of applications;
12. Highlights the importance of clear learning outcomes and specific job descriptions for Erasmus+ work experiences abroad for vocational education and training students, trainees, and apprentices, and volunteers; stresses that the preparation of the candidates before their international experience is an integral part of the activity and needs to include career guidance sessions and language courses, as well as social and cultural integration training courses, including cross-cultural communication that would foster people's participation in society and improve their working and living conditions; taking into account the importance of multilingualism in improving the employability of young people,

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considers that more efforts should be made to promote and support multilingualism in the Erasmus+ programme; welcomes the fact that the foreign language skills of participants in Erasmus+ projects will be enhanced, including neighbouring languages that can increase mobility and employability in the cross-border labour market; considers that the language courses for incoming mobility participants could be delivered in cooperation with the educational institutions and the host companies, and adapted to their field of study or traineeship;

13. Recalls that despite the programme's significant overall budget increase, only a limited increase for the first half of the programme period has been provided for in the MFF, which has led, unfortunately, to the rejection of many high-quality projects and hence a low success rate and high dissatisfaction among applicants;

14. Welcomes the increase in funds available for the Erasmus+ programme for the year 2017 by almost EUR 300 million compared to 2016; further underlines the necessity to use these funds partly for improving the weak parts of the programme and mostly for increasing the number of successful quality projects;

15. Recognises that investment from the EU budget under Erasmus+ contributes significantly to skills improvement, employability and a lower risk of long-term unemployment for young Europeans, as well as to active citizenship and social inclusion of young people;

16. Believes that the 12,7 % increase in the total budget in 2017 compared to 2016 and further annual increases in the remaining programme years will result in higher success rates and greater satisfaction among applicants; expects the implementation of the Commission's intention to allocate an additional EUR 200 million for the remaining programme period, though an even bigger budgetary effort is needed to cover the demand in underfunded sectors, which is actually much higher than the funds available; notes that 48 % of national agencies (NAs) report that programme actions are under-budgeted;

17. Encourages the Commission to analyse the programme key actions and sectors that seem to be underfunded, such as Key Action 2 (KA2) Strategic Partnerships, adult education, youth, school education, vocational education and training (VET) and higher education, and those that could benefit most from the budgetary increase; underlines the need to maintain continuous monitoring of the programme with a view to identifying those areas and sectors, in order to adopt corrective measures as soon as possible; emphasises the need to secure sufficient funding for mobility, paying specific attention to increasing the mobility of underrepresented groups; emphasises that, owing to sector-specific needs, special budget lines for different sectors are necessary; points out that the budget is to be used exclusively as part of the programme provisions;

18. Stresses that virtual means are one way to support the dissemination and exploitation of results, but that personal contacts and face-to-face activities play a very important role in the success of a project and of the overall programme; in this regard believes that awareness campaigns in the Member States should include seminars and activities that meet the potential participants in person;

19. Stresses also that a strong component for all participants in Erasmus+ is the development of their language skills; welcomes, therefore, the on-line language tools that are offered by the Commission, but points out that an accompanying (national, regional, local) framework must be put in place to make mobility a success, in particular for school-aged pupils and VET students, as well as staff, to help with their integration into the different environments;

20. Points out that, at present, only 1 % of young people in work-related training schemes, including apprentices, are involved in mobility schemes during their training; points out that it is essential to create the conditions for greater apprentice mobility within the EU, so as to give apprentices the same opportunities as higher education students and thus meet the objectives of the fight against unemployment, particularly youth unemployment;

21. Stresses the importance of informal and non-formal education, youth workers, participation in sport and volunteering in the Erasmus+ Programme as ways to stimulate the development of civic, social and intercultural competences, to foster social inclusion and active citizenship of young people and to contribute to the development of their human and social capital;

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22. Stresses that previously, Erasmus and Leonardo were mainly geared towards young people with higher skills levels and with better labour market access options and fell short in targeting the most vulnerable; points to the EU target to decrease early school leaving and poverty; stresses that early school leavers, a high-risk group for poverty and unemployment, should be strongly targeted by Member States in implementing Erasmus+; stresses that programmes for early school leavers cannot be the standard mainstream VET or exchange programmes but should focus on their specific needs, on easy access and uncomplicated funding hand-in-hand with informal or non-formal learning environments;

23. Notes the new societal challenges and the job content that is under constant evolution; recalls that the Erasmus+ programme also prepares young people for employment and considers that a special focus should be laid on a shift from on-the-job-competences to soft skills, promoting the acquisition of transversal and transferable sets of skills and competences such as entrepreneurship, ICT literacy, creative thinking, problem-solving and an innovative mind-set, self-confidence, adaptability, team-building, project management, risk assessment and risk-taking, as well as social and civic competences that are highly relevant for the labour market; considers that this should also include well-being at work, a good work-life balance, and the integration of people in vulnerable situations into the labour market and society;

24. Notes that the Student Loan Guarantee Facility was only launched in February 2015 after signature of the delegation agreement with the European Investment Fund (EIF) in December 2014, and that to date there are only four banks in France, Spain and Ireland participating in this innovative tool; regrets that this financial tool is far from reaching the expected results, as to date only 130 Master's students are participating; calls for a critical assessment of the Loan Guarantee Facility, examining its purpose and accessibility throughout Europe, and urges the Commission, in consultation with Parliament, to propose a strategy to re-allocate part of the budget that probably will not be used by 2020; underlines that the overall rate of indebted students should be monitored in order to guarantee that the comprehensive financial instruments used by the programme translate into more individuals helped;

25. Regrets that organisations representing amateur sportspeople, and disabled sportspeople in particular, at local level are highly underrepresented as project participants in the implementation of grassroots sports projects; welcomes the introduction of Small Collaborative Partnerships with reduced administrative requirements as an important step in enabling smaller grassroots sports organisations to take part in the programme and enriching them further; underlines that intersectoral action, in this case linking more closely sport and education, can contribute to tackling this shortcoming; notes that the practice should be extended to other sectors of the Erasmus+ project funding, especially for volunteer organisations;

26. Welcomes the particular involvement of the Erasmus+ programme in cooperation and activities in grassroots sport; encourages the Commission to improve accessibility and participation in the programme by grassroots actors such as sports clubs; calls on the Commission to assess whether the existing funding available for sport under Erasmus+ is being used effectively and for the benefit of grassroots sport and, if not, to identify options for improvement with a focus on grassroots sport and education to enhance visibility, to promote physical activity and to make sport more accessible to all citizens in the EU; invites the Commission to enhance a cross-sectoral approach on grassroots sport across all relevant actions of Erasmus+ and to coordinate actions in this field in order to ensure their effectiveness and desired impact;

27. Emphasises the added value of Erasmus+ VET actions in supporting the integration or reintegration of disadvantaged groups into educational/vocational training opportunities in order to enhance their transition to the labour market;

28. Calls on the Commission and the Member States, including EU agencies such as Cedefop, to improve the quality, accessibility and equality of access to VET mobility programmes so that they deliver added value for all participants as regards qualification, recognition and content, and to ensure that quality standards are introduced for apprenticeship programmes;

29. Acknowledges that, with regard to the high youth unemployment rates in certain Member States, a primary objective of Erasmus+ is to prepare young people for employment; places particular emphasis, at the same time, on the need to preserve the status of activities outside of school, vocational training and study within the Erasmus+ programme;

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30. Reminds the Commission that people with disabilities such as the hearing impaired have special needs and therefore need adequate funding and appropriate support, such as sign language interpreters, and access to greater information and a reasonable grant so they are able to access the Erasmus+ programme; calls on the Commission to continue its work on introducing further measures to grant people with disabilities barrier-free and non-discriminatory access to all scholarship programmes in the framework of Erasmus+; considers it worthwhile, if deemed necessary, to appoint so-called coaches within national agencies aimed at advising on the best possible allocation of funding;

31. Stresses the requirement to support, either financially or by means of tax incentives, SMEs that offer vocational training under the Erasmus+ programme;

Recommendations

32. Considers that Erasmus+ is one of the key pillars for adapting the European population to lifelong learning; asks the Commission, therefore, to fully exploit the lifelong-learning dimension of the programme by fostering and encouraging cross-sectoral cooperation under Erasmus+, which is much higher than under the predecessor programmes, and to evaluate cross-sectoral cooperation in the programme's midterm evaluation presented at the end of 2017; recognises that cross-sectoral projects and activities show the potential to enhance the programme's performance; calls for educational mobility to become part of any higher or vocational education programmes in order to improve the quality of higher education and the VET system, to help individuals upgrade their professional skills, competences and career development, as well as to strengthen awareness of competences gained during mobility in all targeted sectors and to foster knowledge about learning, training and youth work; calls for better opportunities for VET students to pursue an internship or part of their studies in neighbouring countries, for example by financing the travel expenses of students who continue to live in their own country;

33. Points to Erasmus+ as an important instrument for improving the quality of VET across the EU; highlights the fact that inclusive quality VET and VET mobility play a vital economic and social role in Europe, in a rapidly changing labour market, as a means of providing young people and adults with the professional and life skills needed for a transition from education and training to work; stresses that VET and VET mobility should foster equal opportunities, non-discrimination and social inclusion for all citizens, including women who are under-represented in VET and people in vulnerable situations including Roma, unemployed young people, people with disabilities, inhabitants of remote areas, inhabitants of outermost regions, and migrants; suggests also focusing on low-qualified beneficiaries in order to increase their participation and thereby improve the outreach of the programmes;

34. Points out the continued social selectivity in enrolment to mobility in some Member States; regrets that inequalities within and between Member States are making access to the programme difficult because they create barriers for applicants, especially for students with a lower income; indicates the high percentage of students in mobility supported by third parties (family, parents, partners, local actors close to beneficiaries); notes that many working students resign from their participation in the mobility owing to the potential loss of income; notes that the removal of barriers to mobility, such as financial obstacles, and better recognition of international work/study outcomes are important tools for meeting the KA1 objectives; encourages the Commission and the Member States to further increase financial aid for those who are unable to participate because of financial constraints, and looks for further possibilities to facilitate their mobility in order to make the Erasmus+ truly accessible to all; calls on the Commission and the Member States to ensure gender equality and equal access to the programme;

35. Calls on the Commission to guarantee Europe-wide mobility even in times of crisis and to maintain options which make it possible for countries participating in the European Higher Education Area to access the Erasmus+ programme.

36. Continues to express concern that Erasmus+ is viewed by young people and the wider public primarily as a programme for higher education; recommends, therefore, that greater importance be attached to raising the profile at the European, national and regional level of the different sectors that people can apply for, including school-level education, higher education, international higher education, VET, adult education, youth and sport, and volunteering as well as highlighting the possibility of having cross-cutting projects, notably by means of an information campaign and public relations work regarding the content of all programmes;

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37. Considers the long-standing brand names (Comenius, Erasmus, Erasmus Mundus, Leonardo da Vinci, Grundtvig and Youth in Action) and their logos to be important tools in promoting the variety of the programme; notes as well that the name of 'Erasmus+' is becoming the best known, especially for newcomers; emphasises that the programme should defend its new name 'Erasmus+' and should further use different methods to promote awareness; suggests that the Commission should further highlight the relationship of the Erasmus+ programme with the brand names and its wide variety of sub-programmes; calls for the name 'Erasmus+' to be added to the individual programmes (so they will be 'Erasmus+ Comenius', 'Erasmus+ Mundus', 'Erasmus+ Leonardo da Vinci', 'Erasmus+ Grundtvig' and 'Erasmus+ Youth In Action'); calls on all stakeholders to continue to use them, especially in publications and brochures, in order to maintain and strengthen the identity of the sectoral programmes, to ensure better recognition and to overcome any confusion among beneficiaries; calls on the Commission to structure the Erasmus+ guide with the aid of the long-standing brand names and to use those labels rigorously in the guide.

38. Encourages the Commission to strengthen its efforts towards an open, consultative and transparent way of working and to further improve its cooperation with the social partners and civil society (including, where appropriate, associations of parents, students, teachers and non-teaching staff, and youth organisations) at all levels of implementation; stresses that the Erasmus+ programme should become a transparency flagship for the European Union, recognised as such by its citizens, evolving towards a situation where 100 % of its decisions and processes become fully transparent, especially regarding their financial dimensions; recalls that fully transparent decisions provide a clearer understanding for those projects and individuals whose applications have not been successful;

39. Stresses the important role of the Programme Committee, as laid down in Regulation (EU) No 1288/2013 establishing Erasmus+, as a key actor in the implementation of the programme and in furthering the European added value through an enhanced complementarity and synergy between Erasmus+ and policies at national level; calls for a stronger role for the Programme Committee and its role in policy decisions; invites the Commission to continue sharing detailed information about the distribution of centralised funds to the Programme Committee;

40. Underlines that IT tools should not be understood only as a vector for management, application and administrative processes, but that they can also provide valuable ways of keeping in touch with beneficiaries, and of facilitating peer-to-peer contact among them, potentially providing support for many other processes, e.g. feedback from beneficiaries, reciprocal mentoring and enhancing the visibility of the programme;

41. Calls on the Commission to ensure a regular exchange of information and good cooperation between national authorities, the implementation bodies and civil society organisations at European level and national agencies on both decentralised and centralised programme actions; calls on the NAs to provide all the necessary information on their homepages in the same format and with the same content where possible;

42. Invites the Commission and, respectively, the Directorate-General for Education and Culture (DG EAC) and the Education, Audiovisual and Culture Executive Agency (EACEA) to enable further promotion of decentralised actions such as KA2 by proposing adequate funding that is proportional to the size of the actions;

43. Encourages further fostering of cooperation between the NAs and the EACEA in order to promote centralised actions of the Erasmus+ programme, to provide the necessary support, to increase awareness of the programme, to provide additional information about the programme among potential applicants, and to exchange feedback on improving their implementation process; calls on the Commission to develop, in collaboration with the national agencies, European implementation guidelines for the national agencies; asks for a facilitation of the contacts among the Commission, NAs, programme beneficiaries, representatives of civil society organisations and the EACEA by the development of a communication platform for exchanging information and good practices, where all stakeholders can receive quality information, as well as sharing their experiences and suggestions for further programme improvements; stresses the need to involve stakeholders and beneficiaries in the Programme Committee meetings; highlights that, in line with Regulation (EU) No 1288/2013, this could be facilitated by the establishment of standing sub-committees involving representatives of stakeholders and beneficiaries, sectorial national agencies, Members of the European Parliament and representatives from the Member States;

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44. Calls on the Commission to review the payment modalities to national agencies, the deadlines for applications and the appropriation periods, and to adjust them accordingly; points out that greater flexibility in mobility grants and administrative costs in favour of longer stays abroad should be made possible for the national agencies; encourages the Commission to give more flexibility to NAs to move funds within KAs in order to overcome the potential funding gaps based on beneficiaries' needs; suggest entrusting NAs with this process, given their familiarity with the potential funding gaps in their respective country; notes that increased flexibility brings the need for corresponding monitoring and transparency;

45. Is concerned over the decreasing number of pool projects under Leonardo and calls for the national agencies to have more decision-making scope on the amount of administrative expenditure subsidies, so that they can take national particularities such as the dual system into account more effectively;

46. Is concerned about NAs' difficulties in interpretation and application of programme rules and recalls that 82 % of the Erasmus+ budget is managed under decentralised actions; calls on the Commission to streamline definitions and improve guidance on decentralised actions and to ensure the consistent application of programme rules and regulations across the National Agencies, observing common quality standards, project evaluation, and administrative procedures, thus guaranteeing the uniform and coherent implementation of Erasmus+ programme, best results for the EU budget and the avoidance of error rates;

47. Believes that NA performance should be regularly assessed and improved in order to safeguard the performance of EU-funded actions; acknowledges that participation rates and participants' and partners' experience should be key in this respect;

48. Suggests that the organisational structure of the relevant Commission services be aligned with the structure of the programme;

49. Calls for further improvement of the relevant IT tools and for the focus to be put on streamlining, user-friendliness and improving connections between the different tools rather than developing new ones; recalls, in this context, that new IT tools are among the favourite means of interaction with the web used by young citizens; underlines that IT technologies can play an important role in reinforcing the visibility of the programme;

50. Calls on the Commission to develop further the eTwinning, School Education Gateway, Open Education Europe, EPALE, European Youth Portal and VALOR IT platforms in order to make them more attractive and user-friendly; asks the Commission to include an evaluation of these platforms in the Erasmus+ mid-term evaluation, to be presented at the end of 2017;

51. Calls on the Commission to optimise the performance and user-friendliness of IT tools, such as the Mobility Tool, or other IT support platforms such as the Electronic Platform for Adult Learning in Europe (EPALE), in order to ensure that the programme beneficiaries make the most of their experiences, as well as promoting cross-border collaboration and the sharing of best practices;

52. Calls on the Commission to strengthen the school education dimension of the programme, allowing for more mobility of pupils, simplification of funding and administrative procedures for schools and for non-formal education providers, thereby taking advantage of the general intention of Erasmus+ to foster cross-sectoral cooperation, and with a view to encouraging non-formal education providers to become involved with partnerships with schools; encourages the Commission to strengthen youth work and non-formal education development practices within the programme by supporting youth organisations and other youth work providers, as well as by continuing support to the EU-Council of Europe youth partnership;

53. Welcomes the introduction of two types of strategic partnership as a first and important positive step towards increasing the chances for small organisations to participate in the programme, as they often experience difficulties with meeting the requirements and are thus discriminated against, which detracts from the programme's reputation and persuasiveness; calls on the Commission to carry out improvements that will make the programme even more appealing in order to ensure that more small organisations are included in programme activities with the final goal of increasing their share in the programme, bearing in mind quality requirements; welcomes the establishment of European implementation

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guidelines and a more detailed FAQ site to streamline answers about selection criteria and to showcase selected projects in order to clarify selection and better support small organisations; emphasises the need to involve diverse participating organisations in the programme's activities and to keep a balance among them;

54. Recommends that subsidy amounts in the school cooperation sector be reduced to the benefit of the number of subsidised projects, in order to subsidise school exchanges directly and thus make more personal encounters between people of different cultures and languages possible; underlines the significance of personal experiences with people of different cultural backgrounds with regard to the promotion of a European identity and the basic idea of European integration, and recommends attempts be made to let the greatest possible number of people participate, which should certainly be the case for all programme aims; welcomes in that connection the improvements which have already taken place but expects the rules to be made more flexible as part of the strategic partnerships by the national agencies and the Commission;

55. Taking into account the importance of multilingualism in raising the employability of young people⁽¹⁾, considers that more efforts should be made to promote and support multilingualism in the Erasmus+ programme;

56. Notes, in the context of new societal challenges for Europe, the need to strengthen a European approach to facing common European challenges by supporting large-scale innovation projects in the field of education, training and youth carried out by European Civil Society networks; points out that this could be done by allocating part of the overall Erasmus+ funding of KA2 to 'Cooperation for innovation and the exchange of good practices' of centralised actions;

57. Notes that 75 % of NAs reported a high administrative burden, which decreases EU budget investment capacity and threatens to have a direct impact on beneficiaries; calls on DG EAC and the EACEA to improve implementation, especially in the application process;

58. Welcomes the introduction of the unit cost system into the programme in order to minimise the administrative burden; welcomes also the adjustments made in 2016 and planned for 2017 by the Commission; notes that, owing to regulatory requirements, some Member States cannot apply this system or find cost levels inadequate as compared with actual costs; considers the further increase in unit cost rates to be necessary to provide sufficient financial support for project participants, and emphasises the need to guarantee that participants and organisations from remote areas and border regions are not disadvantaged by the unit cost system; calls for the high personal engagement, particularly of the many volunteers and teachers, and of all other applicants, to be rewarded appropriately; calls for the (re)introduction of project initiation financing for making contact with potential cooperation partners or preparatory meetings, or a sufficient total allowance to cover those costs, for example; underlines that transparency in this area is an essential component of the transparency requirements and targets for the overall Erasmus+ programme;

59. Welcomes the simplification introduced by the use of lump-sum and flat-rate funding; encourages the Commission to look for ways to further improve the complicated administrative procedure for the applicants in different sectors of the programme; is concerned that NAs are reporting a higher audit burden;

60. Notes the need to strengthen the operational support to European networks under KA3 'Support for policy reform' in order to maximise the promotion and dissemination of the opportunities offered by Erasmus+;

61. Calls on the Commission to take relevant steps to make volunteering eligible as a source of own contributions to the project budget, as this facilitates the participation of smaller organisations, especially in sport, bearing in mind that Erasmus + enables the recognition of volunteer time as co-financing in the form of contributions in kind, and that the new Commission proposal for financial guidelines includes this as a possibility; stresses that volunteer contribution must be recognised and granted visibility, given its special significance for the programme, provided that it is monitored in order to ensure that volunteering complements, but does not replace, the investment of public resources;

62. Recognises the economic and social value of volunteering and encourages the Commission to better support volunteer-based organisations across the programme actions;

⁽¹⁾ JRC Science and Policy Report on Languages and Employability, 2015.

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63. Welcomes the Commission's proposal to set up a European Solidarity Corps; encourages the Commission to involve volunteer organisations in the development of this new initiative in order to ensure its added and complementary value in strengthening volunteering in the European Union; encourages the Commission and the Member States to make a budgetary effort to accommodate this new initiative without underfunding other current and priority programmes and calls for possibilities to be explored of integrating it into the EVS in order to strengthen volunteering in the EU without duplicating initiatives and programmes;

64. Highlights that volunteering is an expression of solidarity, freedom and responsibility that contributes to the strengthening of active citizenship and to personal human development; considers that volunteering is also an essential tool for social inclusion and cohesion, as well as training, education and intercultural dialogue, while making an important contribution to the dissemination of European values; believes that the European Voluntary Service (EVS) should be recognised for its role in fostering the development of skills and competences that can facilitate the access of the EVS participants to the labour market; calls on the Commission and the Member States to ensure decent working conditions for the volunteers and monitor whether the contracts under which volunteers work are fully respected; calls on the Commission and the Member States to ensure that participants in the European Voluntary Service are never considered or used as a labour replacement;

65. Calls for the decision-making period to be kept as short as possible, for the evaluation of applications to be done in a coherent and coordinated way and for a transparent and understandable justification to be provided for rejected applications, so that there is not a drastic loss of incentive among users of EU programmes;

66. Strongly encourages more transparency in the evaluation of applications and the quality feedback to all applicants; calls on the Commission to ensure an effective feedback system in order for the programme beneficiaries to report back to the Commission on any irregularities that they might identify with respect to the implementation of the Erasmus+ programme; further calls on the Commission to improve and increase the flow of information between the European institutions responsible for implementing the programme and the national bodies; encourages national agencies and the EACEA, with a view to improving the implementation of the programme, to provide training opportunities for evaluators, and to organise regular meetings with beneficiaries and visits to projects;

67. Notes the importance of strengthening the local dimension of the EVS; suggests providing the EVS volunteers with stronger support not only before departure, but also upon their return to their local communities in the forms of post-orientated and post-integrated training, in order to help them share their European expertise by promoting volunteering at the local level;

68. Supports increased effectiveness and efficiency through larger-scale projects; notes, however, that there has to be a balance between small and large groups of applicants;

69. Asks the Commission to harmonise the indicated pre-financing rates as much as possible throughout the programme in order to give all beneficiaries the same advantages and to facilitate project implementation, especially for small-sized organisations; calls on the Commission and the Member States to ensure that large institutions are not favoured over their smaller, less well-established counterparts in terms of programme applicants;

70. Notes regional imbalances at EU level and among areas within Member States in participation in Erasmus+-funded actions; is concerned that the success rates of its actions are relatively low, and divergent across the EU; calls for targeted and timely action to widen participation and improve success rates regardless of the origin of applicants, which seeks to earmark some of the funding for specific measures to promote and raise awareness of this initiative, particularly in those regions where access to funding has remained relatively low;

71. Notes that Erasmus+ implementation in the EU's regions reveals different funding demands and intervention priorities which require some Member States to refocus the programme intervention to ensure cost-effectiveness of the money spent;

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72. Notes unjustified grant discrepancies between countries and their methods of allocation; encourages the Commission to investigate the consequences of such differences in an effort to minimise socio-economic disparities in the European Union; encourages a further increase of grant rates, as well as their adjustment to the cost of living in the host country of mobility in order to encourage the participation of socio-economically disadvantaged students, students and staff with special needs, and students and staff from distant regions;

73. Notes that the greater positive effect of, and higher demand for, Erasmus+ mobility grants in eastern and southern Europe contrast with a limited overall programme budget, which leads to a high proportion of rejected applications; proposes that the Commission step up efforts to promote mobility from western Europe to eastern Europe;

74. Regrets that the growing inequality within and between some Member States and the high youth unemployment rate in the EU are making access to the programme difficult as they create barriers to mobility for applicants from lower-income regions that have been more heavily hit by the economic crisis and the cuts; states that the Erasmus+ programme and VET need to be active in remote and border regions of the EU too; considers the provision of access and equal opportunities for inhabitants of these regions to be a very positive move and a vehicle to cut youth unemployment and aid economic recovery;

75. Underlines that grants to support the mobility of individuals within the Erasmus+ programme should be exempted from taxation and social levies;

76. Calls on the Commission to recognise the special nature of projects and mobilities involving people with special needs and people from disadvantaged backgrounds; encourages stronger promotion of the possibilities for people with special needs and for people from disadvantaged backgrounds to engage in the programme, including refugees, and asks that their access thereto be facilitated;

77. Stresses that although progress has been made in recognising study periods, credits, competences and skills through non-formal and informal learning gained abroad, these challenges remain; underlines that recognition of international qualifications is essential to mobility and forms the foundation for further cooperation in the European Higher Education Area; highlights the importance of making full use of all EU tools for the validation of knowledge, skills and competences essential to the recognition of qualifications;

78. Emphasises that the number of study periods completed abroad through the Erasmus scheme has been steadily increasing since 2008, despite the economic, financial and social crisis; draws attention to the fact that, at the same time, the number of work placements abroad has increased exponentially; concludes that work placements are obviously regarded by young people as an excellent opportunity to enhance their employability; recommends that the Commission and national agencies, organisers and institutions take note of this development;

79. Stresses that, due to the European Qualifications Framework⁽¹⁾, clear improvements have been made in recognition and validation systems of diplomas, qualifications, credits, skills certificates, competency accreditations in education and VET, but notes that problems still persist; highlights the importance of ensuring that the competences and qualifications developed through international mobility experience in any setting — formal learning environment, company traineeship or volunteering and youth activity — are properly documented, validated, recognised, and made comparable within the home system; calls on the Commission to reform and make progress towards strengthening the European Qualifications Framework from the current recommendation to a stronger instrument so as to support free movement; calls on the Commission and Member States to make systematic use of and further develop existing European instruments such as the Europass, Youthpass and ECVET; encourages the development of joint VET qualifications that can ensure international recognition of qualifications; calls on the Member States for the full and timely implementation of the Council Recommendation of 20 December 2012 on the validation of non-formal and informal learning;

80. Highlights that non-formal adult education and learning promotes basic skills and soft skills such as social and civic competences that are relevant for the labour market as well as well-being at work and a good work-life balance; points out that non-formal adult education and learning play a crucial role in reaching out to disadvantaged groups in society and helping them develop skills that support them in entering the labour market and finding a sustainable and quality job, or improving their employment situation as well as contributing to a more democratic Europe;

⁽¹⁾ OJ C 111, 6.5.2008, p. 1.

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81. Calls on the Commission and the Member States to promote VET programmes, points out that traineeship and internship systems are formative opportunities that do not substitute for full-time professional positions, that they must guarantee decent working conditions and adequate pay for apprentices and that in no instance should the competences attributed to beneficiaries be replaced by those proper to an employee;
82. Notes the more demanding implementation work for NAs under the current programme; calls on the Commission to provide NAs with sufficient resources and the necessary assistance, thus enabling more efficient programme implementation and allowing NAs to tackle new challenges resulting from the budget increase;
83. Calls on the Commission to monitor the quality criteria used by the National Agencies in project evaluations and exchanges of best practice in this regard; encourages training programmes for evaluators to enable them to continue their development, especially in cross-sector projects, and to allow them to provide quality feedback to all applicants in order to encourage the accomplishment of goals in future projects and to improve the performance of future applicants;
84. Believes that quality measurement should be equally important as a quantitative measurement; calls for the elaboration of the former in the context of Erasmus+;
85. Calls on the Commission and the Member States to validate and recognise formal and non-formal learning and apprenticeships; encourages the Member States to provide young apprentices with better information on the possibilities open to them and to give more support to learning centres seeking to become involved in the Erasmus+ programme, but also to put in place ancillary measures in cases of cross-border mobility experience in neighbouring countries in order to assist apprentices with accommodation and transport;
86. Supports greater mobility in education and in apprenticeship programmes and traineeship periods under the Youth Guarantee and Youth Employment Initiative programmes, with the aim of trying to ease the high levels of youth unemployment and geographical imbalances within the European Union;
87. Urges the Commission to identify current unequal participation of VET institutions in the EU mobility programmes in countries and regions in order to diminish these differences through improved collaboration and exchange of information among national agencies for Erasmus+, supporting teamwork among VET institutions by connecting experienced VET institutions with other institutions, offering policy support measures and specific suggestions to VET institutions, and improving VET institution support systems already in place;
88. Encourages the Member States, in order to foster the mobility of teachers, lecturers and non-academic staff, to acknowledge their participation in mobility programmes as an important part of their career progression, and if possible to introduce a reward system linked to participation in mobility programmes, for example in the form of financial benefits or reduction of workload;
89. Calls on the National Agencies to provide full transparency while evaluating projects by publishing the list of selected projects, together with their ongoing progress and designated financial support;
90. Encourages the continuation in KA1 of the best function practices from Comenius, such as fostering school class exchanges and the possibility for school staff members to apply individually for mobility grants under KA1;
91. Notes that despite the high quality of projects in KA2, many of them have been refused owing to limited funding; encourages the Commission to mark these projects in order to help them attract investments from other sources; encourages the Member States to acknowledge the projects that have been given marks by granting them priority in accessing public funds for their implementation, if such funds are accessible;
92. Calls on the Commission to continue efforts to resolve the funding challenge for European organisations based in Brussels in order to further their contribution to the development of European policies in the fields of education, training, youth and sport;

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93. Notes the challenges faced by NAs in implementing International Credit Mobility (ICM); calls for greater flexibility for NAs to allocate resources from some countries and regions to others for the purpose of meeting the cooperation priorities of the higher education institutions (HEIs);

94. Notes the decreasing number of individual mobility participants outside of Erasmus+ as a result of preferential treatment by European HEIs of an institutionalised mobility system; encourages the Commission and national authorities to renew opportunities for individual candidates to participate in mobility;

95. Encourages the Commission to bolster the VET system by promoting Leonardo da Vinci sub-programmes among new organisations and smaller institutions, in addition to providing them with assistance with applying for appropriate funding by offering further guidance, on-line training, and personalised support in preparing high-quality applications for funding through contact with national agencies for the Erasmus+ programme;

96. Encourages the promotion of the European Higher Educational Area around the world, as well as the advancement of individual knowledge worldwide by enhancing all relevant stakeholders (Member States, the HEIs, higher education associations) to make the Erasmus Mundus Joint Master's Degrees more attractive to HEIs and potential applicants;

97. Suggests a greater involvement of NAs in education, training, youth and sport policy development by strengthening the links between the Commission, the Member States and National Agencies;

Next programme period

98. Calls on the Commission and the Member States to increase efforts to simplify procedures and reduce the high administrative burden for students, institutions and for host companies involved in Erasmus+ projects, in particular those that are not sufficiently exploiting this opportunity in order to improve and facilitate equal access, registration, validation and recognition processes; maintains that information on this programme has to be provided in all the official languages of the EU in order to encourage greater involvement; calls on the Commission and the national agencies to standardise the access criteria with a view to ensuring access for the highest number of applicants possible;

99. Suggests that the priority should be to refrain from further harmonisation and major changes in the structure of the programme, and instead to safeguard and consolidate achievements and make incremental improvements where necessary;

100. Recommends that the significance and visibility of non-formal education should be increased for both youth employment and adult education in Erasmus+, as non-formal education is important in the European citizenship sector and the promotion of democracy and education on values; the programme is, however, often only associated with formal education owing to its name;

101. Calls on the Commission to involve relevant stakeholders in the work on the next funding programming period, and in the introduction of possible improvements, in order to ensure the programme's further success and added value;

102. Recommends that Erasmus+ further develops cross-sector mobility of individuals within KA1, so that learners, teachers, educators, trainers, apprentices, workers and young people may engage fully in cross-sector mobility;

103. Asks that a clear definition of cross-sectoral projects be developed in order to avoid confusion resulting from the mislabelling of projects;

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104. Not only calls for the current budget level to be secured for the next programme generation under the new MFF, but considers a further budget increase that ensures a level of annual funding for the next programme generation of at least the same level as the last year of implementation of the current framework to be an absolutely essential precondition for the continued success of the programme; proposes that the Commission explore the possibility of increasing pre-financing;

105. Welcomes the structure of the programme and calls on the Commission to keep in the proposal for the next generation of programmes the separate chapters and separate budgets for education and training, for youth and for sport, bearing in mind their specific characters, and to adapt the application forms, reporting systems and requirements regarding the developed products sector-specifically;

106. Encourages the national agencies to make the available budgets per key action and per sector easily accessible following each application round in order to allow applicants to strategically plan their future actions, and to publish the results of projects selection and budget lines, so that adequate external monitoring of the programme can take place;

107. Calls on the Commission to regularly review the levels of financial support, such as lump sums for travel and subsistence allowances, in order to ensure that they match real living expenses and to avoid indebtedness caused by a training period, and therefore to help prevent discrimination and abandoning people with fewer financial means and/or special requirements;

108. Indicates that disadvantaged groups are specifically targeted in the youth sector; suggests the extension of the Inclusion and Diversity Strategy to all programme sectors in order to promote social inclusion and the participation of people with special needs or with fewer opportunities in the Erasmus+ programme;

109. Calls on the Commission to present and on Member States to endorse a quality framework for apprenticeships and a proposal on increased mobility for apprentices to ensure a set of rights for apprentices, interns, trainees and VET learners so as to ensure that they are adequately protected and that these mobility programmes never substitute standard employment contracts; calls for quality and remunerated traineeships and internships, and requests that the Member States report the situations where conditions concerning the tasks or rights of Erasmus+ beneficiaries are infringed;

110. Calls on the Commission to work with the Member States to create stronger cooperation between education institutions and key stakeholders (local/regional authorities, social partners, the private sector, youth representatives, VET facilities, research organisations, and civil society organisations) in order to enhance the responsiveness of the education and VET systems to genuine labour market needs, and to guarantee that this cooperation is reflected in Erasmus+; believes that active involvement of beneficiaries and all stakeholders in the design, organisation, monitoring, implementation and evaluation of the programme ensures its viability, success and added value;

111. Advocates allowing mobile students to combine studies abroad with a study-related placement within the programme, in this way facilitating their stay abroad, decreasing social selectivity, increasing the number of mobile students, upgrading students' skills and enhancing the connections between higher education and the work environment; calls on the Commission to pay particular attention to the long-term mobility of apprentices when allocating Erasmus+ grants;

112. Notes the imbalances between the Member States concerning admission criteria for the Erasmus+ programme; insists that the Commission ensure that the programme rules are applied in a harmonised way across national agencies, respecting common quality standards and procedural practices, and thus ensuring the internal and external coherence of Erasmus+ and positioning it as a true European programme; in this regard, calls on the Commission to develop a European implementation guideline for the Erasmus+ programme for the national agencies; encourages the national agencies, which have to be an inherent part of the monitoring process, to also focus on setting up or facilitating a forum for constructive dialogue between the authorities in charge of education and labour policies in each Member State; strongly encourages better coordination between the agencies to match the projects dealing with similar issues;

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113. Calls on the Commission and the Member States to increase training opportunities abroad for VET and to position VET as a top choice for finding a job and starting on a promising career, and to ensure access for all citizens of all ages, and to provide adequate funding as the funds set aside for VET are not proportional ⁽¹⁾ to the number of potential applicants for the mobility programmes on offer; strongly supports an efficient promotion and encouragement of VET mobility among women and considers that ambitious targets should be set by the Member States in this regard and the progress should be strictly monitored;

114. Highlights that a redefinition of jobs and skills is taking place, especially due to the ongoing transition towards a more digitised economy with new business needs arising, and future-oriented sectors; calls on the Commission and the Member States to ensure that the Erasmus+ programme reflects this reality;

115. Calls for greater promotion of mobility programmes for advanced levels of higher education to ensure mobility between European research centres and further develop the aim of making European universities international;

116. Stresses the need to increase awareness of the Erasmus+ instrument as a means of improving an individual's own skills and giving them an added dimension, which should ensure the right approach to this instrument for the purpose of guaranteeing its effectiveness, and eliminating the risk of turning it merely into a life experience;

117. Calls on the Commission to draw up and make available updated statistics and conduct follow-up studies on the implementation of Erasmus+, in particular the take-up rate among young people, broken down by region and gender, the impact it has had on employability, as well as type and rate of employment, and impact on salaries and how it may potentially be improved; calls on the Commission to analyse why some countries are applying for more VET mobility, where the gender gap is greatest and reasons for this gap, or where there are more applicants with disabilities, and build a plan on how to increase the involvement of the other countries; calls therefore on national agencies in Member States to work closely on the exchange of information and statistics; maintains that the results of the studies and statistics need to be included and taken into consideration in the next Erasmus+ mid-term review;

118. Recalls that at a time of particular crisis with regard to the fundamental values of the EU, the Erasmus+ instrument can provide a fundamental opportunity to promote integration, understanding and solidarity among young people; calls therefore for the integration of young people to be promoted by means of awareness of different cultures and traditions and their mutual and necessary respect;

119. Proposes that the Commission maintains entrepreneurship education and training as one of the objectives of a future Erasmus+ programme in the next financial period (post-2020), including mobility, and includes the following elements as part of the programme:

- (i) careful assessment of the impact of existing measures promoting entrepreneurship through education and training and potentially adapt them, while paying special attention to the impact on under-represented and disadvantaged groups;
- (ii) promotion of better defined learning content and tools for formal and non-formal education targeting all students — both theoretical modules and practical modules, such as student entrepreneurial projects;
- (iii) promotion of partnerships between educational institutions, enterprises, non-profit organisations and non-formal education providers, in order to devise suitable courses and provide students with the requisite practical experience and models;
- (iv) development of skills in the areas of entrepreneurial processes, financial literacy, ICT literacy and skills, creative thinking, problem-solving and an innovative mind-set, self-confidence, adaptability, team-building, project management, risk assessment and risk-taking, as well as specific business skills and knowledge;

⁽¹⁾ According to the Commission, in 2016, owing to a lack of funding, the success rate of eligible applications for VET mobility under Erasmus+ was 42 %. The situation has worsened over the years — in 2014 the success rate was 54 %, and then in 2015 it was 48 %. Although the funding available has increased slightly over the years, the demand has grown much faster, but the limited resources of Erasmus+ does not allow for funding to keep up the pace with demand.

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(v) highlighting of non-formal and informal learning as a privileged environment to acquire entrepreneurship competences;

120. Encourages Member States to take further part in the Erasmus Programme for Young Entrepreneurs and to promote it further among young people who wish to engage in business projects, so that they can gain experience abroad and acquire new skills which will help them to carry out their business projects successfully;

121. Strongly encourages peer-to-peer learning following studies, training, and work experience abroad in order to increase the impact of Erasmus+ on local communities; highlights that the sharing of good practices is vital for improving the quality of the projects under Erasmus+; welcomes the Erasmus+ platform for dissemination of project results and calls for a stronger approach to the sharing of good practices and international exchanges of views for national agencies, partners, and programme beneficiaries; calls on the Commission to provide support to programme applicants to find international partners, by developing user friendly platforms that combine public information about the various beneficiaries and their projects;

122. Calls on the Commission to improve the programme guide and make it more user-friendly and understandable, and to develop specific information brochures on each of the key actions; calls on the Commission to streamline the application process in terms of administrative burdens;

123. Supports the development of adult learning institutions through on-going professional development and mobility opportunities for teachers, school leaders, trainers and other education staff; encourages the development of skills and competences, particularly in the effective use of ICT in adult learning, for improved learning outcomes; underlines the importance of exchanging best practices;

124. Welcomes the development of pilot projects such the 'European framework for mobility of apprentices: developing European citizenship and skills through youth integration in the labour market' aimed at implementing cost-efficient cross-border apprentice mobility schemes between VET institutions, companies and/or other relevant organisations, as well as formally recognising and validating learning outcomes and supporting the mutual recognition of diplomas, and 'Youth mobility in vocational training — Better youth mobility' aimed at improving the mobility of young people in vocational training; calls on the Commission to implement effectively the two pilot projects and their long-term integration into the Erasmus+ programme;

125. Calls on the Commission and the Member States to guarantee increased and more long-term structural support to European civil society organisations in the field of education, training, youth and sport in the form of operating grants, as they are the organisations providing learning opportunities and participation spaces to European citizens and residents to develop and implement European policies;

126. Calls on the Commission to consider an appropriate solution to the situation of the European level non-governmental organisation based in Brussels applying for funds in Belgian national agencies;

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127. Instructs its President to forward this resolution to the Council and the Commission, and to the parliaments and governments of the Member States.

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P8_TA(2017)0020

EU-Cook Islands sustainable fisheries partnership agreement (Resolution)

European Parliament non-legislative resolution of 14 February 2017 on the draft Council decision on the conclusion on behalf of the European Union of the Sustainable Fisheries Partnership Agreement between the European Union and the Government of the Cook Islands and the Implementation Protocol thereto (07592/2016 — C8-0431/2016 — 2016/0077(NLE) — 2016/2230(INI))

(2018/C 252/05)

The European Parliament,

- having regard to the draft Council decision (07592/2016),
 - having regard to the request for consent submitted by the Council in accordance with Article 43, Article 218(6), second subparagraph, point (a)(v), and Article 218(7) of the Treaty on the Functioning of the European Union (C8-0431/2016),
 - having regard to its legislative resolution of 14 February 2017 ⁽¹⁾ on the draft decision,
 - having regard to the ex ante evaluation report of June 2013 on the fisheries partnership agreement and protocol between the European Union and the Cook Islands,
 - having regard to the strategic guidelines drawn up by the Cook Islands authorities on the development of the local fisheries sector, in particular those contained in the document 'Cook Islands Offshore Fisheries Policy',
 - having regard to the United Nations Sustainable Development Goals (SDG) framework, in particular SDGs 1, 2, 9, 10 and 14,
 - having regard to the conclusions and recommendations of the Western and Central Pacific Fisheries Commission (WCPFC) 12th Scientific Committee meeting for the long-term conservation and sustainable use of highly migratory fish stocks in the Western and Central Pacific Ocean,
 - having regard to Rule 99(2) of its Rules of Procedure,
 - having regard to the report of the Committee on Fisheries (A8-0015/2017),
- A. whereas the Commission has negotiated a new 'Sustainable Fisheries Partnership Agreement' between the European Union and the Cook Islands (EU-Cook Islands FPA), and the implementation protocol thereto, with the Cook Islands Government, covering a period of eight and four years respectively;
- B. whereas this is the first EU-Cook Islands FPA, which guarantees a European presence in the waters of the eastern Pacific following the non-renewal of the agreement with Kiribati (and the agreements signed but not implemented with Micronesia and the Solomon Islands);
- C. whereas the general objective of the EU-Cook Islands FPA/Protocol is to increase cooperation between the EU and the Cook Islands in the field of fisheries, in the interest of both parties, creating a partnership framework that will promote a sustainable fisheries policy and sustainable exploitation of fishery resources in the exclusive economic zone (EEZ) of the Cook Islands;
- D. whereas our presence in the region should serve to promote a sustainable fisheries policy and sound exploitation of resources, guaranteeing the proper management of Pacific tuna resources;
- E. whereas the EU-Cook Islands FPA is based on the best available scientific advice, respecting the conservation and management measures of the WCPFC within the limits of the available surplus;

⁽¹⁾ Texts adopted, P8_TA(2017)0019.

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- F. whereas problems exist in relation to inspection and control, and whereas illegal, unreported and unregulated (IUU) fishing is a problem that is difficult to overcome, bearing in mind the scattered nature of territory and resources;
- G. whereas there are various vessels from EU Member States in the Western and Central Pacific region and the remaining fisheries agreements signed in the region have expired;
- H. whereas a commitment has been given not to grant other non-European fleets more favourable conditions than those provided for in the Agreement, and whereas the Agreement contains the Cotonou clause on human rights, democratic principles and the rule of law;
- I. whereas the EU-Cook Islands FPA is aimed at promoting more effective and sustainable development of the fisheries sector in the islands, as well as that of related industries and activities, in line with the objectives of the Cook Islands national fisheries policy, particularly in terms of supporting scientific research and artisanal fishing, increasing landings at local ports, boosting monitoring, control and surveillance capacity in relation to fishing activities and combating IUU fishing, and in line with the SDG framework;
- J. whereas the contributions intended to support the development of the Cook Islands' fisheries policy, ranging between 47,6 % and 50 % of the total to be transferred, amount to a major contribution in percentage terms;
- K. whereas stocks of bigeye tuna have been in decline since 2012, whereas, as a consequence of this, the WCPFC introduced a management measure that will be renegotiated in 2017, and whereas purse seine catches fell by 26 % in 2015 by comparison with 2014; whereas, furthermore, the Cook Islands waters are regarded as a 'shark sanctuary', even though it should be stressed that this is not a target species for the European fleet fishing in those waters under the new agreement;
- L. whereas EU longliner catches have tended to be located in the warmer waters to the south of the Cook Islands; bearing in mind the requirements imposed by the Cook Islands' shark conservation regulation; whereas the ex ante assessment found that there would be no interest in the future for EU longliners to fish in the Cook Islands EEZ;
- M. whereas the Cook Islands are highly dependent on food imports;
1. Takes the view that the EU-Cook Islands FPA should effectively promote sustainable fisheries in the Cook Islands waters through adequate EU sectoral support, and pursue two equally important goals: (1) to provide fishing opportunities to EU vessels in the Cook Islands fishing zone, on the basis of the best available scientific advice and with due respect for the conservation and management measures of the WCPFC within the limits of the available surplus, the calculation of which should take the full development of the country's fishing capacity into account; and (2) to promote cooperation between the EU and the Cook Islands with a view to a sustainable fisheries policy and sound exploitation of fisheries resources in the Cook Islands fishing zone, and to contribute to the sustainable development of the Cook Islands fishing sector, through economic, financial, technical and scientific cooperation while respecting that country's sovereign options regarding this development;
 2. Takes notes of the conclusions of the ex ante evaluation report of June 2013 on the EU-Cook Islands FPA and protocol, according to which previous FPAs/Protocols in the region (Kiribati, Solomon Islands) have not made any meaningful contribution to the development of the local fishing sectors, particularly in terms of joint enterprises (with shared investments) and the development of local processing capacity; takes the view that the EU-Cook Islands FPA should contribute insofar as is possible to local fishing sector development by guaranteeing the supply of fish needed for domestic consumption and, thereby matching the objectives announced for the new generation of EU fisheries agreements and those of the SDG framework;
 3. Regrets that other countries in the region have not reached partnership agreements with the EU and are opening their fishing grounds up to other countries and regions in the world that on occasion employ fishing practices which do not take account of the resources available, instead of opting for an agreement with the EU which promotes sustainable fisheries and provides sectoral support;

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4. Welcomes the inclusion of the obligation that the Cook Islands render public the existence of any agreement authorising foreign fleets to fish in its waters but regrets the lack of precision on the overall effort exerted, as has been required under certain other agreements entered into by the EU;
5. Points out that the implementation of the EU-Cook Islands FPA and protocol, and possible revisions and/or renewals, should take account of and be aligned with the strategy established by the Cook Islands authorities for the development of the Cook Islands fishing sector, notably by making provision for:
 - a contribution towards building monitoring, control and inspection capacities in relation to the fishery resources of the Cook Islands and fishing activities being carried out in that country's waters, with a particular focus on combating IUU fishing;
 - action to improve the scientific knowledge available on the status of local marine ecosystems and fishery resources in the Cook Islands waters;
 - specific support for the development of local artisanal fishing and communities that rely on it, increasing its contribution to the local economy, helping to improve safety on board and fishermen's incomes, and supporting the development of local fish processing and marketing infrastructure, whether to supply the domestic market or for export;
6. Considers that support for sectoral development is an important aspect of contributing to the sustainability of a partner country, as it helps to enhance the country's operational independence, underpin its development strategy and guarantee its sovereignty;
7. Considers that employment possibilities for local seamen on board EU vessels under the partnership agreements do meet international standards; reiterates the need to respect ILO principles and promote the ratification of ILO Convention No 188 while at the same time respecting the general principles of freedom of association and collective bargaining for workers, and non-discrimination at the workplace and in professional activity; points out, however, that in view of the shortage of skilled seamen for tuna vessels, the Cook Islands' authorities have not requested embarkation in the EU fleet;
8. Takes the view that the EU-Cook Islands FPA and the relevant protocol should allow bilateral cooperation on the fight against illegal fishing to be strengthened and provide the Cook Islands with the means to finance surveillance programmes, and believes that measures to prevent IUU fishing in the exclusive economic zone of the Cook Islands should be reinforced, including by improved monitoring, control and surveillance through the use of the satellite-based vessel monitoring system, logbooks, inspectors and the implementation of decisions by regional fisheries organisations;
9. Considers it desirable to improve the quantity and accuracy of data on all catches (targeted and bycatch) and, more generally, the conservation status of fishery resources so that the impact of the Agreement on the marine ecosystem and on fishing communities can, with the involvement of fishermen's associations, be gauged more accurately; urges the Commission to promote the regular and transparent functioning of the bodies responsible for monitoring the application of the Agreement, and a strengthening of scientific assessments by the WCPFC;
10. Calls on the Commission, accordingly, to consider applying the precautionary principle to the rules of the Common Fisheries Policy and to analyse the use of floating Fishing Aggregating Devices in the area and its influence in the tuna ecology and make proposals for their use on the basis of their findings;
11. Calls on the Commission to inform Parliament in a timely manner about the forthcoming meetings of the Joint Committee and to forward to Parliament the minutes and conclusions of meetings of the Joint Committee as provided for in Article 6 of the Agreement, the multiannual sectoral programme as referred to in Article 3 of the Protocol and the findings of the corresponding annual evaluations, to enable representatives of Parliament to attend Joint Committee meetings as observers, and to promote the participation of Cook Islands fishing communities;
12. Calls on the Commission and the Council, acting within the limits of their respective powers, to keep Parliament immediately and fully informed at all stages of the procedures relating to the Protocol and its possible renewal, pursuant to Article 13(2) of the TEU and Article 218(10) of the TFEU;

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13. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States and of the Cook Islands.

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P8_TA(2017)0021

Control of the Register and composition of the Commission's expert groups

European Parliament resolution of 14 February 2017 on control of the Register and composition of the Commission's expert groups (2015/2319(INI))

(2018/C 252/06)

The European Parliament,

- having regard to the Commission Decision of 30 May 2016 establishing horizontal rules on the creation and operation of Commission expert groups (C(2016)3301),
 - having regard to the Commission Communication to the Commission — Framework for Commission expert groups: horizontal rules and public register (C(2016)3300),
 - having regard to the Framework Agreement on relations between the European Parliament and the European Commission ⁽¹⁾,
 - having regard to its resolution of 28 April 2016 on discharge in respect of the implementation of the general budget of the European Union for the financial year 2014, Section III — Commission and executive agencies ⁽²⁾,
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinions of the Committee on Legal Affairs and the Committee on Budgets (A8-0002/2017),
- A. whereas it has expressed its concerns with regard to the functioning of the previous framework for Commission expert groups (EGs) of November 2010 ⁽³⁾, which had been set up with the aim of introducing significant operational innovations to strengthen the transparency and coordination of interinstitutional work;
- B. whereas, in particular, its Committee on Budgets, in light of the lack of transparency and the imbalanced composition of a certain number of EGs, and given the need to make sure that the composition of EGs strikes the right balance in terms of expertise and of views represented, adopted budgetary reserves in 2011 and 2014, and has formulated demands which have not yet been accepted for their reform;
- C. whereas a recent study commissioned by it has identified a widespread lack of transparency in, and an imbalance in the composition of, a certain number of EGs ⁽⁴⁾;
- D. whereas balanced composition and transparency are critical preconditions for the expertise to adequately reflect the needs for regulatory action and for fostering the legitimacy of this expertise and regulatory action in the eyes of European citizens;
- E. whereas the European Ombudsman has in her strategic inquiry ⁽⁵⁾ put forward a recommendation concerning the composition of Commission EGs, in particular emphasising the need for greater transparency within the EGs;
- F. whereas before adopting the Decision, the Commission engaged with representatives of Parliament and with the European Ombudsman;

⁽¹⁾ OJ L 304, 20.11.2010, p. 47.

⁽²⁾ OJ L 246, 14.9.2016, p. 27.

⁽³⁾ C(2010)7649 of 10 November 2010.

⁽⁴⁾ Policy Department D Budgetary Affairs, Composition of the Commission's expert groups and the status of the register of expert groups, 2015.

⁽⁵⁾ OI/6/2014/NF.

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G. whereas the Commission has presented to Parliament a working document of the Commission's services, responding to the recommendations contained in a working document of the Rapporteur for the Committee on Budgetary Control;

H. whereas unfortunately, this notwithstanding, neither the working document of the Commission's services, nor the Commission Decision, provides solutions to all concerns raised by Parliament;

1. Welcomes the Commission Decision of 30 May 2016 establishing horizontal rules on the creation and operation of Commission EGs, but regrets the fact that, despite many non-governmental organisations having expressed their interest, the Commission did not organise a full public consultation; reiterates the importance of reviving forms of involvement of representatives of civil society and the social partners in crucial areas such as the transparency and the functioning of the European institutions;

2. Points out that, through the adoption of the new horizontal rules, many concerns previously expressed by Parliament have seemingly been met, in particular those concerning the need for public calls for applications for the selection of the members of EGs and concerning the revision of the Register of Commission EGs and the creation of synergy between this Register, the Transparency Register of the Commission and Parliament, and those rules relating to the need to avoid conflicts of interest, in particular as regards experts who are appointed in a personal capacity;

3. Notes that transparency and coordination of interinstitutional activities are of paramount importance, helping to strike a suitable balance from the point of view of the expertise and opinions represented in the composition of the EGs, in order to improve their action; welcomes, therefore, the fact that the selection process is now taking place publicly; stresses, in this connection, that it needs to be clearly visible what practical experience and qualifications the experts possess; takes the view that the entire selection process should guarantee a high level of transparency and should be governed by clearer, more concise criteria, with particular emphasis on candidates' practical experience, alongside their academic qualifications, and on possible conflicts of interest the experts might have;

4. Welcomes the fact that a connection has already been established between the Register of Commission EGs and the Transparency Register, thus ensuring improved transparency;

5. Finds it regrettable that the attempt to conduct a public consultation on the establishment of the new rules was unsuccessful; calls on the Commission to act in a transparent manner and to be accountable to the citizens of the EU;

6. Recalls that a lack of transparency has a negative effect on the trust that EU citizens have in the EU institutions; believes that the effective reform of the Commission's EGs system, based on clear principles of transparency and balanced composition, will improve the availability and reliability of data, which will in turn help increase people's trust in the EU;

7. Emphasises that the new rules should apply strictly and equally to all EGs — irrespective of their title (thus including special, high-level or other 'extraordinary' groups, and formal or informal groups) — that are not exclusively composed of representatives of Member States or governed by Commission Decision 98/500/EC of 20 May 1998 on the establishment of Sectoral Dialogue Committees promoting the Dialogue between the social partners at European level; reiterates that the new rules must ensure balanced representation through participation of representatives of all stakeholders;

8. Takes the view that the Commission should make progress towards a more balanced composition of the EGs; deplors the fact, however, that as yet no express distinction is drawn between those representing economic and non-economic interests so as to guarantee a maximum of transparency and balance; stresses the need, in this connection, for the Commission to make it clear, in the public call for application, how it defines a balanced composition and which interests it seeks to be represented when the EGs are established; considers it important, therefore, to involve Parliament and the Economic and Social Committee with a view to producing a more balanced definition of that distinction;

9. Calls on the Commission, when creating new EGs or changing the composition of existing ones, to state clearly in the public call for applications how it defines a balanced composition, which interests it seeks to be represented, and why, and also to justify any possible deviation from the balanced composition, as defined beforehand, when the EGs are established;

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10. Points out, in this context, and with regard to paragraphs 34-45 of the Ombudsman's aforementioned opinion, that, although the Commission has not yet formally defined its concept of 'balance', the latter is not to be understood as the result of an arithmetic exercise, but rather as the result of efforts to ensure that the members of an EG, together, possess the necessary technical expertise and breadth of perspectives to deliver on the mandate of the EG in question; considers that the concept of balance should, therefore, be understood as tied to the specific mandate of each individual EG; considers that the criteria to assess whether an EG is balanced should include the tasks of the group, the technical expertise required, the stakeholders who would be most likely affected by the matter, the organisation of groups of stakeholders, and the appropriate ratio of economic and non-economic interests;

11. Calls on the Commission forthwith to investigate whether a new complaints mechanism is required, if the definition of balanced composition is contested by interested stakeholders or whether current arrangements are adequate, calls for Parliament to be associated in this control mechanism;

12. Recalls that, in the past, it was not always possible for the Commission to find sufficient experts representing SMEs, consumers, trade unions or other organisations of general public interest, and that this was often caused by the costs involved, either in taking up leave or, for example in the case of SMEs, in finding replacement for the time spent in the EGs, hereafter referred to as 'alternative costs';

13. Requests, therefore, the Commission to explore ways to facilitate and encourage the participation of underrepresented organisations or social groups in EGs, by assessing, inter alia, its provisions for reimbursement of expenses in an efficient and equitable manner, including possible ways to cover outlays for any such 'alternative costs', while duly respecting the principle of proportionality;

14. Asks the Commission to assess the development of an allowance system that supports underrepresented groups in acquiring the expertise necessary for a fully effective participation in the EG;

15. Calls on the Commission to make it possible for European non-governmental organisations to be represented in the EGs by representatives of their national member organisations, when provided with a clear mandate from the European organisations;

16. Calls on the Commission to make sure that — even if, despite specific arrangements, it is still not possible to find sufficient experts representing all relevant interests — the EG concerned will take all appropriate measures, for example by weighted voting procedures, to make sure that the final reports of these EGs will effectively be representing all relevant interests in a balanced manner;

17. Recalls that both Parliament and the European Ombudsman have recommended to the Commission to make the agendas, background documents, minutes of meetings and deliberations of EGs public, unless a qualified majority of their members decide that a specific meeting or part of a meeting would need to be secret, and regrets that the Commission has persisted in a system in which the meetings remain secret unless a simple majority of the members of EGs decides that the deliberations should be made public, considers it essential to implement the greatest possible transparency, and calls on the Commission to provide for the meetings and minutes to be made public;

18. Stresses that users need to be given access to a range of documents (agendas, reference documents, various reports), with a view to ensuring efficient monitoring by interested stakeholders; takes the view, furthermore, that the website of the Register of EGs — whether as such or through hyperlinks to other relevant websites — should be one of the instruments or mechanisms used to obtain constantly updated information on policy developments, thereby guaranteeing a high level of transparency;

19. Invites the Commission forthwith to develop specific guidelines — in consultation with stakeholders, including Parliament — explaining how it interprets the provision that the minutes of the EGs should be meaningful and complete, especially when the meetings are not public, and urges the Commission to provide, in this regard, the maximum transparency possible, including publication of the agenda, background documents, voting records and detailed minutes, including dissenting opinions in line with the recommendation of the European Ombudsman;

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20. Recalls that, in addition to experts appointed in their personal capacity, members from universities, research institutes, law firms, European and other think tanks and consultancies may also have conflicts of interest, and requests the Commission to clarify how it avoids conflicts of interest for these specific categories of experts;
 21. Calls on the Commission to ensure — building on existing positive examples — a systematic implementation of improved horizontal rules by means of a central oversight of the implementation of these horizontal rules, and not to delegate this to the individual Directorates-General;
 22. Calls on the Commission to devote, in particular, sufficient resources to the activities relating to the Register, by developing innovative and particularly effective methods so that it will be kept up to date without containing any factual errors and/or omissions, and will allow data export in machine-readable format;
 23. Notes that the Commission has stated that by the end of 2016, the new framework for Commission EGs will have to be implemented by all Directorates-General, and requests the Commission to submit to Parliament a report on the implementation and evaluation at the latest one year after the adoption of the Decision, i.e. before 1 June 2017; calls on the Commission to ensure that, as part of the structured dialogue with Parliament, a first oral presentation of the report can already be made within the next six months;
 24. Highlights, furthermore, that the Commission, in preparing and drafting delegated and implementing acts and in drawing up strategic guidelines, must ensure that all documents, including draft acts, must be communicated to Parliament and the Council at the same time as to the Member States' experts, as agreed in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making;
 25. Instructs its President to forward this resolution to the Council and the Commission.
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P8_TA(2017)0022

The role of whistleblowers in the protection of EU's financial interests

European Parliament resolution of 14 February 2017 on the role of whistleblowers in the protection of EU's financial interests (2016/2055(INI))

(2018/C 252/07)

The European Parliament,

- having regard to the Treaty on the Functioning of the European Union, and in particular Article 325 thereof,
- having regard to Articles 22a, 22b and 22c of the Staff Regulations of Officials of the European Union,
- having regard to its resolution of 23 October 2013 on organised crime, corruption and money laundering: recommendations on action and initiatives to be taken ⁽¹⁾,
- having regard to the Decision of the European Ombudsman closing her own-initiative inquiry OI/1/2014/PMC concerning whistleblowing,
- having regard to Directive (EU) 2016/943 of the European Parliament and of the Council of 8 June 2016 on the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure ⁽²⁾,
- having regard to Article 9 of the Council of Europe Civil Law Convention on Corruption,
- having regard to Article 22(a) of the Council of Europe Criminal Law Convention on Corruption,
- having regard to Council of Europe recommendation CM/Rec(2014)7 on the protection of whistleblowers,
- having regard to Articles 8, 13 and 33 of the United Nations Convention Against Corruption,
- having regard to Principle 4 of the OECD Recommendation on Improving Ethical Conduct in the Public Service,
- having regard to the inquiry of the office of the European Ombudsman of 2 March 2015 and to its call for the EU institutions to adopt the required rules on whistleblowing,
- having regard to the OECD publication on 'Committing to effective whistleblower protection',
- having regard to the decision of the European Court of Human Rights in the case *Guja v. Moldova*, Application No 14277/04 of 12 February 2008,
- having regard to Article 6 of the Charter of Fundamental Rights of the European Union,
- having regard to Rule 52 of its Rules of Procedure,
- having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Constitutional Affairs (A8-0004/2017),

⁽¹⁾ OJ C 208, 10.6.2016, p. 89.

⁽²⁾ OJ L 157, 15.6.2016, p. 1.

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- A. whereas in the context of the discharge procedure, Parliament needs as much information as possible relating to any such irregularities; whereas in cases concerning irregularities internal to the institutions, Parliament should be entitled to full access to information so that it can conduct the discharge procedure in full knowledge of the facts;
- B. whereas the European Court of Auditors provides Parliament with an excellent basis for its examinations, but cannot itself cover all individual expenditures;
- C. whereas the Commission and other EU institutions similarly provide Parliament with informative reports on their spending, but also rely on official reporting mechanisms;
- D. whereas the Union's many funds are subject to shared management by the Commission and the Member States, which makes it difficult for the Commission to report on irregularities concerning individual projects;
- E. whereas Parliament regularly receives information from individual citizens or non-governmental organisations in respect of irregularities concerning individual projects funded entirely or in part from the Union budget;
- F. whereas whistleblowers therefore play an important role in preventing, detecting and reporting irregularities in respect of the expenditures relating to the EU budget, as well as in identifying and publicising cases of corruption; whereas a culture of trust fostering the European public good needs to be established and promoted in which EU officials and other staff, as well as the general public, feel safeguarded by sound management practices, and which shows that the EU institutions support, protect and encourage potential whistleblowers;
- G. whereas it is vital for a horizontal legal framework to be established as a matter of urgency, which, by laying down rights and obligations, protects whistleblowers throughout the EU, as well as in the EU institutions (the protection of anonymity, provision of legal, psychological and, where necessary, financial assistance, access to various information channels, rapid response schemes, etc.);
- H. whereas most EU Member States have ratified the UN Convention against Corruption, which makes it obligatory to provide appropriate and effective protection to whistleblowers;
- I. whereas whistleblowing is an essential source of information in the fight against organised crime and in the investigation of corruption in the public sector;
- J. whereas whistleblowers play a particularly important role when it comes to the detection and reporting of corruption and fraud, as the parties directly involved in these criminal practices will actively try to conceal them from any official reporting mechanisms;
- K. whereas whistleblowing, based on the principles of transparency and integrity, is essential; the protection of whistleblowers should therefore be guaranteed by law and reinforced throughout the EU, but only if the purpose of their action is to protect the public interest by acting in good faith in accordance with the jurisprudence of the European Court of Human Rights;
- L. whereas the authorities should not limit or reduce the ability of whistleblowers and journalists to document and disclose illegal, unlawful or harmful practices, when revealing this information in good faith and the public interest is a priority;
- M. whereas all the EU institutions have been obliged since 1 January 2014 to introduce internal rules protecting whistleblowers who are officials of the EU institutions, in accordance with Articles 22a, 22b and 22c of the Staff Regulations, and the working group of the interinstitutional Preparatory Committee for Matters relating to the Staff Regulations, dealing with the protection of whistleblowers, has not yet finished its work; whereas part of the work done by that working group should be to assess the situation of whistleblowers who have suffered negative consequences in

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the institutions, so as to establish best practices based on past experience; whereas those internal rules must take account of the management structure and of the specific characteristics of the various categories under the Staff Regulations;

- N. whereas protection of whistleblowers at Member State level has neither been implemented in all Member States, nor harmonised, which means that even when the financial interests of the European Union are at stake, it may be personally and professionally risky for whistleblowers to provide Parliament with information on irregularities; whereas it is precisely because people are afraid of what might happen to them owing to the lack of protection, and because they believe that no action will be taken, that irregularities are not reported, and the EU's financial interests are undermined as a result;
- O. whereas there is a need to ensure that any kind of retaliation against whistleblowers will be suitably punished;
- P. whereas in its resolution of 23 October 2013, Parliament called on the Commission to submit a legislative proposal by the end of 2013 establishing an effective and comprehensive European whistleblower protection programme in the public and private sectors, to protect those who detect inefficient management and irregularities and report cases of national and cross-border corruption relating to the EU's financial interests; whereas, in addition, it called on the Member States to put in place appropriate and effective protection for whistleblowers;
- Q. whereas, the EU legislator has already provided for the protection of whistleblowers in sectorial instruments including Directive 2013/30/EU on safety of offshore oil and gas operations, Regulation (EU) No 596/2014 on market abuse, Directive (EU) 2015/849 on money laundering and terrorist financing and Regulation (EU) No 376/2014 on occurrence reporting;
- R. whereas the protection of whistleblowers in the Union has become even more urgent, as the Trade Secrets Directive limits the rights of whistleblowers and may thus have an unintended discouraging effect on those who want to report irregularities in the context of Union funding from which individual companies have benefitted;
- S. whereas important work has already been undertaken by international organisations such as the Organisation for Economic Co-operation and Development (OECD) and the Council of Europe, who have developed recommendations in regard to the protection of whistleblowers;
- T. whereas according to the OECD more than one third of organisations with a reporting mechanism did not have, or did not know of, a written policy on protecting those who report from reprisals;
- U. whereas non-governmental organisations such as Transparency International, Whistleblowing International Network, etc., have similarly developed international principles for whistleblower legislation which should serve as a source of inspiration for EU initiatives in this regard;
- V. whereas the office of the European Ombudsman has a clear competence in relation to the investigation of complaints of EU citizens about maladministration in the EU institutions, but in itself plays no role in the protection of whistleblowers in the Member States;
- W. whereas the Staff Regulations of Officials of the European Union and Conditions of Employment of Other Servants of the European Union introduced in its most recent version, in force since 1 January 2014, several provisions on whistleblowing;
- X. whereas the protection of whistleblowers is essential for safeguarding the public good and the financial interests of the Union and for promoting a culture of public accountability and integrity in both public and private institutions;

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- Y. whereas in many jurisdictions, and particularly in the private sector, employees are subject to duties of confidentiality with respect to certain information, which means that whistleblowers might encounter disciplinary actions for reporting outside their organisation;
1. Deplores the fact that the Commission has so far failed to submit any legislative proposals aimed at establishing a minimum level of protection for European whistleblowers;
 2. Urges the Commission to immediately submit a legislative proposal establishing an effective and comprehensive European whistleblower protection programme which includes mechanisms for companies, public bodies and non-profit organisations and, in particular, calls on the Commission to submit a legislative proposal before the end of this year protecting whistleblowers as part of the necessary measures in the fields of the prevention of and fight against fraud affecting the financial interests of the Union, with a view to affording effective and equivalent protection in the Member States and in all the Union's institutions, bodies, offices and agencies;
 3. Maintains that whistleblowers play an essential role in helping Member State and EU institutions and bodies prevent and tackle any breaches of the principle of integrity and misuse of power that threaten or violate public health and safety, financial integrity, the economy, human rights, the environment or the rule of law at European and national levels, or that raise unemployment, restrict or distort fair competition and undermine the trust of citizens in democratic institutions and processes; stresses that, in this regard, whistleblowers contribute greatly to increasing the democratic quality of, and the trust in, public institutions by making them directly accountable to citizens and more transparent;
 4. Notes that both the whistleblowers and the public body or institution involved should ensure the legal protection of rights guaranteed by the EU Charter of Fundamental Rights and by national legal provisions;
 5. Recalls that the Member States, as first consignees of EU funds, have an obligation to scrutinise the legality of how they are spent;
 6. Notes that only a few Member States have introduced sufficiently advanced whistleblower protection systems; calls on those Member States which have not yet adopted the principles to protect whistleblowers in their domestic law, to do so as soon as possible;
 7. Calls on the Member States to enforce effective anti-corruption rules and, at the same time, to properly implement European and international standards and guidelines concerning the protection of whistleblowers in their national laws;
 8. Regrets that many Member States have yet to put in place dedicated whistleblower protection rules, notwithstanding the essential need of whistleblower protection in the prevention of, and fight against, corruption, and despite the fact that whistleblower protection is recommended in Article 33 of the UN Convention against Corruption;
 9. Emphasises that whistleblowing relating to the financial interests of the Union is the disclosure or reporting of wrongdoing, including, but not limited to, corruption, fraud, conflicts of interest, tax evasion and tax avoidance, money laundering, infiltration by organised crime and acts to cover up any of these;
 10. Considers it necessary to foster an ethical culture helping to ensure that whistleblowers will not suffer retaliation or face internal conflicts;
 11. Reiterates the fact that a whistleblower is required to inform about irregularities affecting the financial interests of the EU as well as the fact that whistleblowers should always cooperate by sharing information with the competent EU authorities;
 12. Reiterates the fact that whistleblowers often have better access to sensitive information than outsiders, and thus may be more likely to experience negative consequences in their professional career or risk their personal safety, which is protected under Article 6 of the Charter of Fundamental Rights of the EU;

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13. Stresses that the definition of whistleblowing includes the protection of those who disclose information with a reasonable belief that the information is true at the time it is disclosed, including those who make inaccurate disclosures in honest error;
14. Stresses the role of investigative journalism and calls on the Commission to ensure that its proposal affords the same protection to investigative journalists as it does to whistleblowers;
15. Expresses the need to establish an independent information-gathering, advisory and referral EU body, with offices in Member States which are in a position to receive reports of irregularities, with sufficient budgetary resources, adequate competences and appropriate specialists, in order to help internal and external whistleblowers in using the right channels to disclose their information on possible irregularities affecting the financial interests of the Union, while protecting their confidentiality and offering needed support and advice; in the first phase, its work would be primarily based on reliable verification of the information received;
16. Calls for the EU institutions, in cooperation with all relevant national authorities, to introduce and take all necessary measures to protect the confidentiality of the information sources in order to prevent any discriminatory actions or threats;
17. Welcomes the decision taken by the European Ombudsman in 2014 to launch an own-initiative investigation, addressing the EU institutions, into the protection of whistleblowers, and welcomes the extremely positive outcomes that has had; calls for the institutions and other bodies of the EU that have yet to do so to apply, without delay, the guidelines that were drawn up upon conclusion of the investigation;
18. Calls for the EU institutions to raise awareness of the serious concerns of defenceless whistleblowers; urges the Commission therefore to provide a comprehensive action plan on this issue;
19. Requests the establishment a special unit with a reporting line as well as dedicated facilities (e.g. hotlines, websites, contact points) within Parliament for receiving information from whistleblowers relating to the financial interests of the Union, which will also provide them with advice and help in protecting them against any possible retaliatory measures, until such time as an independent EU institution has been established as referred to in paragraph 4;
20. Calls for a website to be launched where complaints can be submitted; stresses that the website should be accessible to the public and should keep their data anonymous;
21. Calls for the Commission to provide a clear legal framework that guarantees that those exposing illegal or unethical activities are protected from retaliation or prosecution;
22. Calls for the Commission to present concrete proposals for full protection of those who expose illegalities and irregularities, and to provide a comprehensive plan to discourage asset transfers to countries outside the EU that serve as protectors of anonymity to corrupt persons;
23. Expresses the need to ensure that reporting mechanisms are accessible, safe and secure, and that whistleblowers' claims are professionally investigated;
24. Calls on the Commission, and on the European Public Prosecutor's Office in so far as it is within its mandate upon its establishment, to establish efficient channels of communication between the parties concerned, to likewise set up procedures for receiving and protecting whistleblowers who provide information on irregularities relating to the financial interests of the Union, and to establish a single working protocol for whistleblowers;
25. Calls on all EU institutions and bodies to take the necessary action to ensure recognition and consideration of, and respect for, whistleblowers in all cases that affect or have affected them and that have been acknowledged as such by the Court of Justice of the European Union, and points out that this should apply retroactively; calls on them, furthermore, to publicly and substantively report on the rulings concerned to the institution as a whole;

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26. Calls on the Commission and on the Member States to provide Parliament with any information received from whistleblowers affecting the financial interests of the Union and to include a chapter on their alerts and the follow-up to these in the annual activity reports; calls for action at EP level to establish the accuracy of information in order to take appropriate measures;
 27. Calls on the Commission to carry out a public consultation to seek the view of stakeholders on the reporting mechanisms and on the potential shortcomings of the procedures at national level; the results of the public consultation will represent a valuable input for the Commission when preparing its future proposal on whistleblowing;
 28. Invites the independent EU body, and until established, the European Anti-Fraud Office (OLAF) to write and publish an annual report on the evaluation of the protection of whistleblowers in the European Union;
 29. Further invites the Court of Auditors to include in its annual reports a specific section on the role of whistleblowers in protecting the financial interests of the Union;
 30. Invites the EU agencies to provide a written policy on protecting those who report from reprisals;
 31. Welcomes the fact that Parliament, the Commission, the Council of the European Union, the Court of Justice of the European Union, the European Court of Auditors, the European External Action Service, the European Economic and Social Committee, the Committee of the Regions, the European Ombudsman, and the European Data Protection Supervisor implemented internal rules protecting whistleblowers, in accordance with Articles 22a, 22b and 22c of the Staff Regulations; urges all institutions to ensure their respective adopted internal rules on whistleblower protection are robust and comprehensive;
 32. Encourages the Member States to develop data, benchmarks and indicators on whistleblower policies in both the public and private sector;
 33. Recalls that Commission Implementing Directive (EU) 2015/2392 sets out the procedures for reporting, record-keeping requirements, and protection measures for whistleblowers; underlines the importance of guaranteeing that whistleblowers can report infringements in a confidential way and that their anonymity is properly and fully safeguarded, also in the digital environment, but regrets that this is one of the few pieces of sectorial legislation that includes provisions for whistleblowers;
 34. Encourages the Commission to study best practices from whistleblower programmes already in place in other countries around the world; draws attention to the fact that some existing schemes provide financial rewards to whistleblowers (such as a percentage of the sanctions ordered); considers that although this needs to be managed carefully to prevent potential abuse, such rewards could provide important income to persons who have lost their jobs as a result of whistleblowing;
 35. Calls on the Member States to refrain from criminalising the actions of whistleblowers in disclosing information about illegal activities or irregularities harmful to the EU's financial interests;
 36. Instructs its President to forward this resolution to the Council and the Commission.
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P8_TA(2017)0026

Revision of the European Consensus on Development

European Parliament resolution of 14 February 2017 on the revision of the European Consensus on Development (2016/2094(INI))

(2018/C 252/08)

The European Parliament,

- having regard to the European Consensus on Development of December 2005 ⁽¹⁾,
- having regard to the Busan Partnership for Effective Development Cooperation ⁽²⁾ and the EU Common Position for the second High-Level Meeting of the Global Partnership for Effective Development Cooperation (GPEDC) held in Nairobi (from 28 November to 1 December 2016) ⁽³⁾,
- having regard to the outcome document of the Fourth High-Level Forum on Aid Effectiveness of December 2011, which launched the GPEDC,
- having regard to the 2030 Agenda, entitled ‘Transforming our World: The 2030 Agenda for Sustainable Development’, adopted at the United Nations Sustainable Development Summit of 25 September 2015 in New York ⁽⁴⁾,
- having regard to the Addis Ababa Action Agenda on Financing for Development ⁽⁵⁾,
- having regard to the Dili Declaration of 10 April 2010, on peace-building and state-building, and to the ‘New Deal for Engagement in Fragile States’ launched on 30 November 2011,
- having regard to the Paris (COP21) Agreement under the United Nations Framework Convention on Climate Change adopted on 12 December 2015 ⁽⁶⁾,
- having regard to the Commission communication entitled ‘Increasing the impact of EU Development Policy: an Agenda for Change’ (COM(2011)0637),
- having regard to the World Humanitarian Summit of 23-24 May 2016 in Istanbul and its Commitments to Action ⁽⁷⁾,
- having regard to the New Urban Agenda adopted at the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) held from 17 to 20 October 2016 in Quito, Ecuador ⁽⁸⁾,
- having regard to the OECD/UNDP 2014 progress report entitled ‘Making Development Cooperation More Effective’ ⁽⁹⁾,

⁽¹⁾ OJ C 46, 24.2.2006, p. 1.

⁽²⁾ <http://www.oecd.org/dac/effectiveness/49650173.pdf>

⁽³⁾ <http://data.consilium.europa.eu/doc/document/ST-14684-2016-INIT/en/pdf>

⁽⁴⁾ http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/70/1&Lang=E

⁽⁵⁾ http://www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA_Outcome.pdf

⁽⁶⁾ <https://unfccc.int/resource/docs/2015/cop21/eng/l09r01.pdf>

⁽⁷⁾ <https://www.worldhumanitariansummit.org/>

⁽⁸⁾ <https://habitat3.org/the-new-urban-agenda/>

⁽⁹⁾ <http://effectivecooperation.org/wp-content/uploads/2016/05/4314021e.pdf>

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- having regard to Article 208 of the Treaty on the Functioning of the European Union (TFEU) on development cooperation, which states that ‘the Union’s development cooperation policy and that of the Member States complement and reinforce each other’, and which defines the reduction and eradication of poverty as the primary objective of EU development policy,
- having regard to the October 2012 Council conclusions on the roots of democracy and sustainable development: Europe’s engagement with civil society in external relations,
- having regard to the EU Code of Conduct on Complementarity and Division of Labour in Development Policy ⁽¹⁾,
- having regard to the EU Council conclusions of 19 May 2014 on a rights-based approach to development cooperation, encompassing all human rights ⁽²⁾,
- having regard to the Global Strategy for the European Union’s Foreign and Security Policy published in June 2016 ⁽³⁾,
- having regard to the UN Convention on the Rights of Persons with Disabilities (CRPD), signed and ratified by the EU in 2011, and to the UN Concluding Observations on the implementation of the CRPD,
- having regard to the Commission communication entitled ‘Trade for all: towards a more responsible trade and investment policy’ (COM(2015)0497),
- having regard to the EU Gender Action Plan 2016-2020 and to the Action Plan on Human Rights and Democracy (2015-2019),
- having regard to its previous resolutions, in particular those of 17 November 2005 on the proposal for a Joint Declaration by the Council, the European Parliament and the Commission on the European Development Policy ‘The European Consensus’ ⁽⁴⁾, of 5 July 2011 on increasing the impact of EU development policy ⁽⁵⁾, of 11 December 2013 on EU donor coordination on development aid ⁽⁶⁾, of 25 November 2014 on the EU and the global development framework after 2015 ⁽⁷⁾, of 19 May 2015 on financing for development ⁽⁸⁾, of 8 July 2015 on tax avoidance and tax evasion as challenges for governance, social protection and development in developing countries ⁽⁹⁾, of 14 April 2016 on the private sector and development ⁽¹⁰⁾, of 12 May 2016 on the follow-up to and review of the 2030 Agenda ⁽¹¹⁾, of 7 June 2016 on the EU 2015 Report on Policy Coherence for Development ⁽¹²⁾ and of 22 November 2016 on increasing the effectiveness of development cooperation ⁽¹³⁾,
- having regard to the Joint Staff Working Document on Gender Equality and Women’s Empowerment: Transforming the Lives of Girls and Women through EU External Relations 2016-2020 (SWD(2015)0182) and to the Council conclusions of 26 October 2015 in which the corresponding Gender Action Plan 2016-2020 is endorsed,

⁽¹⁾ Council conclusions, 15.5.2007.

⁽²⁾ Council conclusions, 19.5.2014.

⁽³⁾ Council document 10715/16.

⁽⁴⁾ OJ C 280 E, 18.11.2006, p. 484.

⁽⁵⁾ OJ C 33 E, 5.2.2013, p. 77.

⁽⁶⁾ OJ C 468, 15.12.2016, p. 73.

⁽⁷⁾ Texts adopted, P8_TA(2014)0059.

⁽⁸⁾ Texts adopted, P8_TA(2015)0196.

⁽⁹⁾ Texts adopted, P8_TA(2015)0265.

⁽¹⁰⁾ Texts adopted, P8_TA(2016)0137.

⁽¹¹⁾ Texts adopted, P8_TA(2016)0224.

⁽¹²⁾ Texts adopted, P8_TA(2016)0246.

⁽¹³⁾ Texts adopted, P8_TA(2016)0437.

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- having regard to the new framework for Gender Equality and Women's Empowerment: Transforming the Lives of Girls and Women through EU External Relations (2016-2020),
 - having regard to its resolution of 5 July 2016 on a new forward-looking and innovative future strategy for trade and investment ⁽¹⁾,
 - having regard to the UN Convention on the Rights of the Child and its four fundamental principles of non-discrimination (Article 2), best interests of the child (Article 3), survival, development and protection (Article 6) and participation (Article 12),
 - having regard to the forthcoming report of its Committee on Foreign Affairs and of its Committee on Development on addressing refugee and migrant movements: the role of EU external action (2015/2342(INI)) and to its resolution of 22 November 2016 on increasing the effectiveness of development cooperation ⁽²⁾,
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on Development (A8-0020/2017),
- A. whereas a revision of the European Consensus on Development is timely and necessary considering the changed external framework, including the adoption of the 2030 Agenda and the Sustainable Development Goals (SDGs), the Paris COP21 Agreement on climate change, the Sendai Framework for Disaster Risk Reduction, the Addis Ababa Action Agenda on financing for development and the Global Partnership for Effective Development Cooperation, new or increasing global challenges such as climate change, the context of migration, more diversified developing countries with diverse and specific development needs, emerging donors and new global actors, shrinking space for civil society organisations, and internal EU changes, including those arising from the Treaty of Lisbon, the Agenda for Change and the EU Global Strategy on Foreign and Security Policy;
- B. whereas the universal 2030 Agenda and inter-related SDGs sets out to achieve sustainable development within the planetary boundaries, building partnerships that put people at the centre, providing them with vital resources such as food, water and sanitation, health care, energy, education and employment opportunities, and promoting peace, justice and prosperity for all; whereas actions must be taken in line with the principles of country ownership, inclusive development partnerships, focus on results, transparency and accountability; whereas a rights-based approach is a prerequisite for sustainable development in accordance with UN resolution 41/128, in which the right to development is defined as an inalienable human right;
- C. whereas Article 208 TFEU states that 'the Union's development cooperation policy and that of the Member States complement and reinforce each other';
- D. whereas climate change is a phenomenon that must be treated urgently, as it hits the poor and most vulnerable countries to a greater extent;
- E. whereas three quarters of the world's poor live in Middle Income Countries (MICs); whereas MICs are not a homogenous group but have very varied needs and challenges, and EU development cooperation must therefore be sufficiently differentiated;
- F. whereas the Treaty-based policy coherence for development approach requires the EU to take development cooperation objectives into account when acting in other policy areas likely to affect developing countries; whereas closely linked policy areas such as trade, security, migration, humanitarian assistance and development need therefore to be formulated and implemented so as to be mutually reinforcing;

⁽¹⁾ Texts adopted, P8_TA(2016)0299.

⁽²⁾ Texts adopted, P8_TA(2016)0437.

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- G. whereas migration has become an ever-more pressing issue, with over 65 million forcibly displaced people worldwide; whereas the vast majority of refugees live in developing countries; whereas state fragility, instability and wars, violation of human rights, deep poverty and lack of prospects are among the major causes for people to leave their homes; whereas millions of people have migrated or fled to the EU in recent years;
- H. whereas some recent proposals by the Commission can be seen as refocusing development policy under the new prism of migration management, in order to meet EU priorities that are often short-term; whereas there should be no conditionality between development assistance and cooperation from beneficiary countries on migration issues; whereas funds such as the EU Emergency Trust Fund for Africa and the EU External Investment Plan have been set up with the aim of responding to the recent migratory crises in the EU; whereas EU development cooperation policy must have as its primary objective the reduction and, in the long term, the eradication of poverty and be based on development effectiveness principles;
- I. whereas health and education are key sustainable development enablers; whereas investment to guarantee universal access in these areas therefore features prominently in the 2030 Agenda and the SDGs and should be adequately resourced in order to have spill-over effects for other sectors;
- J. whereas SMEs and microenterprises are the backbone of economies worldwide, are a fundamental part of the economy of developing countries and, along with well-functioning public sectors, are a key factor in furthering economic, social and cultural growth; whereas SMEs often face restricted access to capital, particularly in developing countries;
- K. whereas over half of the global population is urban today, and whereas this proportion is predicted to reach two-thirds by 2050, with some 90 % of urban growth taking place in Africa and Asia; whereas this trend reinforces the need for sustainable urban development; whereas urban security is becoming an increasing challenge in many developing countries;
- L. whereas oceans play a vital role for biodiversity, food security, energy, jobs and growth, but whereas marine resources are under threat from climate change and from overexploitation and unsustainable management;
- M. whereas deforestation and forest degradation are depleting ecosystems and are important contributors to climate change;
- N. whereas EU development policy is an important complement to Member State development policy which should focus on areas of comparative advantage and on ways in which the global role of the EU as an organisation can further the objectives of its development policy;
- O. whereas development policy is a crucial aspect of the EU's external policy; whereas the Union is the largest development donor in the world and, together with its Member States, it provides more than half of official development assistance globally;
- P. whereas inequalities in wealth and income are growing worldwide; whereas this trend risks undermining social cohesion and increasing discrimination, political instability and unrest; whereas mobilisation of domestic resources is therefore key to implementing the 2030 Agenda for Sustainable Development and represents a viable strategy to overcome foreign aid dependency in the long run;
1. Stresses the importance of the European Consensus on Development in providing a joint and coherent position at both EU and Member State level on the objectives, values, principles and main aspects of development policy, including in its implementation; believes that the Consensus acquis, and in particular its holistic approach and the clear primary objective of fighting, and in the long term eradicating, poverty, must be safeguarded in its revision; believes, furthermore, that tackling inequalities, as recognised in the SDGs, must also be a target; recalls that Member State- and EU-level development policies should reinforce and complement each other;

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2. Warns against the widening of official development assistance (ODA) criteria with the aim of covering expenses other than those directly linked to the previously mentioned objectives; stresses that any reform of ODA must be aimed at increasing development impact;
3. Recognises the importance of a clear European external strategy, which requires policy coherence, notably on peace and security, migration, trade, the environment and climate change, humanitarian assistance and development cooperation; reiterates, however, that development objectives are goals in their own right; recalls the Treaty-based obligation enshrined in Article 208 TFEU to 'take account of the objectives of development cooperation in the policies that it implements which are likely to affect developing countries'; strongly underlines that Parliament can accept only a strong concept of development policy anchored in the TFEU obligations with a primary focus on the fight against poverty; recalls the principles of EU external action under Article 21(1) of the Treaty on European Union, namely democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and international law;
4. In accordance with the Lisbon Treaty, describes development cooperation as follows: fighting for DIGNITY by eradicating POVERTY;

EU development objectives, values and principles

5. Calls for the SDGs, the 2030 Agenda and the economic, social and environmental dimensions of sustainable development to cut across all internal as well as external EU policies and to be put at the heart of the Consensus, recognising the important inter-linkages between its goals and targets; calls for the fight against, and in the long term eradication of, poverty to remain the overarching and primary goal of EU development policy, with a particular focus on the most marginalised groups and aiming at leaving no-one behind; stresses the importance of defining poverty in line with the definition of the Consensus and the Agenda for Change and within the framework of the Lisbon Treaty;
6. Stresses the universal and transformative nature of the 2030 Agenda; underlines therefore that developed and developing countries have a shared responsibility for achieving the SDGs, and that the EU SDG strategy must consist of a coherent set of both internal and external policies and commitments with a full set of development policy tools;
7. Insists that development policy must reflect more consistently the Union's focus on fragile states, youth unemployment, women and girls facing gender-based violence and harmful practices and those in conflict situations, and recalls the EU's commitment to allocate at least 20 % of its ODA to social inclusion and human development;
8. Stresses that education is key to developing self-sustainable societies; calls for the EU to link quality education, technical and vocational training and cooperation with industry as an essential pre-condition for youth employability and access to qualified jobs; believes that addressing in particular the issue of access to education in emergency and crisis situations is crucial for both the development and protection of children;
9. Stresses that systemic factors, including gender inequality, policy barriers and power imbalances, have an impact on health and that ensuring equitable access to quality healthcare services provided by skilled, qualified and competent healthcare staff is critical; underlines that the new Consensus should therefore promote investment in and the empowerment of frontline healthcare workers, who play a critical role in ensuring coverage of healthcare services in remote, poor, underserved and conflict areas; stresses that promoting research in and development of new health technologies to address new health threats such as epidemics and antimicrobial resistance is crucial to the attainment of the SDGs;
10. Calls for a continued strong EU commitment to and promotion of rules-based global governance, and notably the Global Partnership for Sustainable Development;
11. Stresses that combating inequalities in and between countries, discrimination, in particular on the basis of gender, injustice and strife, promoting peace, participatory democracy, good governance, rule of law and human rights, inclusive societies and sustainable growth and addressing climate change adaptation and mitigation challenges must be objectives cutting across EU development policy; calls for the 2030 Agenda to be implemented as a whole and in a coordinated and coherent manner with the Paris agreement on climate change, including as regards the need to urgently bridge the gap

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between what is needed to limit global warming and to increase work on and funding for adaptation; recalls the EU commitment to allocate 20 % of its 2014-2020 budget (some EUR 180 billion) to efforts to combat climate change, including through its external and development cooperation policies;

12. Stresses that development cooperation can arise from inclusion, trust and innovation founded on respect by all partners for the use of national strategies and country results frameworks;

13. Recognises the special role of the good governance dimension of sustainable development; calls for the EU to strengthen the balance between economic, social and environmental domains by supporting comprehensive national sustainable development strategies and supporting the right mechanisms and processes of good governance, with a key focus on the participation of civil society; stresses the importance of administrative and fiscal decentralisation reforms as a means to promote good governance at local level in line with the principle of subsidiarity;

14. Calls for EU development cooperation to encourage partner countries to 'glocalise' the SDGs, in consultation with national and local civil society, in order to translate them into contextually relevant national and subnational goals rooted in national development strategies, programmes and budgets; calls for the EU and its Member States to encourage their partner countries to include the voices of marginalised communities in monitoring the SDGs and to promote concrete mechanisms to enable this, in line with the 'leave no-one behind' agenda;

15. Calls for EU development policy to continue to prioritise support to least developed and low-income countries (LDCs and LICs) as well as small island developing states (SIDS) while addressing the diverse and specific needs of middle-income countries (MICs), in which the majority of the world's poor live, in line with the Addis Ababa Action Agenda and with full respect for the principle of differentiation; calls for the mainstreaming of a territorial approach to development in order to empower local and regional governments and better address inequalities within countries;

16. Stresses the importance of the principle of democratic ownership, giving developing countries the primary responsibility for their own development but also allowing national parliaments and political parties, regional and local authorities, civil society and other stakeholders to fully play their respective roles alongside national governments and to actively participate in the decision-making process; underlines in this context the importance of improving upward and downward accountability with the aim of better responding to local needs and fostering citizens' democratic ownership;

17. Calls for the EU to continue and strengthen its support to local and regional capacity-building and to decentralisation processes in order to empower local and regional governments and to make them more transparent and accountable so that they can better meet the needs and demands of their citizens;

18. Calls, in accordance with the principle of partnership, for shared accountability for all joint actions, promoting the highest possible level of transparency; calls for the EU and its Member States to promote a strengthened role for national parliaments, local and regional governments and civil society in political and budgetary oversight and democratic scrutiny; calls for corruption and impunity to be jointly fought by all means and at all policy levels;

19. Calls for political dialogue between the EU and partner countries/regions to be a central strand of any EU development cooperation, and for such dialogues to focus on common values and how to promote them; calls for further parliamentary and civil society involvement in political dialogues;

20. Underlines the importance of plural and inclusive democracy, and calls for the EU to promote a level playing field for political parties and a dynamic civil society in all its actions, including through capacity-building and through dialogue with partner countries to allow sufficient civil society space with citizen-driven, participatory monitoring and accountability mechanisms at sub-national, national and regional level and to ensure engagement of civil society organisations (CSOs) in the design, implementation, monitoring, review and accountability of development policies; calls for the EU to recognise that civil society consultation is a crucial factor for success in all programming sectors, in order to achieve inclusive governance;

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21. Recognises the role of civil society in raising awareness among the public and in addressing the SDGs at national and global level through global citizenship education and awareness raising;

22. Calls for the promotion of equality between women and men and women's and girls' empowerment and rights to be both a stand-alone and cross-cutting goal in EU development policy in accordance with the EU Gender Action Plan and 2030 Agenda, as stated in the Council conclusions of 26 May 2015 on the equal rights of women and men in the framework of development; calls for specific policy-driven action to target challenges in this area; calls for further EU efforts to promote the important role of women and young people as agents of development and change; underlines, in this regard, that gender equality comprises girls and boys and women and men of all ages and that programmes should encourage equal co-participation and the promotion of rights and services, notably in the case of access to education and to reproductive and health care, without discrimination based on gender identity or sexual orientation;

23. Draws attention to the need to promote, protect and safeguard all human rights; stresses that upholding the rights of women and girls, as well as sexual and reproductive health and rights, and eliminating all forms of sexual and gender-based violence and discrimination, including harmful practices against children, early and forced marriage and female genital mutilation, are essential to realising human rights; stresses the need to guarantee universal access to affordable, comprehensive, high-quality information and education on sexual and reproductive health and family planning services; calls for further actions in order to accelerate efforts to achieve gender equality and empowerment of women by deepening multi-stakeholder partnerships, strengthening capacity for gender-responsive budgeting and planning and ensuring the participation of women's organisations;

24. Calls for specific EU development strategies to better target, protect and support vulnerable and marginalised groups such as women and children, LGTBI people, elderly people, persons with disabilities, small producers, cooperatives, linguistic and ethnic minorities and indigenous peoples, in order to offer them the same opportunities and rights as everyone else, in line with the principle of leaving no-one behind;

25. Reiterates the EU's commitment to investing in the development of children and young people by improving reporting on child-focused development cooperation and domestic resources, and to strengthening capacity for young people to participate in accountability exercises;

26. Calls for support for fragile and conflict-affected countries to access the resources and partnerships needed for achieving development priorities, and for the promotion of peer learning between them and enhanced engagement between development, peace building, security and humanitarian partners and efforts;

27. Underlines the ongoing importance of the objectives set out in the human development chapter of the current European Consensus; stresses the need to connect these objectives to the SDGs and to put horizontal health system strengthening (other than support for vertical programmes for specific diseases) at the core of health development programming, which will also strengthen resilience in the case of health crises such as the Ebola outbreak in West Africa of 2013-2014, and to ensure the fundamental right to universal health care, as provided for by Article 25 of the Universal Declaration of Human Rights (UDHR) and by the Constitution of the World Health Organisation (WHO); recalls that Article 168 TFEU states that a high level of human health protection must be ensured in the definition and implementation of all Union policies and activities; calls in this regard for a more coherent innovation and development of medicines policy that guarantees access to medicines for all;

28. Suggests, in the light of demographic growth, most notably in Africa and in LDCs, taking account of the fact that of the 21 countries with the highest fertility rates 19 are in Africa, that Nigeria is the country with the world's fastest-growing population, and that by 2050 more than half of global population growth is expected to be in Africa and this is a problem for sustainable development, that EU development cooperation should put more emphasis on programmes that address this topic;

29. Welcomes the fact that food and nutrition security has emerged as a priority area for the new global development framework, and welcomes the inclusion of a stand-alone goal to end hunger, achieve food security and improved nutrition and promote sustainable agriculture; recognises that hunger and poverty are not accidents, but the result of social and economic injustice and inequality at all levels; reiterates that the Consensus should stress the EU's continued support to

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integrated, cross-sectoral approaches that strengthen the capacity for diversified local food production and include nutrition-specific and nutrition-sensitive interventions which explicitly target gender inequality;

30. Insists on the need for accountability mechanisms regarding the monitoring and the implementation of the SDGs and the 0,7 % ODA/GNI objectives; calls for the EU and its Member States to submit a timeline on how to gradually achieve these goals and objectives, with annual reporting to the European Parliament;

31. Underlines the need for multi-sectoral, integrated approaches to build resilience effectively, which implies working towards a better integration of humanitarian, disaster risk reduction, social protection, climate change adaptation, natural resource management, conflict mitigation and other development actions; calls for the EU and the Member States to promote inclusive governance that addresses marginalisation and inequality drivers of vulnerability; recognises that vulnerable populations must be empowered to manage risk and to access decision-making processes that impact their future;

32. Emphasises the role culture plays in sustainable human, social and economic development, and insists that account be taken of the cultural dimension as a fundamental aspect of solidarity, cooperation and EU development aid policies; calls for the promotion of cultural diversity and support for cultural policies and for local circumstances to be taken into account where this can help to achieve the objective of promoting sustainable development;

33. Points out that the urban population is predicted to increase by 2,5 billion by 2050, with close to 90 % of the increase concentrated in Asia and Africa; recognises the problems arising from the explosive growth of megacities and the challenges this phenomenon poses to societal and environmental sustainability; calls for balanced regional development and recalls that invigorated economic activity in rural areas and smaller towns and cities decreases pressure to migrate to urban megacenters, thus alleviating the problems of uncontrolled urbanisation and migration;

Differentiation

34. Underlines that, for an EU development strategy to be effective, the EU must promote a fair redistribution by developing countries of wealth through national budgets, i.e. within as well as between countries; highlights that European development aid should first and foremost differentiate between individual countries' situations and development needs, and not on the basis of microeconomic indicators solely or political considerations;

35. Stresses that EU development cooperation should be implemented to address the most important needs and to seek the greatest possible impact in both the short and long term; stresses the need for tailor-made development strategies, locally owned and designed, to take account of specific challenges faced by individual countries or by groups of countries such as SIDS, fragile states and land-locked developing countries (LLDCs);

36. Calls for specific strategies to be developed for cooperation with MICs in order to consolidate their progress and fight inequality, exclusion, discrimination and poverty, especially through the promotion of fair and progressive tax systems, while underlining that MICs are not a homogenous group and that each therefore has specific needs that should be met by tailor-made policies; underlines the need to phase out responsibly and gradually financial aid to MICs and to focus on other forms of cooperation, such as technical assistance, sharing industrial know-how and knowledge, public-public partnerships that can support global public goods such as science, technology and innovation, exchange of best practices and promotion of regional, South-South and triangular cooperation; highlights the importance of alternative sources of finance, such as domestic revenue mobilisation, non-concessional or less concessional loans, cooperation in technical, taxation, trade-related and research-related matters, and public-private partnerships;

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Development effectiveness and financing

Development effectiveness

37. Calls for the EU and its Member States to lead the way among development actors and to recommit to the full implementation of the principles of effective development cooperation, prioritising mechanisms, tools and instruments that allow more resources to reach final beneficiaries, namely country ownership of development priorities, alignment with partner countries' national development strategies and systems, a focus on results, transparency, shared accountability and democratic inclusiveness of all stakeholders; stresses the importance of reinforcing the EU's efforts to make development cooperation as effective as possible, with a view to contributing to achieving the ambitious goals and targets set out in the 2030 Agenda and making the best use of public and private resources for development; calls for a clear reference to be made to the development effectiveness principles in the new EU Consensus on Development;

38. Reiterates the importance of increasing the understanding and active engagement of the European public in major development debates and attempts to eradicate global poverty and promote sustainable development; stresses, to this end, that non-formal development education and awareness raising, including through continuation and expansion of the Development Education and Awareness Raising (DEAR) programme, must remain integral parts of the EU and Member States' development policies;

39. Believes that simplifying funding and bureaucratic procedures can help in improving effectiveness; calls for an EU reform to speed up implementation (as already addressed in paragraph 122 of the 2005 European Consensus on Development), which addresses the need to revise the selection procedures by focusing more on the applicant: identity, expertise, experiences, performance and reliability in the field (not only on formal requirements of eligibility);

40. Reiterates the importance of capacity building to improve the capability of citizens, organisations, governments and societies to play their respective roles fully in designing, implementing, monitoring and evaluating sustainable development strategies;

41. Welcomes the progress made, but calls for further efforts by the EU and its Member States to step up and broaden the scope of joint programming and joint implementation efforts in order to pool resources, improve the in-country division of labour, reduce transaction costs, avoid overlaps and aid fragmentation, raise the EU's profile at local level and promote country ownership of development strategies and alignment with partner countries' priorities; stresses how important it is for the joint programming process to be carried out by European stakeholders and opened up to other donors only where the local situation so warrants, but without diluting European ownership of the process; calls for the EU and its Member States to further coordinate their actions with other donors and organisations such as emerging donors, civil society organisations, private philanthropists, financial institutions and private-sector companies; notes with concern that as of mid-2015 only five EU Member States had published Busan implementation plans; urges Member States to publish their implementation plans and report on their efforts on development effectiveness annually;

42. Recalls its request⁽¹⁾ for the codification and strengthening of the mechanisms and practices for ensuring better complementarity and effective coordination of development aid among EU Member States and institutions, providing clear and enforceable rules for ensuring democratic domestic ownership, harmonisation, alignment with country strategies and systems, predictability of funds, transparency and mutual accountability;

43. Underlines that development effectiveness should be one of the main drivers of the new EU development policy; recalls that this depends not only on aid donors but also on the existence of effective and responsive institutions, sound policies, the rule of law, inclusive democratic governance and safeguards against corruption within developing countries and illicit financial flows at international level;

44. Recognises the role of local and regional governments in development, and particularly decentralised cooperation between European and partner-country local and regional governments as an effective means for mutual capacity strengthening, and implementation of the SDGs at the local level;

⁽¹⁾ Resolution of 11 December 2013.

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Financing for development

45. Reiterates that ODA should remain the backbone of EU development policy; recalls the EU's commitment to achieving the ODA target of 0,7 % of GNI by 2030; stresses the importance of other countries, developed and emerging, also scaling up their ODA provision; underlines the important role of ODA as a catalyst for change and a lever for the mobilisation of other resources; recalls the EU's commitment to mobilising resources for climate action in developing countries, to delivering its share towards achieving the developed countries' goal of mobilising USD 100 billion/year and to maintaining a doubling of biodiversity funding to developing countries;

46. Calls for objective and transparent criteria for resource allocation of development assistance at Member State as well as EU level; calls for those criteria to be based on needs, on impact assessments and on political, social and economic performance, with a view to the most effective use of funds; stresses, however, that such allocation should never be made conditional on performance in areas not directly linked to development objectives; stresses that good performance towards mutually agreed goals should be encouraged and rewarded; highlights the importance of disaggregated data at territorial level to better assess the impact of ODA;

47. Recognises that general budget support promotes national ownership, alignment with partner countries' national development strategies, a focus on results, transparency and mutual accountability, but underlines that it should only be considered when and where the conditions are right and effective control systems are in place; points out that budget support is the best means of fostering genuine political dialogue leading to greater empowerment and ownership;

48. Believes that addressing the SDGs will require financing and action for development going beyond ODA and public policies; stresses the need for domestic as well as international and for private as well as public financing, and for policies linking public and private pro-development action and inducing an environment promoting growth and its equitable distribution through national budgets;

49. Recalls that developing countries face major constraints in raising tax revenue and are particularly affected by corporate tax evasion and illicit financial flows; calls for the EU and its Member States to strengthen policy coherence for development (PCD) in this field, to investigate the spill-over impact on developing countries of their own tax arrangements and laws and to advocate a better representation of developing countries in international fora set up to reform global tax policies;

50. Calls for the EU and its Member States to support low- and middle-income countries in creating fair, progressive, transparent and efficient tax systems, as well as other means of domestic resource mobilisation, in order to increase the predictability and stability of such financing and reduce aid dependency; calls for such support in areas such as tax administration and public financial management, fair redistribution systems, anti-corruption, and fighting transfer mispricing, tax evasion and other forms of illicit financial flow; stresses the importance of fiscal decentralisation and the need for capacity building to support subnational governments in the design of local tax systems and tax collection;

51. Calls on the EU and its Member States to establish compulsory country-by-country reporting on multinational companies, together with the compulsory publication of comprehensive and comparable data on companies' activities so as to ensure transparency and accountability; calls for the EU and its Member States to consider the spill-over effect on developing countries of their own tax policies, arrangements and laws, and to undertake the reforms needed to ensure that European companies making profits in developing countries pay their fair share of tax in those countries;

52. Underlines the need for blending and public-private partnerships in order to leverage financing beyond ODA and to effectively follow development effectiveness principles, but also underlines the need for these to be based on transparent criteria, to clearly demonstrate their additionality and positive development impact, not to erode universal access to quality essential public services and for all payments to be transparent; underlines that financed projects must respect national development objectives, internationally agreed human rights and social and environmental standards in a binding manner, the needs and rights of local populations, and the principles of development effectiveness; recognises in this regard that traditional land use, for example by smallholders and pastoralists, is usually not documented but needs to be respected and

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protected; reiterates that enterprises involved in development partnerships should respect the principles of corporate social responsibility (CSR), the UN Guiding Principles and OECD Guidelines throughout their operations, and promote ethical business practices; notes that development policies and programmes yield a double dividend when development effectiveness is fulfilled; calls all development actors to fully align all their actions with these principles;

53. Calls for the EU to promote investments that generate decent employment in line with International Labour Organisation standards and the 2030 Agenda; underlines in this regard the value of social dialogue and the need for transparency and accountability of the private sector in the case of public–private partnerships and when development money is used for blending;

54. Stresses that development funds used for the proposed External Investment Plan (EIP), as well as for existing trust funds, must comply with ODA-compatible development objectives and the new SDGs; calls for mechanisms to be established allowing Parliament to fulfil its oversight role when EU development funds are being used outside the normal EU budget procedures, notably by granting it observer status on EIP, trust-fund and other strategic boards that decide on the priorities and scope of programmes and projects;

55. Recognises the role of local micro, small and medium-sized enterprises, cooperatives, inclusive business models and research institutes as engines of growth, employment and local innovation, which will contribute to the achievement of the SDGs; calls for the promotion of an enabling environment for investment, industrialisation, business activity, science, technology and innovation in order to stimulate and accelerate domestic economic and human development, as well as of training programmes and regular public-private dialogues; acknowledges the EIB's role under the EU EIP and stresses that its initiatives should focus particularly on young people and women, and should — in alignment with development effectiveness principles — contribute to investment in socially important sectors such as water, health and education, as well as in supporting entrepreneurship and the local private sector; asks the EIB to devote more resources to microfinances with a strong gender perspective; calls on the EIB, moreover, to work alongside the African Development Bank (AfDB) to finance long-term investments to be the benefit of sustainable development and on other development banks to propose a microcredit facility to subsidise sustainable loans to family farms;

56. Considers it indispensable that the new Consensus make reference to a strong EU commitment to putting in place a legally binding international framework to hold companies accountable for their malpractice in the countries where they operate, since they impact all areas of society — from profiting from child labour to the absence of a living wage, from oil spills to mass deforestation, and from harassment of human rights defenders to land grabbing;

57. Calls for the European Union and its Member States to promote binding measures to ensure that multinational corporations pay taxes in the countries in which value is extracted or created and to promote compulsory country-by-country reporting by the private sector, thus enhancing the domestic resource mobilisation capacities of countries; calls for spill-over analysis to study possible profit shifting practices;

58. Call for a human-needs-based approach to debt sustainability through a binding set of standards to define responsible lending and borrowing, debt audits and a fair debt workout mechanism, which should assess the legitimacy and sustainability of countries' debt burdens;

Policy coherence for development

59. Calls for an EU-wide debate on PCD in order to clarify the link between PCD and policy coherence for sustainable development (PCSD); underlines the key importance of applying PCD principles in all EU policies; stresses that PCD should be a major element of the EU's strategy to achieve the SDGs; reiterates the need for further efforts by EU institutions and Member States to take account of development cooperation objectives in all internal and external policies likely to affect developing countries, to find effective mechanisms and to use existing best practices at Member State level to implement and evaluate PCD, to ensure that PCD is implemented with a gender sensitive approach and to involve all stakeholders,

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including civil society organisations and local and regional authorities, in this process;

60. Proposes that an arbitration system should be established, under the authority of the President of the Commission, to bring about PCD and that in the event of divergences between the various policies of the Union, the President of the Commission should fully shoulder his political responsibility for the overall approach and have the task of deciding between them on the basis of the Union's PCD commitments; takes the view that, once the problems have been identified, consideration could be given to reforming the decision-making procedures within the Commission and in interdepartmental cooperation;

61. Calls for a reinforced dialogue between the EU and developing countries regarding the promotion and implementation of PCD by the EU; believes that the feedback from EU partners on the progress of PCD can play a key role in obtaining an accurate evaluation of its impact;

62. Reiterates its call for the development of governance processes to promote PCD at the global level and for the EU to take the lead in promoting the PCD concept on the international stage;

Trade and development

63. Underlines the importance of fair and properly regulated trade in promoting regional integration, contributing to sustainable growth and combating poverty; stresses that EU trade policy must be part of the sustainable development agenda and reflect EU development policy objectives;

64. Underlines that unilateral trade preferences to the benefit of developing countries which are not least developed countries still exist in order to favour development; also considers that the new Consensus should contain a reference to the EU commitment to promoting fair and ethical trade schemes with small producers in developing countries;

65. Welcomes the recognition of the strong contribution of fair trade to the implementation of the UN 2030 Agenda; calls for the EU to implement and further develop its commitment to supporting the uptake of fair trade schemes in the EU and partner countries in order to promote sustainable consumption and production patterns through its trade policies;

66. Stresses the need for further EU support to developing countries for trade capacity building, infrastructure and domestic private sector development, in order to allow them to add value to and diversify production and to increase their trade;

67. Reiterates that a healthy environment, including a stable climate, is indispensable to poverty eradication; supports EU efforts to increase transparency and accountability in natural resource management and in the extraction of and trade in natural resources, to promote sustainable consumption and production and to prevent illegal trade in sectors such as minerals, timber and wildlife; strongly believes that further global efforts are needed in order to develop regulatory frameworks for supply chains and greater private sector accountability so as to ensure sustainable management of and trade in natural resources and to allow resource-rich countries and their populations protecting the rights of local and indigenous communities to further benefit from such trade and from the sustainable management of biodiversity and ecosystems; welcomes the progress made since the establishment of the Bangladesh Sustainability Compact, and calls on the Commission to expand such frameworks to other sectors; urges the Commission, in this regard, to enhance corporate social responsibility and due diligence initiatives that complement the existing EU timber regulation, on the proposed EU regulation on conflict minerals, for other sectors;

68. Considers it regrettable that a regulatory framework on the way corporations comply with human rights and obligations with respect to social and environmental standards is still lacking, which allows certain states and companies to circumvent them with impunity; calls for the EU and its Member States to engage actively in the work of the UN Human Rights Council and of the UN Environment Programme on an international treaty to hold transnational corporations accountable for human rights abuses and violations of environmental standards;

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69. Reaffirms the importance of coordinated, accelerated actions to address malnutrition in order to fulfil the 2030 Agenda and achieve SDG 2 on ending hunger;

70. Recalls the crucial role forests play in climate change mitigation, biodiversity conservation and poverty alleviation, and calls for the EU to contribute to halting and reversing deforestation and forest degradation, and to promote sustainable forest management in developing countries;

Security and development

71. Reiterates the direct link between security and development, but underlines the need to strictly follow the recent ODA reform on the use of development instruments for security policy by applying a clear objective of poverty eradication and promotion of sustainable development; stresses that the objective of peaceful and inclusive societies with access to justice for all should translate into EU external action which, by supporting all local stakeholders who can help bring this about, builds resilience, promotes human security, strengthens the rule of law, restores confidence and tackles the complex challenges of insecurity, fragility and democratic transition;

72. Believes that synergies between the common security and defence policy (CSDP) and development instruments need to be fostered in order to find the right balance between conflict prevention, conflict resolution and post-conflict rehabilitation and development; stresses that external policy programmes and measures to this end must be comprehensive, tailor-made to the country situation and, when financed through means intended for development policy, help to achieve core development objectives as defined under ODA; underlines that the core tasks of development cooperation remain to support countries in their endeavour to create stable and peaceful states that respect good governance, the rule of law and human rights, and to seek to establish sustainable functioning market economies with the purpose of bringing prosperity to the people and fulfilment of all human basic needs; stresses the need to increase the very limited CSDP financing in this context in order to allow its wider use, inter alia, to the benefit of development in line with PCD;

Migration and development

73. Stresses the central role of development cooperation in addressing the root causes of forced migration and displacement, such as state fragility, conflicts, insecurity and marginalisation, poverty, inequality and discrimination, human rights violations, poor access to basic services such as health and education, and climate change; identifies the following goals and objectives as preconditions for stable, resilient states that will be less prone to situations that may eventually result in forced migration: promoting human rights and peoples' dignity, democracy-building, good governance and the rule of law, social inclusion and cohesion, economic opportunities with decent employment and through people-centred businesses and policy space for civil society; calls for development cooperation to focus on these goals and objectives in order to foster resilience, and calls for migration-linked development assistance in emergencies in order to stabilise the situation, to maintain the functioning of states and to enable the displaced to live in dignity;

74. Recalls, as stressed by the UN 2030 Agenda, the positive contribution of migrants to sustainable development, including remittances, of which the transfer costs should be further brought down; underlines that responding to migration-related challenges and crises together in a meaningful way requires a more coordinated, systematic and structured approach, matching interests of countries of origin and destination; stresses that an effective way of helping large numbers of refugees and asylum seekers is by improving conditions and offering both humanitarian and development assistance; at the same time opposes any attempts to link aid with border control, management of migratory flows or readmission agreements;

75. Underlines that countries of origin and transit for migrants need tailor-made solutions for development that fit their respective political and socio-economic situations; stresses the need for such cooperation to promote human rights and dignity for all, good governance, peace and democracy-building and that it should be based on common interests and shared values and respect for international law;

76. Underlines the need for close parliamentary scrutiny and monitoring of agreements linked to migration management and of migration-linked use of development funds; stresses the importance of close cooperation and the establishment of a good practice of information exchange between institutions, notably in the field of migration and

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security; recalls its concerns about the increasing use of trust funds, such as limited transparency, lack of consultation and regional ownership;

77. Points out, given the recent European policy measures to fight the root causes of forced migration, that European development policy must fall within the OECD-DAC definition and must be based on development needs and human rights; stresses further that development aid must not be made conditional on cooperation in migration matters such as border management or readmission agreements;

Humanitarian assistance

78. Stresses the need for closer links between humanitarian assistance and development cooperation in order to address financing gaps, avoid overlaps and the creation of parallel systems, and to create conditions for sustainable development with built-in resilience and tools for improved crisis prevention and preparedness; calls for the EU to fulfil its commitment to devote by 2020 at least 25 % of its humanitarian aid to local and national actors as directly as possible, as agreed in the Grand Bargain;

79. Recalls the fundamental principles of humanitarian aid: humanity, neutrality, independence and impartiality; welcomes the Commission's tenacity in not merging the European Consensus on Development and the European Consensus on Humanitarian Aid;

80. Stresses the need to strengthen international assistance, coordination and resources for emergency response, recovery and reconstruction in post-disaster situations;

81. Welcomes the commitment to support both the promotion of ICT technologies in developing countries and enabling environments for the digital economy by enhancing free, open and secure connectivity; recalls that satellites can provide cost-effective solutions to connect assets and people in remote areas, and encourages the EU and its Member States to bear this in mind in their work in this field;

Global public goods and challenges

82. Strongly believes that the global presence of the EU and its Member States makes them well placed to continue to play a leading international role in addressing global public goods and challenges (GPGC), which are increasingly under stress and disproportionately affecting the poor; calls for global goods and environmental challenges to be mainstreamed across the Consensus, among them human development, the environment, including climate change and access to water, insecurity and state fragility, migration, affordable energy services, food security and eradication of malnutrition and hunger;

83. Recalls that small-scale and family farming, the most common agricultural model worldwide, plays a key role in the fulfilment of the SDGs: it contributes substantially to food security, to the fight against soil erosion and biodiversity loss, and to the mitigation of climate change, while providing jobs; stresses that the EU should promote on the one hand the creation of farmers' organisations, including cooperatives, and on the other hand sustainable agriculture focusing on agro-ecological practices, better productivity of family farms, peasants' and land use rights and informal seed systems as a means of ensuring food security, supply of local and regional markets, fair income and a decent life for farmers;

84. Recalls that the 'private sector' is not a homogenous set of actors; stresses therefore that, in dealing with the private sector, EU and Member State development policy should comprise differentiated strategies to engage the various types of private sector actors, including producer-led private sector actors, micro, small and medium-sized enterprises, cooperatives, social enterprises and those in the solidarity economy;

85. Reaffirms that ensuring access to affordable, reliable, sustainable and modern energy for all by 2030 (SDG 7) is crucial for the satisfaction of basic human needs, including access to clean water, sanitation, health care and education, and is essential for supporting local business creation and all kinds of economic activity, as well as a key driver of development progress;

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86. Stresses that increasing productivity of small-holders and achieving sustainable and climate-resilient agriculture and food systems play a key role in the fulfilment of SDG 2, and the concept of sustainable consumption and production in SDG 12, which goes beyond circular economy principles and addresses environment, social and human rights impacts; stresses that the EU should therefore focus on promoting sustainable food production and resilient agricultural practices that increase productivity and production; recognises the specific needs of women farmers with respect to food security;

87. Highlights the importance of continuing to work on improving access to water, sanitation and hygiene as cross-cutting issues that affect the attainment of other goals in the post-2015 agenda, including health, education and gender equality;

88. Calls for the EU to promote global initiatives aimed at addressing challenges linked to fast increasing urbanisation and at creating safer, more inclusive, resilient and sustainable cities; welcomes in this context the recent adoption of the New Urban Agenda by the UN Conference on Housing and Sustainable Urban Development (Habitat III), which aims to explore better ways of planning, designing, financing, developing, governing and managing cities in order to help fight poverty and hunger, improve health and protect the environment;

89. Calls for further EU efforts to protect the oceans and marine resources; welcomes in this context the recent Commission initiatives to improve international governance of the oceans in order to promote better management and to mitigate the impact of climate change on the seas and ecosystems;

90. Stresses the importance of addressing the linkages with improved productivity of sustainable agriculture and fisheries leading to reduced loss and waste of food, transparent management of natural resources and adaptation to climate change;

EU development policy

91. Reiterates the comparative advantages offered by EU development action, including its global presence, the flexibility offered by its range of instruments and delivery methods, its role in and commitment to policy coherence and coordination, its rights- and democracy-based approach, its scale in terms of providing a critical mass in grants, and its consistent support to civil society;

92. Stresses the need for EU comparative advantages to be translated into focused action on a certain number of policy areas, including, but not limited to, democracy, good governance and human rights, global public goods and challenges, trade and regional integration, and tackling the root causes of insecurity and forced migration; underlines that such concentration will need to be adapted to the needs and priorities of individual developing countries and regions in line with the principles of ownership and partnership;

93. Recalls the growing role played by sports in development and peace through the promotion of tolerance and a culture of mutual respect, as well as the contribution that sports make to empowering women and young people, individuals and communities, as well as to health, education and social inclusion;

94. Underlines the importance of a collective comprehensive, transparent and timely accountability system for monitoring and review of the implementation of the 2030 Agenda and the Consensus by the EU and its Member States, stresses that yearly reporting on the progress in the implementation of all development policy commitments, including those on effectiveness, PCD and ODA commitments, continues to be necessary for accountability and parliamentary oversight; regrets the recent and expected reporting gaps; welcomes the Commission's plans to carry out a mid-term assessment of the implementation of the Consensus;

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95. Instructs its President to forward this resolution to the Council, the Commission and the European External Action Service.

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P8_TA(2017)0027

Annual report on EU competition policy

European Parliament resolution of 14 February 2017 on the annual report on EU competition policy (2016/2100(INI))

(2018/C 252/09)

The European Parliament,

- having regard to the Commission report of 15 June 2016 on Competition Policy 2015 (COM(2016)0393) and to the Commission staff working paper published as a supporting document on the same date (SWD(2016)0198),
- having regard to the Treaty on the Functioning of the European Union (TFEU), in particular Articles 39, 42 and 101 to 109 thereof,
- having regard to Protocol No 26 on services of general interest,
- having regard to Protocol No 2 on the application of the principles of subsidiarity and proportionality,
- having regard to the universal framework for the Sustainability Assessment of Food and Agriculture systems (SAFA) developed by the Food and Agriculture Organisation of the United Nations (FAO),
- having regard to the relevant Commission rules, guidelines, resolutions, communications and papers on the subject of competition,
- having regard to its resolution of 6 July 2016 on tax rulings and other measures similar in nature or effect ⁽¹⁾,
- having regard to its resolution of 23 June 2016 on the renewable energy progress report ⁽²⁾,
- having regard to its resolution of 14 September 2016 on social dumping in the European Union ⁽³⁾,
- having regard to its resolution of 19 January 2016 on the 2014 annual report on EU competition policy ⁽⁴⁾ and its resolution of 10 March 2015 on the 2013 annual report on EU competition policy ⁽⁵⁾,
- having regard to the Commission decision of 6 May 2015 on the initiation of an investigation into electronic commerce pursuant to Article 17 of Council Regulation (EC) No 1/2003 (C(2015)3026),
- having regard to the Commission communication of 6 May 2015 entitled ‘A Digital Single Market Strategy for Europe’ (COM(2015)0192),
- having regard to the Commission communication of 25 February 2015 entitled ‘A Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy’ (COM(2015)0080),

⁽¹⁾ Texts adopted, P8_TA(2016)0310.

⁽²⁾ Texts adopted, P8_TA(2016)0292.

⁽³⁾ Texts adopted, P8_TA(2016)0346.

⁽⁴⁾ Texts adopted, P8_TA(2016)0004.

⁽⁵⁾ Texts adopted, P8_TA(2015)0051.

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- having regard to Regulation (EU) 2015/751 of the European Parliament and of the Council of 29 April 2015 on interchange fees for card-based payment transactions ⁽¹⁾,
 - having regard to Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty ⁽²⁾ (the ‘General Block Exemption Regulation’ (GBER)),
 - having regard to Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings ⁽³⁾,
 - having regard to the White Paper of 9 July 2014 entitled ‘Towards more effective EU merger control’ (COM(2014)0449),
 - having regard to the Commission’s answers to written questions from members of Parliament E-000344/2016, E-002666/2016 and E-002112/2016,
 - having regard to its resolution of 11 November 2015 on aviation ⁽⁴⁾, in particular paragraphs 6, 7 and 11 thereof regarding the revision of Regulation (EC) No 868/2004 in order to safeguard fair competition in EU external aviation relations and reinforce the competitive position of the EU aviation industry, prevent unfair competition more effectively, ensure reciprocity and eliminate unfair practices, including subsidies and State aid awarded to all airlines from certain third countries that distort the market, financial transparency in the fair competition clause being an essential element to guarantee this level playing field,
 - having regard to Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 ⁽⁵⁾ (the ‘Single CMO Regulation’),
 - having regard to Commission Regulation (EU) No 1218/2010 of 14 December 2010 on the application of Article 101 (3) of the Treaty on the Functioning of the European Union to certain categories of specialisation agreements ⁽⁶⁾,
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on Economic and Monetary Affairs and the opinions of the Committee on International Trade, the Committee on the Internal Market and Consumer Protection, the Committee on Transport and Tourism and the Committee on Agriculture and Rural Development (A8-0001/2017),
- A. whereas a strong and effective EU competition policy has always been a cornerstone of the internal market, as it encourages economic efficiency and creates a favourable climate for growth, innovation and technological progress, while pushing down prices;
- B. whereas EU competition policy is an essential instrument for fighting fragmentation of the internal market and thus creating and maintaining a level playing field for businesses throughout the EU;
- C. whereas the European Union, under the leadership of the Commission, should promote a ‘competition culture’ in the EU and worldwide;

⁽¹⁾ OJ L 123, 19.5.2015, p. 1.

⁽²⁾ OJ L 187, 26.6.2014, p. 1.

⁽³⁾ OJ L 24, 29.1.2004, p. 1.

⁽⁴⁾ Texts adopted, P8_TA(2015)0394.

⁽⁵⁾ OJ L 347, 20.12.2013, p. 671.

⁽⁶⁾ OJ L 335, 18.12.2010, p. 43.

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- D. whereas competition policy is in itself a means of safeguarding European democracy, in that it prevents the over-concentration of economic and financial power in the hands of a few, which would undermine the ability of Europe's political authorities to act independently of major industrial and banking groups;
- E. whereas the proper implementation of competition rules (including the antitrust rules) in conformity with the social market economy should prevent the over-concentration of economic and financial power in the hands of a few private companies and also stimulates actors by providing an incentive for them to be dynamic and innovative and to differentiate themselves in the markets;
- F. whereas fair competition policy keeps markets efficient and open, thus leading to lower prices, the emergence of new actors, better-quality products and services and greater choice for consumers, and also promoting research and innovation, economic growth and more resilient companies;
- G. whereas competition policy can and should make a significant contribution to key political priorities such as boosting innovation, quality jobs, the fight against climate change, sustainable growth and sustainable development, investment, resource efficiency, protecting consumers and human health, whilst reinforcing the single market, with particular regard to the digital single market and the Energy Union;
- H. whereas a successful competition policy must not be directed exclusively towards bringing down prices for consumers, but must also be mindful of the innovativeness and investment activity of European industry and the particular competitive conditions for small and medium-sized enterprises;
- I. whereas EU competition policy is also defined by the values of social fairness, political independence, transparency and due process;
- J. whereas EU competition policy is interdependent with other major EU policies, including tax, industrial and digital policies, the coordination of which is intended to ensure compliance with the fundamental principles enshrined in the Treaties, in particular transparency and loyalty;
- K. whereas tax evasion, tax fraud and tax havens are costing the EU taxpayers billions of euros (some estimates put the figure as high as one trillion euros) per year in lost revenue, distorting competition in the single market between those companies who pay their fair share of tax and those who do not;
- L. whereas global cooperation on competition enforcement helps to avoid inconsistencies in remedies and outcomes of enforcement actions, and helps businesses to reduce their compliance costs;
- M. whereas the case law of the Court of Justice of the European Union and the decision-making practice of the Commission give a different interpretation to the notion of 'economic activity' depending on whether the internal market rules or the competition rules are involved; whereas this confusing practice troubles the already burdensome notion of 'economic activity' even further;
- N. whereas a clear, coherent and workable regulatory environment in terms of adaptation of competition policy to agricultural specificities can contribute to strengthening farmers' position within the food supply chain by tackling power imbalances between operators, increasing market efficiency and ensuring legal certainty and a level playing field within the single market;
- O. whereas the shape, strength and timing of economic hazards are difficult to anticipate and it is necessary that a market-oriented common agricultural policy (CAP) provide support to farmers and additional time-limited exemptions to competition rules, in the event of serious market imbalances; whereas during the dairy crisis, the Commission decided to trigger Article 222 of the Single CMO Regulation as a last resort to exempt collective planning of milk production by recognised farmers' groupings from the application of competition law;

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- P. whereas competition policy alone is inadequate to resolve unfair trading practices (UTPs) in the food supply chain;
- Q. whereas Article 102 of the TFEU clearly indicates that directly or indirectly imposing unfair trading practices on other sectors of the food chain constitutes a breach of this Treaty;
- R. whereas the Agricultural Markets Task Force (AMTF) was established with a view to improving the position of farmers in the food supply chain by exploring the possibilities of strengthening their position, including legal possibilities for setting up contractual relations and organising farmers' collective actions; whereas the conclusions of the AMTF must be taken into account, if applicable, with regard to future discussions and measures to be taken;
1. Welcomes the annual report by the Commission on competition policy, which demonstrates that proper EU competition policy can help to restore a sufficient level of investment and innovation by creating a fair competition environment; welcomes the report's focus on the contribution of competition policy to eliminating barriers and distortive State aid measures for the benefit of the internal market; also reiterates that Europe's future should be based on innovation, a social market economy and resource efficiency, which creates a high standard of living for all EU citizens;

Integration of the single market

2. Welcomes the Commission's goal of opening up new opportunities for citizens and businesses and recalls that the free movement of capital, services, goods and people constitute the four freedoms of the single market and that their implementation is key to bringing the EU closer to its citizens; stresses that without an effective EU competition policy the internal market cannot attain its full potential; welcomes the Commission's use of the various instruments at its disposal, including control of mergers, combating abuse of a dominant position and anti-competitive practices, combating cartels, control of State aid, coordination with national and, where applicable, regional competition authorities, and also sectoral inquiries;
3. Maintains that an effective competition policy has to allow for the specific market conditions applying to small and medium-sized enterprises (SMEs), micro-enterprises and start-ups, and must protect workers' rights and make for fair taxation;
4. Calls on the Member States and the EU institutions to prioritise the strengthening of the post-Brexit Single Market by ensuring full compliance with EU competition laws and by further increasing cooperation between Member States on tax issues; also notes that Brexit could negatively affect EU competition policy; underlines, in particular, the risk of duplication of proceedings, which would increase administrative costs and delay investigation processes;
5. Reiterates that fair tax competition is essential for the integrity of the EU internal market, and therefore all market players should pay their fair share of tax and taxes must be paid in the place where profits are generated; underlines that since the Lux Leaks revelation, the EU has acknowledged — in order to strengthen fair competition in the single market — that it needs simple and transparent tax policies and regulation, and has also acknowledged that it is necessary to put an end to unfair tax competition (including illegal tax benefits granted) by Member States, which places a moral hazard and additional tax burden on honest taxpayers and prevents the development of SMEs, also when new entrants and SMEs doing business in only one country are penalised as compared to multinational corporations, which can shift profits or implement other forms of aggressive tax planning through a variety of decisions and instruments available to them only; stresses the need to investigate thoroughly all the cases where it is suspected that the aim is illegal tax optimisation by multinationals; meanwhile, welcomes the Commission's in-depth investigations into anti-competitive practices such as selective tax advantages, which can include excess profit ruling systems, and also welcomes the recent outcomes of investigations demonstrating that selective tax breaks constitute illegal State aid under EU competition law; underlines the need to ensure that the Commission has broad access to information in order to trigger more investigations on suspicious cases; calls on the Commission to draw up clear guidelines on tax-related State aid to cover cases of unfair competition and

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also to make full use of its powers under competition law to help Member States to tackle harmful tax practices efficiently; maintains that greater efforts also need to be brought to bear on aggressive tax practices; stresses that the information about tax rulings and transfer pricing arrangements exchanged between the tax authorities of Member States is particularly decisive; deplores the fact that Member States deny DG Competition access to this information; recommends increased sharing of information between national authorities, and also calls on Member States to publish information on their tax rulings and suggests presenting this information in the form of a regional breakdown where applicable; believes that the Commission decisions which have set out a clear methodology for calculating the value and the undue competitive advantages enjoyed by companies involved in incorrect rulings provide a good legal basis for further convergence;

6. Emphasises that corruption in public procurement has serious market-distorting effects on European competitiveness; reiterates that public procurement is one of the government activities most vulnerable to corruption; highlights that in certain Member States, EU-funded procurement carries higher corruption risks than nationally funded procurement; recalls that tailor-made invitations to tender are widely used to limit market competition; calls on the Commission to continue its effort to prevent the misuse of EU funds and stimulate accountability in public procurement; urges the establishment of the European Public Prosecutor's Office with the necessary rights, in order to better investigate alleged crimes against EU funds;

7. Stresses that State aid proceedings alone cannot put a permanent stop to the unfair tax competition in Member States; recommends, therefore, the establishment of the common consolidated corporate tax base (full CCCTB), which will help to eliminate distortions of competition and provide a guarantee that no profit leaves the EU untaxed, the public disclosure of relevant information on tax rulings, a review of the VAT Directive in order to prevent fraud, and an obligation for large international companies to report publicly their turnover and profits on a 'country-by-country' basis, and calls on the Member States to introduce greater transparency in their tax practices and mutual reporting requirements; reiterates the necessity of implementing the Anti Tax Avoidance Package, the rules on information exchange between EU countries and the quick reaction mechanism to combat VAT fraud in order to ensure fair competition;

8. Considers that fair competition can be hampered by tax planning; welcomes the Commission's recommendation to adjust the definition of 'permanent establishment' so that companies cannot artificially avoid having a taxable presence in Member States in which they have an economic activity; stresses that this definition should also address the specific situation of the digital sector, ensuring that companies engaged in fully dematerialised activities are considered to have a permanent establishment in a Member State if they maintain a significant digital presence in the economy of that country;

9. Stresses the need for single market rules to be enforced also at Member State level and for infringements to be dealt with in order to tackle fragmentation of the single market;

10. Calls for improvement of the one-stop shop based on the current experience of the Mini One-Stop Shops for digital products; notes that even with the Mini One-Stop Shop, small and micro-businesses can face a significant administrative burden;

11. Stresses the need to further reinforce the single market by removing the remaining barriers and obstacles;

12. Reminds the Commission that in order for the EU's single market to function smoothly it is imperative to allow national and regional authorities to intervene in situations which emanate from geographical handicaps that impede the market's ability to flourish in both its economic and social dimensions;

13. Insists on the need to fight against fiscal and social dumping, abusive tax planning and tax evasion to ensure fair competition across the single market;

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14. Urges the Commission to complete the implementation of the Single European Railway Area, ensure full transparency in the flows of money between infrastructure managers and railway undertakings, and verify that each Member State has a strong and independent national regulator;

15. Urges the Council to take swift action to adopt the Commission proposal on the harmonisation of the common consolidated corporate tax base (CCCTB);

16. Takes the view that the adoption of the euro by those Member States that have not yet joined the single currency would strengthen free competition within the internal market;

The digital single market

17. Welcomes the Commission's Digital Single Market Strategy and emphasises the crucial role of competition policy in completing the digital internal market; also supports the Commission's efforts to ensure that EU competition policy applies fully to the digital single market, as competition not only gives consumers more choice but will also provide a level playing field, and regrets that the current lack of a European digital framework has highlighted the failure to reconcile the interests of large and small service providers; underlines that traditional market models of competition policy are often not sufficiently relevant to the digital internal market; calls for greater attention to be focused on the new business models used by digital companies; reiterates that a unified digital single market could create hundreds of thousands of new jobs and could contribute EUR 415 billion per year to the EU economy;

18. In order for its Digital Single Market Strategy to remain credible, stresses that the Commission should complete all other pending cartel investigations carefully without jeopardising quality; calls for the proceedings to be speeded up so that results can be achieved as soon as possible; welcomes, therefore, the supplementary statement of objections sent by the Commission on the comparison shopping service and the statement of objections on the Android case; calls on the Commission to continue to examine determinedly all concerns identified in its investigations, including other areas of search bias (hotels, local searches, flights), in order to guarantee a level playing field for all market players in the digital market; calls for investigation of the dominant hotel booking platforms;

19. Welcomes the Commission's sectoral investigation of e-commerce, the preliminary results of which have identified certain business practices in this sector which could restrict online competition; also welcomes the Commission's commitment towards a European digital single market and its proposal on geo-blocking and other forms of discrimination based on customers' nationality and place of residence; calls on the Commission to take ambitious steps to eliminate illegitimate obstacles to online competition, in order to ensure barrier-free online shopping for EU consumers purchasing from sellers who are based in another Member State; considers, therefore, that targeted actions are needed to improve access to goods and services, in particular by ending unjustified geo-blocking practices and unfair price discrimination based on geographical location or nationality, which often have the effect of building monopolies and of some consumers resorting to illegal content; also calls for EU-level website labelling to guarantee the existence and quality of the services or products offered in order to ensure an even higher level of fair competition and also to strengthen consumer protection;

20. Considers that enhancing the participation of SMEs should play an essential role in the efforts to promote a unified digital single market, and stresses the need to assess the potential impact of every initiative, notably those aiming to promote e-commerce and clarify the permanent establishment status for the digital sector, on the ability of SMEs to benefit from the digital single market;

21. Recalls that net neutrality is of the utmost importance to ensure that there is no discrimination between internet services and competition is fully guaranteed ('net neutrality' meaning the principle according to which all internet traffic is treated equally, without discrimination, restriction or interference, independently of its sender, recipient, type, content, device, service or application);

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22. Highlights the increasing presence of new digitally enabled businesses, in particular internet and mobile phone applications, alongside existing operators, which has opened up new channels for consumers to find, compare and select goods and services across the single market, thus resulting in empowered consumers who seek to make informed choices based on their personal needs and goals;

23. Stresses that the sharing economy offers EU consumers numerous innovative products and services; underlines that sharing economy platforms have brought into play the idea of challenging existing incumbent, dominant players to create a more competitive environment for consumers and businesses alike; reiterates that besides the taxation, administrative framework and security aspects, the Commission should also scrutinise its competition aspects and remove obstacles for market entry of businesses in order to create a level playing field; stresses that this type of economy has already been established several years ago, and that for reasons of legal consistency any irregularities should be resolved at EU level in compliance with the subsidiarity principle; stresses the need to guarantee a high level of consumer and personal data protection in connection with the digital single market; urges the Commission to create a toolkit, which is indispensable in order for the numerous forms and variants of the sharing economy to receive support at EU level and also in the individual Member States, to be applied, to become credible and to win trust, and is aware that this permissive and supportive regulatory framework will not lead to competitive distortions; calls on the Commission to address these concerns again so that the benefits to society of these business models can become tangible in reality within legal frameworks;

24. Calls on the Commission to conduct a wide-ranging review of the effectiveness of existing competition law instruments in the digital age, and where appropriate to develop them further;

25. Stresses that, particularly in a dynamic sector such as the digital economy, it is absolutely crucial for competition proceedings to be swiftly concluded, so that the abuse of a dominant position on the market cannot lead to a market shakeout;

26. Calls on the Commission to take account of the growing convergence in the digital markets by comparing comparable services, such as instant messaging (IM) applications, with equivalent services provided by the general telecommunications sector;

27. Welcomes the Commission's investigations into certain anti-competitive practices by a number of companies, in particular by internet and telecom giants and other media companies, film studios and TV distributors; calls on the Commission to speed up all procedures against anti-competitive behaviour which infringes EU antitrust rules;

28. Welcomes the Commission's decision on recovery in the Apple State aid case, which represents a milestone for addressing the issue of illegal State aid by means of tax advantages; points out, however, that the EU needs to have more stringent legislation on tax rulings, providing also for an effective system and a debt recovery procedure in favour of EU budget own resources; calls on the Commission to rectify any infringement with a view to ensuring fair competition across the single market;

29. Calls on the Commission to bring forward a regulatory strategy taking into account technology convergence and, in particular, the multiplication of platforms; recalls that for this purpose ex ante sectoral regulations must balance defence of pluralism, freedom of expression, protection of personal data, protection of the consumer's autonomy and freedom of choice and equal promotion of competing offers in Europe and of convergent offers for European champions in international competition; calls for inequalities in the balance of power to be corrected and for situations of dependency between economic operators to be alleviated with a view to achieving a fair sharing of value;

30. Welcomes the greater attention being paid to network effects and to data accumulation and analysis in identifying market power on digital markets; takes the view that data play a major role in the digital economy and should therefore be taken into account in assessment under competition rules;

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31. Considers that competition in the internet search and telecommunications sectors is essential, not only to drive innovation and investment in networks and the digital economy but also to encourage affordable prices and choice of services for consumers; calls on the Commission, therefore, to safeguard competition in these sectors, including with regard to internet services and spectrum allocation; welcomes in this connection the Commission's intention, when applying the State aid guidelines on broadband networks, to look sympathetically at the strategic aims of the telecoms package; welcomes the Commission decision to stop the merger of the mobile phone service providers O2 and Three in the UK, to the benefit of European consumers; reiterates the importance of the application of the European Electronic Communications Code and the enhancement of connectivity across the EU;

32. Considers that ending roaming charges in the EU is not sufficient and that intra-EU calls must also be regulated on the same level as local calls; calls on the Commission to submit a legislative proposal for regulating intra-EU calls;

33. Considers that the steps towards ending consumer charges for roaming in the EU are, from a long-term perspective, not sufficient if the single market is to be further deepened, and that incentives for intra-EU calls to be on the same level as local calls must be created, by means of facilitating investments in fully European or shared networks; calls on the Commission to conduct an in-depth consultation with network operators and relevant stakeholders on how to bring down charges for intra-EU calls to the level of local calls in the most efficient way, which at the same time encourages investments and secures global competitiveness and innovation;

34. Calls on the Commission to use its policy and financial instruments and promote exchanges of best practices between Member States to foster investments in various traditional sectors and SMEs that are lagging behind the digital industrial revolution;

35. Underlines that the European Union should encourage all businesses (such as ones with a dominant market share and also start-ups) to innovate;

36. Calls on the Commission to show the same firmness in the conduct and result of the ongoing inquiry against McDonald's;

State aid

37. Welcomes the overhaul of the State aid rules and suggests that a specific annual report be sent to Parliament; reminds the Member States that the aim was to better target aid measures towards long-term, sustainable economic growth, quality job creation and social cohesion, while ensuring an equal level playing field and the free functioning of the social market economy; underlines that the Member States have increased responsibility when granting aid without prior notification to the Commission; underlines that the Commission should provide a sufficient legal basis in competition law in order to boost tourism as an important economic factor in the EU, and that, accordingly, the funding of public tourism organisations should fall under a general GBER exemption; calls on the Commission to scrutinise any last-minute transaction made by a Member State without regard to political pressure applied by the latter; also reminds the Commission of the need to prevent certain governments from acting in bad faith as they do when mispending EU funds;

38. Emphasises that state or regional incentive is one of the policy tools to assure services crucial for the support of economic and social conditions in isolated, remote or peripheral regions and islands in the Union, but that past experiences should also be taken into consideration and these interventions should not be contrary to single market principles; stresses that the connectivity of peripheral island regions is also essential and welcomes the inclusion of social aid for transport for residents of remote regions in the GBER where the problem of connectivity is being recognised; asks the Commission, during the ongoing revision of the General Block Exemption Regulation, to take full account of the European Outermost Regions' (ORs) specificities as laid down in Article 349 TFEU, given that connectivity is vital for local SMEs in the ORs and also the least likely to affect competition in the internal market;

39. Welcomes the Commission Notice on the notion of State aid as part of the State Aid Modernisation Initiative; acknowledges the benefits of the simplified rules that provide certainty to both public authorities and companies; calls on the Commission at the same time to more closely scrutinise prohibited State aid, which has a great negative impact on the Single Market;

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40. Calls on the Commission to put in place a guidance document on the notion of State aid, in the light of important changes in case law and enforcement practice, as soon as possible in order to ensure legal certainty and predictability;
41. Calls on the Commission to launch a road map for less but better-targeted State aid, aiming to open up the possibility of reducing State aid by lowering taxes, therefore stimulating new businesses and fair competition rather than supporting old structures and incumbents;
42. Underlines that when using State aid in order to promote services of general interest, it is the benefit to consumers and citizens that is crucial, not the benefit to individual companies or public entities;
43. Calls on the Commission to closely monitor the renationalisation of public utilities in EU Member States and to prevent illegal State aid granted in the form of public service compensation;
44. Calls on the Commission to push within international competition organisations, such as the International Competition Network, for a harmonised definition of State aid;
45. In order to achieve a properly functioning Energy Union and to avoid non-compliance with State aid rules and also misuse of EU funds, stresses that all State aid cases and public procurement irregularities connected to energy and environmental investments must be strictly monitored and investigated in depth, such as the controversial project to enlarge Hungary's Paks nuclear power plant;
46. Stresses that — as the Commission has stated for the sixth time in its annual competition report — the temporary State aid granted in the financial sector was considered necessary for the stabilisation of the global financial system, but must quickly be reduced, or totally removed and scrutinised as soon as possible; calls on the Commission and the European Securities and Markets Authority (ESMA) to ensure that all consumer protection legislation — such as MIFID or IDD — is applied in a consistent manner across the Single Market and asks the Commission and ESMA to make sure that there is no regulatory arbitrage when implementing these pieces of legislation; calls on the Commission to consider the possibility for State aid to banks to be linked to conditionality of credit to SMEs;
47. Recalls its position as regards the current Commission inquiry regarding Deferred Tax Assets and Credits (DTAs/DTCs) to the benefit of the banking sector in several Member States; is of the opinion that DTAs/DTCs should be made retroactively authorised under State aid provisions if they are tied to explicit conditions regarding financing targets for the real economy;
48. Considers it regrettable that no action was taken by the Commission to address the abuses committed in the restructuring of private banks, including those affecting small depositors and small owners of financial instruments such as preferred shares, which in many cases had been marketed without full compliance with EU legislation; calls on the Commission to address the widespread effects of the mis-selling of financial products uncovered in the restructuring of banks affected by the economic crisis;
49. Recalls its request to the Commission to examine whether the banking sector has benefited since the beginning of the crisis from implicit subsidies and State aid by means of the provision of unconventional liquidity support;
50. Notes that the European Court of Auditors has detected State aid errors in approximately one-fifth of the projects that it audited which were co-financed by cohesion programmes and deemed to have State aid relevance over the period 2010-2014 ⁽¹⁾; notes that one-third of these errors were assessed as having a financial impact and that they are considered to have contributed to the level of error in cohesion policy; considers, therefore, that there is scope for progress in addressing non-compliance with State aid rules in cohesion policy; considers that it is particularly necessary to improve the knowledge of State aid rules in the recipient countries in order to avoid errors made in good faith, as well as to improve the

⁽¹⁾ Special Report No 24/2016 of the European Court of Auditors: 'More efforts needed to raise awareness of and enforce compliance with State aid rules in cohesion policy' — http://www.eca.europa.eu/Lists/ECADocuments/SR16_24/SR_STATE_AIDS_EN.pdf

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recording of irregularities in order to have a better overview of the issue;

51. Is of the opinion that a better understanding is needed at local and national level as regards classification of illegal State aid; welcomes the Commission's recent decisions clarifying which Member State public support measures can be carried out without a State aid assessment by the Commission; regards those decisions as providing helpful guidance for local and municipal projects, reducing administrative burden and at the same time increasing legal certainty;

52. Calls on the Commission to review the interpretation of the relevant competition provisions in connection with the Deposit Guarantee Schemes Directive (DGSD) so that the early stabilisation instruments provided for by the EU legislative authority can actually be brought into use;

53. Underlines the importance of the Commission's investigations into State aid of a fiscal nature, which provide necessary support for the European and international tax agenda, especially in the fight against aggressive tax planning;

54. Calls on the Commission to allocate greater resources to investigating tax rulings that create State aid concerns and to approach such investigations in a systematic manner; notes the fact that the Commission regards the opaque tax rulings awarded by some Member States to certain multinationals as illegal State aid, on the grounds that they distort competition in the internal market; also welcomes the increased awareness of the interlinkages between tax policies and administrative practices in the field of taxation on the one hand and competition policy on the other hand; calls on the Commission to publish a summary of the main tax rulings agreed in the previous year, based on information contained in a secure central directory, including at least a description of the issues addressed in the tax ruling and a description of the criteria used to determine an advance pricing arrangement, and identifying the Member State(s) most likely to be affected;

Antitrust, cartel proceedings and merger control

55. Welcomes the Commission's efforts to prepare guidance on its procedures and its continuous evaluation of the EU legal framework;

56. Underlines the importance of breaking up cartels in the interest of European citizens and European businesses, in particular SMEs; encourages the Commission to streamline administrative procedures in this regard in order to fast-track proceedings;

57. Is of the opinion that the proposed mergers between the world's biggest agro-chemical and seeds companies would lead to the risk of rising prices for seeds and less choice of varieties adapted to agro-ecological conditions; underlines that should these mergers proceed, 61 % of the global seeds market and 65 % of the global pesticides market would be controlled by only three companies;

58. Calls on the Commission to strengthen its action at global level in order to ensure that third countries' competition rules do not conflict with EU provisions to the detriment of European businesses;

59. Calls on the Commission to keep its cartel enforcement record strong and effective in all cases where it has sufficient evidence of infringement; points out that competition policy enables competitors to cooperate in innovation without that cooperation being abused for anti-competitive ends; takes note of last year's five decisions relating to a total of approximately EUR 365 million in fines, as documented in the Commission staff working document accompanying its report on competition policy 2015;

60. Considers that the existing rules relating to fines for infringements could be supplemented by ongoing penalties against those responsible; calls on the Commission to consider the possibility of complementing cartel fines with personal sanctions aimed at company decision-makers, as well as individual penalties for those employees responsible for actually leading their company to commit a violation of competition law — the Commission should, thus, be able to impose measures such as director disqualifications or personal pecuniary sanctions when necessary;

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61. Believes that the use of ever higher fines as the sole antitrust instrument may be too blunt; emphasises that a policy of high fines should not be used as an alternative budget-financing mechanism; favours a 'carrot-and-stick' approach with penalties that serves as an effective deterrent, in particular for repeat offenders, while encouraging compliance;

62. Notes that the number of notified mergers increased significantly in 2015; asks, therefore, for the relevant services to be provided with the necessary resources (via internal reallocation of staff) enabling them to continue to deal effectively with this situation;

63. Welcomes the Commission's recently launched consultation on certain procedural and legal aspects of EU merger control; calls on the Commission, in connection with the planned reform of the Merger Regulation, to examine carefully whether current assessment procedures take sufficient account of circumstances on digital markets and of the internationalisation of markets; considers that, above all within the digital economy, merger assessment criteria must be adapted;

64. Shares the concerns over the current negotiations regarding the merger between Bayer AG and Monsanto Company Inc.; draws attention to the fact that the planned merger would create a potential European and global oligopoly if allowed to proceed; stresses that this merger could result in a monopoly situation in the seeds and pesticides markets, which are important for the agricultural sector; asks the Commission, therefore, to deliver an ex-ante impact assessment of this merger and requests a clear view of the Commission's timing;

65. Is of the opinion that EU merger control arrangements should take account of purchase price as a criterion, since mergers in digital markets have made it clear that turnover thresholds are not sufficient;

66. Calls on the Commission to present a legislative proposal establishing a framework for EU coordination of national competition authorities on merger control;

67. Calls again on the Commission to verify carefully Member States' transposition of Antitrust Damages Directive 2014/104/EU; points out that that directive must be properly transposed by 27 December 2016; deplors the fact that progress with transposition has been slow so far and that many Member States have not yet tabled draft legislation; calls on the Commission, as guardian of the Treaties, to remind Member States of their obligation;

Sectoral aspects

68. Welcomes the Commission's Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy, and agrees with its five interrelated policy dimensions; stresses that it is for Member States to take energy mix decisions;

69. Welcomes the different antitrust investigations, in particular those into Gazprom and Bulgargaz, aimed at ensuring market integration in the Energy Union; regrets, however, the practice on the part of certain Member States of buying gas through offshore companies, as being a typical example of tax avoidance and an act that is contrary to a properly functioning Energy Union; also stresses the importance of preventing the creation of market structures which could impede effective competition in the energy sector;

70. Takes note of the efforts of the Commission to promote the market integration of renewable energy sources in order to avoid distortions of competition; underlines, however, the legally binding commitments undertaken by Member States at the COP21 climate conference, which cannot be met without concrete (state) measures for promoting and financing the production and use of renewable energy;

71. Highlights that European competition policy has a great potential to promote higher environmental and social standards; notes with regret that the Hungarian Government is distorting competition in the renewable energy sector by imposing high taxes and preventing the deployment of energy-efficient and renewable energy technologies; calls on the Commission to continue to support the use of renewable energies in Europe in order to achieve the environmental goals set in the European Union's ten-year Europe 2020 growth strategy; asks the Commission to continue to support the integration of environmental, social and labour requirements into public procurement procedures;

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72. Calls on the Commission to overhaul Commission Regulation (EU) No 267/2010 exempting certain agreements in the insurance sector, given that the exchange of information required for risk calculation purposes and joint risk cover increase legal certainty and competitiveness in the sector, thus facilitating market entry for new firms, enhancing consumer choice and improving economic conditions;

73. Points out the need to differentiate conceptually and policy-wise between competition rules and social policy of the respective Member State; recognises that it is every government's obligation to intervene in order to avoid energy poverty for its citizens;

74. Calls on the Commission and the Member States to cut taxes on energy products and take effective measures to counter energy poverty;

75. Points out that the energy grid is a network-based infrastructure requiring special treatment, to enable and foster self-consumption;

76. Notes that existing government monopolies, such as gambling monopolies, can lead to unfair and anti-competitive practices; draws attention to the risk that by providing licences without concession tenders, or through untransparent and questionable ones, Member State governments have the possibility of favouring certain companies over others, and thus can create an highly anti-competitive environment; calls on the Commission to strictly monitor existing government monopolies and the lawfulness of concession tenders in order to prevent any excessive distortion of competition;

77. Calls on the Commission to propose changes to Regulation (EC) No 261/2004 in order to ensure the same protection for air travellers on flights from third countries, regardless of whether the carrier is an EU or non-EU carrier;

78. Recalls that Article 42 TFEU gives special status to the agricultural sector as regards competition law, affirmed during the latest reform of the CAP by allowing a series of derogations and exemptions from the provisions of Article 101 TFEU; considers that the current crisis in the farming sector is worsening the already weak positions of farmers within the food supply chain;

79. Considers that the collective activities of producer organisations and their associations, such as production planning and sales negotiation and, when appropriate, negotiation of the terms of contracts, are necessary to achieve the CAP objectives defined in Article 39 TFEU and should therefore benefit in principle from a presumption of compatibility with Article 101 TFEU; notes that the current derogations are not used to their full extent and that the lack of clarity of those derogations, the difficulties in implementation and the lack of uniform application by national competition authorities do not provide farmers and their organisations with enough legal certainty, preventing them from self-organising and undermining the good functioning of the internal market; calls, therefore, on the Commission to improve available tools by ensuring that competition policy takes better account of the specificities of the agricultural sector and by appropriately clarifying the scope of the general derogation for agriculture, the specific rules for the dairy, olive oil, beef and veal, and arable crops sectors and individual exemptions under Article 101(3) TFEU;

80. Calls on the Commission to combat, and take binding regulatory actions at EU level against, unfair trading practices in the food chain, which hamper farmers and consumers; calls on the Commission and the national competition authorities to address the concerns raised by the cumulative impact at the upper end of the food supply chain, as well as on retailers and consumers, of the rapid national-level concentration in the distribution sector and the development of international and European-level alliances of major distributors; notes that this structural development might lead to price volatility and falling income of farmers, and raises concerns of possible strategic alignments, reduced competition and reduced margins for investment in innovation within the food supply chain;

81. Emphasises that competition policy defends consumers' interests but does not take into account agricultural producers' interests; stresses that competition policy must attach the same importance to defending the interests of agricultural producers as it does to defending consumers' interests, by ensuring that the conditions for competition and for access to the internal market are fair in order to foster investment, employment, innovation, viability of agricultural businesses and balanced development of rural areas in the EU;

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82. Insists that the concept of 'fair price' should not be regarded as the lowest price possible for the consumer, but instead must be reasonable and allow fair remuneration of each party within the food supply chain;

83. Calls on the Commission to provide Parliament and the Council with a record of the use of existing exemptions by farmers in different Member States in application of Article 225 of the Single CMO Regulation and to appropriately clarify the scope of such derogations as well as individual exemptions from competition rules under Article 101(3) TFEU; calls on the Commission to clarify in particular whether sustainability agreements entered into within the food supply chain to meet societal demands and whose measures go beyond statutory requirements can be exempted from competition law if they contribute to improving production and promote innovation while benefiting consumers;

84. Calls on the Commission to adopt a more extensive approach in defining a 'dominant position' and the abuse of such a position by an agricultural undertaking or a number of such undertakings linked by a horizontal agreement, taking into consideration the degree of concentration and the constraints resulting from the negotiating strength of the input, processing and retail sectors;

85. Considers that, in a single agricultural market, the concept of the 'relevant market' needs to evolve and to be understood primarily from an EU-wide perspective, before lower levels are taken into account, so as not to jeopardise efforts to concentrate agricultural supply by narrowly compartmentalising the activities that agricultural undertakings may engage in;

86. Believes that farmers in all sectors of production should be guaranteed the right to collective bargaining, including the right to agree minimum prices;

87. Believes that farmers should fully engage with and exploit the potential of producer organisations, including producer cooperatives, their associations and inter-branch bodies; calls on the Commission to encourage such collective self-help tools to grow in competencies and efficiencies by clarifying and simplifying the rules applicable to them in order to strengthen their negotiating capacity and their competitiveness, while safeguarding the principles set out in Article 39 TFEU;

88. Calls on the Commission to ensure that the provisions of Article 222 of the Single CMO Regulation are triggered quickly in periods of severe market imbalances and to further assess the efficiency of this measure when applied to the dairy market in view of proposing further temporary adaptations of competition law and procedure in times of serious market imbalances;

89. Welcomes, in this regard, the recent publication of guidelines on the application of these specific rules; considers, however, their legal scope to be too limited and the criteria to be complied with too strict and heterogeneous from one sector to another to provide the necessary legal clarity and certainty to farmers willing to benefit from those derogations;

90. Considers that a relevant-market categorisation does not fully suit the current situation of the olive oil sector and therefore proposes to consider the olive oil market for consumers a single market, with a view to improving the implementation of the rules of Article 169 of the Single CMO Regulation;

91. Believes that, given the variations in olive oil production due mostly to weather conditions, and in order to guarantee the objectives of the members of the producer organisations or the associations of producer organisations, cases where producer organisations are forced to purchase olive oil from non-members should be taken into consideration, while guaranteeing the ancillary nature of this activity to the marketing of the products of their own members;

92. Proposes to extend the scope of the rules of Article 170 on beef and veal meat production to the cattle fattening sector in order to ensure better implementation;

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93. Welcomes, in the context of the end of quotas in the sugar sector, the continued existence of a contractual framework ⁽¹⁾ among beet farmers, their organisations and the sugar companies, allowing them notably to negotiate the terms of value-sharing depending on the developments on the sugar market or other raw materials markets; calls on the Member States to ensure that this possibility is offered to all operators in the sector in order to fulfil the objectives of the Single CMO Regulation, thus ensuring a fair balance of rights and obligations between sugar undertakings and sugar beet producers;

94. Calls on the Commission to assess the influence exerted by retailers on the firms which manufacture their own-brand products;

95. Reiterates the position of Parliament ⁽²⁾ in favour of the adoption of framework legislation at EU level in order to tackle UTPs within the food supply chain; stresses that this legislation must ensure that EU farmers and consumers have the opportunity to benefit from fair selling and buying conditions;

96. Believes that full and satisfactory implementation of the 'Milk Package' ⁽³⁾ is essential in order to strengthen the dairy sector and asks the Commission to propose that the 'Milk Package' should continue to apply beyond mid-2020 and to examine whether its rules could be extended to other sectors of agriculture;

97. Takes note of the conclusions of the study entitled 'Economic impact of modern retail on choice and innovation in the EU food sector' of the Directorate-General for Competition, including the existence of a negative relationship that may exist between innovation and penetration of products under private labels on the food market; calls on the Commission to submit to Parliament the extent of the ongoing discussions to determine whether this negative relationship does reduce innovation and the variety of products available to consumers, and what the long-term consequences of this would be for the supply chain and the situation of farmers;

98. Reiterates the need to develop the EU competition framework progressively in order to include in the monitoring of the food supply chain in Europe the Sustainability Assessment of Food and Agriculture systems (SAFA) indicators of the Food and Agriculture Organisation of the United Nations (FAO), including indicators under the headings of Fair Pricing and Transparent Contracts (S.2.1.1) and Rights of Suppliers (S.2.2.1);

99. Stresses that excessive taxation of any industry could easily destroy competition and would be against the interests of consumers;

100. Calls for further development of the European Food Prices Monitoring Tool to improve the detection of crises in the agri-food sector by means of better and more disaggregated data; highlights, in this respect, the need to engage farmers' organisations in the definition and collection of data;

101. Calls on the Commission to fully take into account the effect of possible market distortions resulting from trade agreements with third countries on the agricultural producers in Europe, given their delicate financial situation and their fundamental role in our society; believes that the Commission should pay particular attention to deals with those countries that have considerably fewer agricultural and health regulations than the EU;

⁽¹⁾ Commission Delegated Regulation (EU) 2016/1166 of 17 May 2016 amending Annex X to Regulation (EU) No 1308/2013 of the European Parliament and of the Council as regards purchase terms for beet in the sugar sector as from 1 October 2017 (OJ L 193, 19.7.2016, p. 17).

⁽²⁾ European Parliament resolution of 7 June 2016 on unfair trading practices in the food supply chain (P8_TA(2016)0250).

⁽³⁾ Regulation (EU) No 261/2012 of the European Parliament and of the Council of 14 March 2012 amending Council Regulation (EC) No 1234/2007 as regards contractual relations in the milk and milk products sector (OJ L 94, 30.3.2012, p. 38).

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102. Calls on the Commission to investigate the nature and substance of distortions in the retail market and to include the potential effect of territorial supply constraints on retailers, given that distortion leads to market fragmentation and the potential for large supermarkets to dominate the market and distort competition within supply chains; emphasises the importance of all stakeholders disclosing relevant information; urges the Commission to start investigating retail price maintenance issues again;

103. Believes that the Commission should further strengthen the links between competition policy and transport policy; notes that the European Court of Auditors' Special Report No 21/2014 states that, besides the specific cases of regional airports or airports in remote areas, connectivity in Europe should be based on economic sustainability; regrets the fact that airport investments have not always produced the anticipated results; calls, therefore, on the Commission to identify the successful and unsuccessful airport development projects; calls on the Commission to revise Regulation (EC) No 868/2004 in order to reinforce the competitive position of the EU aviation industry, prevent unfair competition more effectively, ensure reciprocity and eliminate unfair practices, including subsidies and State aid awarded to all airlines from certain third countries; calls on the Commission to investigate whether certain practices — based on existing bilateral air services agreements signed by Member States with non-EU countries — are detrimental to fair competition between carriers and airports, and are against European consumers' interests; also calls on the Commission to tackle effectively anti-competitive practices that may undermine European consumers' ability to use a variety of online channels, including metasearch comparison services and online travel agents;

104. Calls on the Commission and the Member States to show greater political will towards the further deepening and strengthening of the single market for transport and establishing a level playing field, in order to ensure open and fair competition between public and private operators in the transport, postal and tourism sectors, whilst respecting other EU policies, targets and principles, including the social dimension which is important for the smooth functioning of the internal market for transport;

105. Stresses the importance of connectivity and transport infrastructure for the survival, economic development and provision of public and private services in regional and remote areas;

106. Hopes, therefore, that the global TEN-T network will be completed;

107. Stresses that the need to guarantee more effective protection of transport workers' rights from abuse should not be used as a pretext to restrict free competition between entities from different Member States; calls on the Commission to respect the principles of proportionality and subsidiarity when drawing up laws that will have a significant impact on the functioning of the single transport market;

108. Notes the challenges faced by postal operators as a result of the creation of the digital single market; stresses that the success of this ambitious project, in particular in the area of online trade, depends largely on the form taken by the postal parcel delivery service market; stresses the need to guarantee fair and equal cross-border competition conditions for private entities and public operators providing commercial services;

109. Stresses that any competition policy should respect the social rights of all operators in the sectors concerned;

110. Highlights the fact that EU transport legislation is often poorly implemented and that treaty principles are not respected by Member States, particularly where transport is managed as a monopoly by central government; calls, respectively, on the Commission and the Member States to properly implement and enforce existing EU legislation, which is key to the proper functioning of the internal market, in order to bring additional benefits to business and industry, consumers, the social conditions of workers, and the environment;

111. Stresses the importance of removing physical, technical and regulatory barriers between Member States in order to prevent fragmentation in the single market and facilitate cross-border mobility and territorial cooperation, thereby stimulating competition;

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112. Draws the Commission's attention to the indirect obstacles to competition arising from disparity in rules on taxation, safety, disparity of driving and rest times, type-approval and passenger rights;

113. Welcomes the advances in digital technologies in the transport and tourism sectors, which promote competition, create jobs, facilitate the access of SMEs to larger markets, and bring tangible benefits to the consumer; points out that digitalisation and the welcome development of the collaborative economy will bring significant changes to the sectors' operating environment, and that an appropriate and clear legal framework is required to reap the benefits of the digitalisation process;

114. Stresses that entities operating on the basis of new business models influence the EU's transport and tourism market in a positive way, in particular by making services more accessible and improving their quality;

115. Welcomes the Commission's intention to negotiate external aviation agreements with several key countries and regions in the world; believes that these will not only improve market access, but will also provide new business opportunities for a world-beating European aviation sector, create high quality jobs, maintain stringent standards of safety, take into consideration the rights of workers in the sector, and benefit consumers; stresses that Parliament has an important role to play in these negotiations;

116. Calls on the Commission, in negotiating these external aviation agreements, to include a fair competition clause in order to ensure a level playing field;

117. Considers that with regard to port services, an increasingly open, competitive and transparent regulatory framework needs to be created for public ports in Europe, whilst creating additional job opportunities;

118. Believes that increased competition brought about by the gradual opening up of the EU road haulage market can bring benefits to consumers, but strongly condemns the fact that certain measures being applied by some Member States are undermining the integrity of the single market in this field; supports the position of the Commission in confronting such measures;

119. Hopes that this opening up of the road haulage market will not be a further cause of social dumping, and deplores, in addition, the 'letterbox company' phenomenon;

120. Furthermore deplores that smaller vans are not appropriately addressed in EU policy, despite the fact that they are increasingly used to circumvent the correct application of legislation on employment, safety and environmental protection;

121. Invites the Commission to closely monitor oligopolistic price dumping tendencies, in particular in the aviation and the long-distance / line-bus sectors, and insists on the correct application of EU law and a fair competitive intermodal playing field;

122. Calls for a speedy conclusion to the negotiations on the Fourth Railway Package, and believes this should further open up railway passenger transport to competition and improve the efficiency of the rail sector, whilst ensuring the quality and continuity of public service obligations;

123. Welcomes the adoption of the technical pillar of the Fourth Railway Package, and believes this will strengthen rail safety whilst at the same time removing technical barriers to competition through interoperability;

124. Stresses the importance of tourism as a vital driver of economic growth and job creation, and calls on the Commission to take a proactive approach to promoting the competitiveness of the European tourism sector and creating a favourable environment for its growth and development;

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125. Stresses that postal services, and in particular cross-border parcel delivery, are of fundamental importance for the development of the e-commerce sector across the EU; welcomes the Commission's antitrust inquiry into the e-commerce sector and encourages it to continue monitoring the development of the parcel and postal markets;

126. Stresses the need to finance sustainable, accessible, safe transport projects that could help to improve the functioning of the whole European transport system;

127. Calls for the use of EU funds such as the Connecting Europe Facility (CEF), the Cohesion Fund, the European Fund for Regional Development (ERDF) and Horizon 2020 in order to develop European transport infrastructure and increase the quantity and quality of services;

128. Calls on the Member States to devote sufficient attention to completing cross-border infrastructural projects and to coordinate their most important transport plans with neighbouring Member States;

129. Considers it important to use in full innovative financial instruments such as the European Fund for Strategic Investments, which are suitable for financing transport sector projects to support growth and competitiveness; stresses, however, that the resources earmarked for the EFSI Guarantee Fund cannot be at the expense of the CEF or Horizon 2020, which are vital instruments for the development of a common market in the transport sector;

130. Stresses that the full opening-up of the rail transport market could bring a number of benefits to operators and passengers from all Member States; notes, however, the need to take account of the differing degrees of development of rail infrastructure in the Member States in that process; stresses the need to maintain, in the next multiannual financial framework, current levels of investment in evening out differences in rail infrastructure;

131. Stresses that the need to guarantee more effective protection of transport workers' rights from abuse should not be used as a pretext to restrict free competition between entities from different Member States; calls on the Commission to respect the principles of proportionality and subsidiarity when drawing up laws that will have a significant impact on the functioning of the single transport market;

132. Encourages the Commission to provide analytical methods for the definition of new relevant markets with the digitalisation of the economy and in particular with the phenomenon of convergence of technologies and the commercial use of personal data on a large scale;

133. Calls on the Member States, with a view to ensuring genuine competition between EU road haulage firms, to put an end to the granting of any concessions on roads around urban areas that result in the payment of tolls;

134. Asks the Commission to investigate the alleged cases of VAT fraud in the pork industry; regrets that the Commission has not yet launched an inquiry on this issue, despite the complaints it has received from farmers' associations;

135. Takes the view that current and savings accounts should not incur commission for users unless they are linked to specific services;

136. Reiterates its concern (as expressed in its resolution of 11 June 2013 on social housing in the European Union ⁽¹⁾) about the restrictive definition of social housing given by the Commission within the field of competition policy; calls on the Commission to clarify this definition on the basis of an exchange of best practice and experience between the Member States, taking into account the fact that social housing is conceived of, and managed, in different ways in different Member States, regions and local communities;

⁽¹⁾ OJ C 65, 19.2.2016, p. 40.

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137. Regrets the Commission's failure to react quickly and decisively to attempts by some Member States to restrict free competition in the transport sector; calls for these practices to be abolished and for all possible measures to be taken to guarantee equal access to the single market under the same conditions for entities operating in that sector from all Member States;

138. Considers it important to guarantee competition in the intra-European market in financial services, including insurance, which entails safeguarding the possibility of cross-border acquiring;

139. Reiterates its call on the Commission to release the findings of current investigations into competitive practices in the food supply, energy, transport and media sectors;

140. Rejects the requirement for users to be based in the Member State in which the financial institution or insurance company is domiciled for the purposes of service provision, since this is incompatible with the goal of an internal market in retail financial services;

141. Calls for an immediate investigation into competition concerns arising from the Formula One motorsport industry;

142. Calls on the Commission, when developing and implementing competition policy, to take into account the fact that micro, small and medium-sized enterprises constitute the vast majority of companies in the EU; stresses, in this context, the need for user-friendly competition rules for smaller businesses that wish to operate online and cross-border within the single market;

143. Reminds the Commission, likewise, that financial institutions continue to cancel payment cards if the holder moves to another Member State, and calls for action to be taken in this respect, including by alerting national authorities;

144. Stresses the need to ensure access to medicines by fighting against the abuses of the pharmaceutical industry; notes the need to encourage the use of generic medicines, where available, in the health systems of Member States;

145. Stresses that access to cash via ATMs is an essential public service that must be provided without any discriminatory, anti-competitive or unfair practices and must not, therefore, incur excessive costs;

146. Underlines the need to fight against unfair collective boycotts, defined as a situation in which a group of competitors agree to exclude an actual or potential competitor, as restrictions of competition by object;

147. Expresses its concern at the 'revolving door' scandals affecting EU authorities, and in particular the case of former Commissioner for Competition Neelie Kroes, who will not only lobby for Uber but is also affected by the revelations of the Bahamas Leaks;

Towards more effective national competition authorities in the EU

148. Welcomes the decentralised enforcement of EU competition rules in Europe, but considers that the effectiveness of the protection of citizens and companies from anti-competitive practices should not depend only on the Member State in which they are resident; takes the view that the cartel procedure regulation (Regulation (EC) No 1/2003) has done much to create a level playing field for businesses throughout the internal market; emphasises, however, that there are still differences between national systems and national competition authorities, in particular as regards independence, the setting of fines and leniency programmes; takes the view that effective, uniform procedural provisions are essential if EU cartel law is to be enforced and legal certainty guaranteed for consumers and businesses; calls on the competition authorities in the Member States to make full use of the possibilities offered by European cooperation in the context of the European Competition Network (ECN);

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149. Considers it essential, therefore, that the national competition authorities in the EU have the means and instruments they need to be effective enforcers of EU competition rules, including the tools to detect, tackle and sanction infringements and the leniency programmes that will be essential if companies are to come clean about cartels across Europe;

150. Reiterates that the independence of national competition authorities is of paramount importance, and that this includes ensuring that they have the resources they need to perform their tasks;

151. Welcomes, in that connection, the consultation procedure launched by the Commission, which is likely to lead to a legislative proposal on strengthening the enforcement and sanctioning tools available to the national competition authorities, the so-called ECN+; reiterates that enforcement by multiple authorities in the same or related cases creates a risk of overlapping and potentially inconsistent action that reduces legal certainty and creates unnecessary costs for businesses; calls, therefore, on the Commission to put forward a proposal for proactive EU action in order to ensure that the national competition authorities are more effective enforcers and act in a coherent and convergent fashion, so that the full potential of the decentralised system of EU competition enforcement can be realised; calls for Parliament to be fully involved under the codecision procedure;

152. Emphasises that international cooperation between competition authorities is essential in a globalised world; therefore supports active participation of the Commission and the national competition authorities in the International Competition Network; calls on the Commission to examine the scope for concluding with more third countries competition agreements which facilitate exchanges of information between investigating authorities; emphasises that in this regard the competition agreements already concluded with Switzerland and Canada can serve as models for future agreements of this kind; also considers that international trade and investment agreements should have a strong competition section;

153. Invites the Commission, without compromising the independence of national competition authorities, to assess the different levels of national sanctions for infringements in the Member States and to assess the possibility and desirability of streamlining these differences;

154. Considers it essential for the Commission to continue to promote better cooperation among national competition authorities in the EU;

155. Underlines that the independence of DG Competition is of the utmost importance for it to achieve its goals in a successful manner; calls again for a strict separation between the departments that draw up guidelines and those that have the responsibility of applying those guidelines; calls on the Commission to reallocate sufficient financial and human resources to DG Competition; requests that the Commission have sufficient technically skilled engineers available when investigating high-tech companies; urges the Commission to bring into line with practices for other Commission officials the ethical rules for DG Competition's Chief Economist's Team;

Democratic strengthening of competition policy

156. Welcomes the efforts of Ms Vestager, the current Commissioner responsible for competition, to have a regular structured dialogue with Parliament, in particular with the Committee on Economic and Monetary Affairs and the Working Group on Competition Policy; asks the Commission to deliver more comprehensive feedback on the specific requests made in Parliament's annual competition report; deems that a dedicated structured dialogue could contribute to a more thorough follow-up process of the respective annual competition reports;

157. Welcomes the Commission's initiatives for public consultation in applying merger control and invites it to discuss the results with Parliament;

158. Calls for extension of the dialogue between European institutions and national competition authorities, in particular to include exchanges of views with the parliamentary committees of the European Parliament;

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159. Reiterates its call to the Commission to incorporate the guidelines on the setting of fines into binding legal provisions;

International dimension of competition policy

160. Welcomes the fact that the Commission is committed to an open and constructive exchange on competition issues globally; welcomes the progress made on competition provisions in certain Free Trade Agreements (FTAs), but also urges the Commission to continue its work on including competition and State aid provisions in the negotiations on all FTAs;

161. Emphasises that fair competition in the area of trade, services and investment has a positive impact on social and economic development for the EU and the EU's trade partners; calls on the Commission and the Council to swiftly finalise their work on the modernisation of the trade defence instruments, which are needed to secure fair competition in the EU market, and takes the view that trade agreements should systematically address the challenge of unfair trade practices by third countries;

162. Calls on the Commission to work together with trade partners with a view to ensuring that their markets are more open to EU firms, particularly as regards energy, transport, telecommunications, public procurement and services, including services provided in the context of exercising regulated professions;

163. Calls on the Commission to include ambitious provisions on competition in all trade agreements and to carry out effective monitoring to ascertain whether those provisions are properly implemented by the parties with respect to all rules, including provisions on State aid, and with respect to all economic operators, including state-owned enterprises;

164. Emphasises the importance of supporting developing countries in their efforts to promote and implement competition rules in practice;

165. Calls on the Commission to support efforts to set up a comprehensive, user-friendly database containing provisions on competition collated from free trade agreements, which could be run by the WTO secretariat;

166. Welcomes the progress made at the WTO Ministerial Conference in Nairobi on the export subsidy reduction that aims to ensure undistorted competition in the international markets for agricultural products; in this context, stresses the sensitivity of the agricultural sector and the need to take clear and effective measures, including within the framework of the WTO agreements, allowing European producers to remain competitive in international markets;

167. Reiterates that equal access to natural resources, including energy sources, has a fundamental impact on fair and equal competition on the global market and calls on the Commission to include in trade agreements provisions that improve access to such resources, including provisions on anti-competitive practices of state-owned enterprises and on non-discrimination and transit;

168. Stresses that competition policy is an important part of the internal market, as provided for in the Treaty; reiterates that a competitive and fully-functioning single market is needed to boost sustainable growth, employment and innovation in the EU and that efforts to preserve fair competition in the EU as a whole are in the interest of consumers, start-ups and SMEs; believes that the enforcement of European legislation should not be weakened through the use of the EU pilot instead of formal infringement proceedings and that it is necessary to seek to preserve competition;

169. Encourages the Commission not to direct all its efforts to ensure fair competition on high-profile cases against well-known big companies; reminds the Commission that the enforcement of fair competition is also of importance for SMEs;

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170. Calls for the strengthening of freedom of choice for consumers; considers that the right to data portability contained in the General Data Protection Regulation represents a good approach to strengthening both consumer rights and competition; stresses the need to examine how to ensure interoperability between digital networks by means of open standards and interfaces;

171. Calls on the Commission to examine and correct the situation of independent retailers who are allowed under competition law to work together through their brick-and-mortar shops, but are accused of unfair competition if they provide joint e-commerce offerings;

172. Calls on the Commission to ensure that the EU public procurement rules are implemented in a timely manner, with particular reference to the deployment of e-procurement and the new provisions encouraging the division of contracts into lots, which is essential to foster innovation and competition and to support SMEs in procurement markets;

173. Calls on the Commission to avoid creating monopolies or closed value chains through standardisation; believes that an appeals process should be introduced to review standards where they may carry a risk of impacting competitiveness;

174. Expresses its concern at the level of concentration in some sectors, such as the chemical sector, in light of recent mergers; requests the Commission to explain how it allows for the possibility of market entry, in particular by start-ups; asks the Commission to examine whether the market power of an enterprise resulting from information and data, and the handling of such information and data, as well as the number of users, should be taken into account as test criteria for merger control; calls for considering whether the merging of data and information, in particular on customers, could result in a distortion of competition;

175. Regards competition in the telecommunication sector as crucial to drive innovation and investment in networks, as well as for choice in services for consumers; regards rapid broadband expansion as key to the completion of the digital single market; welcomes in this context the fact that the Commission will consider the strategic connectivity objectives, as set out in the Telecommunications Package, when applying the Broadband State aid Guidelines;

176. Refers to the European Court of Auditors' most recent report on non-compliance with State aid rules in cohesion policy, which notes a significant level of non-compliance and calls for a number of recommendations to be implemented; expresses concerns about these findings, as it is to the detriment of a well-functioning internal market, and, therefore, asks the Commission to take the recommendations made by the Court into consideration and to increase its efforts to avoid further defects;

177. Supports the Commission's actions on anti-cartel enforcement, such as recently in the retail food and optical disc drive sectors, with the aim of guaranteeing fair prices for consumers;

178. Asks the Commission to examine whether there are any discrepancies in the sale of products in the single market, which might have a negative impact on local producers, especially SMEs;

179. Notes that, in its resolution on the annual report on competition policy for 2014, Parliament called on the Commission to closely monitor alliances between major distributors in Europe, and welcomes the Commission's willingness to discuss the impact of such alliances on producers and consumers within the European Competition Network;

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180. Instructs its President to forward this resolution to the Council, the Commission, and the national and, where applicable, regional competition authorities.

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Promoting gender equality in mental health and clinical research**European Parliament resolution of 14 February 2017 on promoting gender equality in mental health and clinical research (2016/2096(INI))**

(2018/C 252/10)

The European Parliament,

- having regard to the Treaty on the Functioning of the European Union, and in particular its Article 19 and its Article 168, which lists ensuring 'a high level of human health protection' among the objectives of all EU policies,
- having regard to the Charter of Fundamental Rights of the European Union, and in particular Articles 21, 23 and 35 thereof,
- having regard to Regulation (EU) No 536/2014 of the European Parliament and of the Council of 16 April 2014 on clinical trials on medicinal products for human use and repealing Directive 2001/20/EC,
- having regard to Directive 2001/20/EC of the European Parliament and of the Council of 4 April 2001 on the approximation of the laws, regulations and administrative provisions of the Member States relating to the implementation of good clinical practice in the conduct of clinical trials on medicinal products for human use ('the Clinical Trial Directive'),
- having regard to the Commission communication of 3 March 2010 entitled 'Europe 2020: A strategy for smart, sustainable and inclusive growth' (COM(2010)2020),
- having regard to the Commission Green Paper entitled 'Improving the mental health of the population — Towards a strategy on mental health for the European Union' (COM(2005)0484),
- having regard to the EU-Compass for Action on Mental Health and Well-being,
- having regard to the Comprehensive Mental Health Action Plan 2013-2020 of the World Health Organisation (WHO),
- having regard to the WHO's Global Strategy for Women's, Children's and Adolescents' Health 2016-2030,
- having regard to the Mental Health Declaration for Europe of 2005, signed by the WHO, the Commission and the Council of Europe,
- having regard to the WHO's European Mental Health Action Plan 2013-2020,
- having regard to the European Pact for Mental Health and Well-Being of 2008,
- having regard to the Commission's Joint Action on Mental Health and Well-Being (2013-2016),
- having regard to General Comment No 14 of the UN Committee on Economic, Social and Cultural Rights on 'The right to the highest attainable standard of health' (UN Doc. E/C.12/2000/4) and to General Comment No 20 on 'Non-discrimination in economic, social and cultural rights' (UN Doc. E/C.12/GC/2009),
- having regard to Recommendation CM/Rec(2010)5 of the Committee of Ministers of the Council of Europe to member states on measures to combat discrimination on grounds of sexual orientation or gender identity,

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

- having regard to the report of the Committee on Women's Rights and Gender Equality and the opinion of the Committee on Development (A8-0380/2016),

- A. whereas the right to the highest attainable standard of physical and mental health is a fundamental human right and includes an obligation of non-discrimination; whereas everyone should have access to healthcare; whereas access to mental healthcare is an issue of crucial importance with a view to improving the quality of life of European citizens, fostering social inclusion and ensuring economic and cultural development in the Union;

- B. whereas in a global context marked by an ongoing economic crisis and a sharp rise in unemployment, in particular among young people and women, the incidence of mental health problems such as depression, bipolar disorders, schizophrenia, anxiety and dementia is steadily increasing;

- C. whereas the WHO defines mental health as physical, mental, and social wellbeing, and not just the absence of disease or infirmity; whereas according to the WHO, 'mental disorders' denotes a range of mental and behavioural disorders, such as depression, bipolar affective disorder, schizophrenia, anxiety disorders, dementia and autism; whereas the WHO defines mental health as a state of emotional and psychological wellbeing in which an individual is able to use his or her cognitive and emotional capabilities, function in society, meet the ordinary demands of everyday life, establish satisfactory and mature relationships with others, make a constructive contribution to social change and adapt to external conditions and internal conflicts;

- D. whereas mental health must be seen and addressed holistically, by taking account of social, economic, and environmental factors, requiring a psychosocial all-of-society approach to attaining the highest possible level of mental well-being for all citizens;

- E. whereas a holistic strategy on mental health and wellbeing must include a life-cycle perspective, taking into account different factors that affect individuals of different ages; whereas the specific vulnerabilities of teenage girls and older women must be taken into account;

- F. whereas physical and mental health are interlinked, and are both central to general wellbeing; whereas it is recognised that poor mental health can lead to chronic physical conditions and that those with chronic physical conditions are more likely to develop mental health conditions; whereas despite the known links between the two, research on physical health is often prioritised over that on mental health;

- G. whereas women's and girls' mental health is adversely affected by a variety of factors, including prevalent gender stereotypes and discrimination, objectification, gender-based violence and harassment, workplace environment, work-life balance, socio-economic conditions, absence or poor quality of mental health education, and limited access to mental healthcare;

- H. whereas almost 9 out of 10 people suffering from mental health problems say they have been affected by stigma and discrimination, and more than 7 out of 10 report that stigma and discrimination reduce their quality of life;

- I. whereas attention must be paid to geographic factors of mental health and wellbeing and to differences between urban and rural environments, inter alia in terms of demographics, access to care and service provision;

- J. whereas the hormonal changes during perimenopause, and the time after menopause, may affect a woman's emotional health and lead to mental health problems, including depression and anxiety; whereas hypersensitivity to symptoms may hinder timely detection and appropriate treatment;

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- K. whereas determinant factors of mental health and wellbeing vary between men and women and age groups; whereas factors including gender inequality, income disparities, women's greater exposure to poverty and overwork, socio-economic discrimination, gender-based violence, malnutrition and hunger expose women further to mental health problems; whereas according to the WHO, there is no significant gender difference in the case of severe mental disorders but women have higher rates of depression, anxiety, stress, somatisation and eating disorders, while men have higher rates of substance abuse and antisocial disorders; whereas depression is the most common neuropsychiatric disorder and is more likely to affect women than men; whereas it is also the most common illness among women in the 15 to 44 age group;
- L. whereas mental health conditions and mental wellbeing are often overlooked, ignored, or suppressed, due to stigma, prejudice or lack of awareness or resources; whereas this leads many of those with mental health conditions not to seek care, and for doctors to fail to diagnose patients, or at times diagnose wrongly; whereas the diagnosis of mental health conditions is heavily gendered, with women more likely to be diagnosed with certain conditions than men;
- M. whereas in particular lesbian and bisexual women, as well as transgender and intersex persons, face specific mental health issues arising from minority stress, defined as the high levels of anxiety and stress caused by prejudice, stigmatisation and experience of discrimination, as well as medicalisation and pathologisation; whereas LGBTI people may face specific mental health and wellbeing challenges which must be taken into account in any mental health strategy;
- N. whereas the forms of somatisation occurring most frequently in women and more likely to be diagnosed in women than in men include fibromyalgia and chronic fatigue, the main symptoms being pain and exhaustion, although women have many other symptoms that are common to other diseases;
- O. whereas transgender identities are not pathological, but are deplorably still considered mental health disorders, and most Member States request such diagnoses for access to legal gender recognition or transgender-related healthcare, even though research has shown that the 'gender identity disorder' diagnosis is a source of significant distress for transgender persons;
- P. whereas depressive disorders account for 41,9 % of all cases of disability resulting from neuropsychiatric disorders among women, as compared to 29,3 % among men;
- Q. whereas the WHO has estimated that depression affects 350 million people; whereas by 2020 this illness will be the second leading cause of inability to work;
- R. whereas gender-variant prepubescent children are still subjected to unnecessary and harmful diagnostic practices, while every child should be able to safely explore their gender identity and expression;
- S. whereas, because of a variety of factors, primarily concerning different gender roles and gender inequalities and discrimination, depression is approximately twice as prevalent among women as it is among men, and transgender people show significantly elevated levels of suicide ideation and attempts; whereas studies show that imposed traditional gender roles negatively affect women's mental health and wellbeing;
- T. whereas not enough attention is paid to mental health and wellbeing in education systems across Member States, or in the workplace, given that mental health is often highly stigmatised or a taboo subject; whereas education on mental health fights the stigma surrounding the subject, and it should address gender-specific vulnerabilities, gender stereotypes and discrimination facing women and girls;

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- U. whereas men and boys experience gendered mental health conditions; whereas in Europe, men are almost 5 times more likely to commit suicide than women and suicide is the biggest cause of death for men under the age of 35; whereas men are 3 times more likely than women to become alcohol-dependent and are more likely to use (and die from) illegal drugs; whereas men are less likely to access psychological therapies than women; whereas men and boys face gender stereotypes surrounding masculinity which may encourage repression of emotions or resort to anger, and these have an impact on men's mental health, as well as on the phenomenon of gender-based violence;
- V. whereas there are about 58 000 suicide cases a year in the EU and a quarter of those who commit suicide are women, and whereas suicide continues to be a major cause of death;
- W. whereas the psychosocial all-of-society approach to mental health requires policy coherence for wellbeing, coordinating healthcare, education, employment, economic and social policies in order to attain higher overall levels of mental wellbeing;
- X. whereas eating disorders such as anorexia and bulimia are increasing among adolescent and post-adolescent girls;
- Y. whereas the long-term physical and mental health effects of eating disorders such as anorexia and bulimia have been well documented, as has the gender dimension of their causes;
- Z. whereas at work women are more exposed to psychological and/or sexual harassment, which causes psycho-physical problems among those subjected to it;
- AA. whereas social care models that address mental illness through sport, arts, or social activities should be taken into account in public health programmes in respect of prevention, treatment, and rehabilitation;
- AB. whereas people with disabilities risk suffering exacerbated mental health conditions;
- AC. whereas sex and relationship education is key for overcoming gender stereotypes, tackling gender-based violence, and improving mental health and wellbeing for both girls and boys and women and men;
- AD. whereas mental health conditions and illnesses are one of the main causes of incapacity, adversely affecting health, education, the economy, the labour market and the EU's welfare systems, causing large-scale economic costs and a significant adverse impact on the EU economy, giving further impetus to the need to tackle mental healthcare in a holistic, comprehensive, and gender-sensitive manner; whereas, according to a study conducted by the European Depression Association (EDA), one in 10 workers in the EU has taken time off work for depression, costing society an estimated EUR 92 billion, mainly as a result of lost productivity;
- AE. whereas above and beyond biological characteristics, women's mental health depends on factors such as the education that they have received, the extent to which they have internalised social and cultural values, norms, and stereotypes, the way in which they have lived through and assimilated their experiences, the attitudes that they have towards themselves and others, the roles that they play, and the obstacles and pressures facing them;
- AF. whereas taking account of women's diversity and their physiological distinctness from men, and incorporating these factors into both preventive and treatment-oriented health policies addressed to women, with specific measures targeting vulnerable and marginalised groups, would strengthen the effectiveness of those policies;

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- AG. whereas for various reasons female subjects have been excluded from toxicology, biomedical research and clinical trials, and whereas large gender gaps in research limit how much we know about the difference between women's health and men's; whereas, as a result, biomedical research has tended to reflect predominantly a male perspective, mistakenly assuming women and men to be identical in areas where physiological differences exist; whereas there is a lack of research on the specific needs of intersex women;
- AH. whereas the exclusion and under-representation of women as subjects and of gender and sex as factors in biomedical research and clinical trials put women's lives and health at risk;
- AI. whereas Regulation (EU) No 536/2014 on clinical trials of medicinal products for human use introduced requirements for taking account of gender in trials, but the implementation of this regulation needs to be evaluated; whereas the regulation does not specify any considerations regarding women other than for pregnant and breastfeeding women;
- AJ. whereas specific strategies to implement guidelines for the study and evaluation of gender differences in the clinical evaluation of drugs have not been developed by the European Medicines Agency (EMA), despite the fact it has acknowledged that 'some of the factors that influence the effect of a medicine in the population may be important when considering potential differences in response between men and women' and that 'gender-specific influences can also play a significant role in drug effect' ⁽¹⁾;
- AK. whereas the impacts of such drugs or medication as contraceptive devices, antidepressants and tranquilisers have on women's physical and mental health are still poorly understood, and require further research with a view to eliminating harmful side-effects and improving care delivery;
- AL. whereas the sex and gender dimensions of health imply that women face a number of specific health risks over their lifetimes;
- AM. whereas there is a lack of comparable data on available, accessible and quality transgender-specific healthcare, and products used in hormone replacement therapy are not properly tested and licensed;
- AN. whereas maternal mortality is regarded as a major marker of health system efficiency, quality and performance;
- AO. whereas lack of access to of sexual and reproductive rights, including safe and legal abortion services, endangers the life and health of women and girls and of all persons with reproductive capacity, increases maternal mortality and morbidity, and leads to the denial of life-saving care and to an increased number of clandestine abortions;
- AP. whereas in all countries with available data, significant differences in health exist between socio-economic groups and between women and men, in the sense that people with lower levels of education, occupation and/or income tend to have systematically higher morbidity and mortality rates; whereas these health inequalities are one of the main challenges for public health policies today; whereas adverse socio-economic conditions, poverty and social exclusion have a significant negative impact on mental health and wellbeing;
- AQ. whereas comprehensive, age-appropriate, evidence-based, scientifically accurate and non-judgmental sexuality education, quality family planning services and access to contraception help to prevent unintended and unwanted pregnancies, reduce the need for abortion, and contribute to the prevention of HIV and STIs; whereas teaching young people to take responsibility for their own sexual and reproductive health has long-term positive effects, lasting throughout their lifetime and having positive impact on society;

⁽¹⁾ EMA/CHMP/3916/2005 — ICH http://www.ema.europa.eu/docs/en_GB/document_library/Scientific_guideline/2010/01/WC500059887.pdf

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- AR. whereas one in four births in the EU is now by caesarean section and, statistically, attendant health problems for mothers and children are increasing;
- AS. whereas there are already dangerous gaps in provision in some Member States as a result of closures of maternity hospitals and the considerable reduction in the number of midwives and obstetricians;
- AT. whereas restrictions and budget cuts imposed by national governments in the area of public health and education also make access to health and mental health services more difficult and this impacts disproportionately on women, especially single mothers, and on large families;
- AU. whereas female migrants, refugees and asylum seekers may additionally suffer from sometimes very serious medical conditions as a result of a lack of proper treatment or face specific problems related to reproductive health, such as complications with pregnancy and childbirth and potential additional psychological trauma such as antenatal and postnatal depression, as well as a risk of traumatic exposure to, or consequences of, (sexual) violence and abuse, and specific risks to their mental health and well-being; whereas there are several specific challenges to providing mental health care to these categories, the extent of which varies depending on a range of factors, including where the persons have come from and the amount of time they have spent in the host country;
- AV. whereas women suffer from certain forms of cancer such as breast, uterus and cervical cancers that exist predominantly among or are exclusive to women;
- AW. whereas women suffering from cancer who have been subjected to surgery and invasive treatments such as radiotherapy and chemotherapy are in general more prone to depression;
- AX. whereas 10 EU Member States have set the target of screening 100 % of the female population for breast cancer, and whereas eight have such a target for cervical cancer screening;
- AY. whereas illnesses such as osteoporosis, musculoskeletal problems and central nervous system illnesses such as Alzheimer's and/or dementia are linked to hormonal changes that women experience at the time of menopause, or earlier because of hormonal treatments; whereas, although it is known that women are affected by these illnesses with a higher frequency than men, the gender dimension of research on such topics has been weak;
- AZ. whereas endometriosis is an incurable disease affecting about 1 in 10 women and girls (i.e. roughly 180 million women worldwide and 15 million within the EU); whereas this illness frequently leads to infertility and often causes high levels of pain and mental health problems, thus making it highly incapacitating for various aspects of work and of personal and social life;
- BA. whereas physical and psychological gender-based violence and violence against women and their impact on victim's health constitute a fundamental barrier to the achievement of gender equality and women's full enjoyment of the freedoms guaranteed by fundamental human rights;
- BB. whereas women and girls who are subjected to female genital mutilation are exposed to serious short- and long-term effects on their physical, psychological, sexual and reproductive health;
- BC. whereas intersex persons subject to genital mutilation also experience effects on their physical, psychological and sexual and reproductive health;
- BD. whereas transgender people are still exposed to forced sterilisation in gender recognition procedures in 13 Member States;

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- BE. whereas systematic and adequate data collection on violence against women is crucial in order to ensure effective policymaking in the field, both at central and at regional and local levels, and monitor the implementation of legislation;
- BF. whereas women who have been subjected to gender-based violence suffer after-effects, often for life, in their physical and mental health; whereas according to the WHO's World Report on Violence and Health ⁽¹⁾, the repercussions which gender-based violence has on women can take a variety of forms: physical effects (bruising, fractures, chronic pain syndromes, disability, fibromyalgia, digestive problems, etc.); psychological and behavioural effects (alcohol and drug abuse, depression and anxiety, eating and sleep disorders, feelings of shame and guilt, phobias and panic attacks, low self-esteem, post-traumatic stress disorder, psychosomatic disorders, suicidal and self-harming behaviour, insecurity in later relationships, etc.); sexual and reproductive effects: gynaecological disorders, infertility, complications during pregnancy, miscarriages, sexual dysfunction, sexually transmitted diseases, unwanted pregnancy, etc.); and fatal effects (murder, suicide, death from a sexually transmitted disease, etc.);

Gender equality in mental health

1. Calls on the Commission and the Member States to follow up on the EU-Compass for Action on Mental Health and Well-being with an ambitious new strategy on mental health, promoting a holistic psychosocial all-of-society approach, which includes a strong gender pillar and ensures policy coherence on mental health;
2. Notes that in the EU, 27 % of the adult population, including both men and women, have experienced at least one episode of mental illness;
3. Calls on the Member States to take measures and allocate sufficient resources to ensure access to healthcare and specifically to mental health services — including women's shelters — for all women, independently of their legal status, disability status, sexual orientation, gender identity, sex characteristics, race or ethnic origin, age or religion; calls on the Member States and the Commission to address the disparity in access to mental health provision;
4. Notes that more research is needed on the mental health impact of gender-based violence, including verbal and psychological violence, harassment and intimidation;
5. Calls on the Commission, the Member States, and local authorities to ensure that their mental health strategies address the mental health challenges that could be faced by LGBTI people; encourages Member States to implement the recommendations contained in the Council of Europe's document CM/Rec(2010)5, and to take account of the specific needs of lesbians and bisexual and transgender persons when developing health policies, programmes and protocols;
6. Calls on the Member States to promote the setting-up of psychological support centres for cancer patients in order to provide them with psychological support throughout their treatment and rehabilitation process;
7. Draws attention to the serious situation faced by women with disabilities, who are more often at risk of difficulties that are directly related not only to their disabilities, but also to increased social isolation and involuntary inactivity; calls on the Member States to systematically increase the accessibility of preventive psychological care for women with disabilities, and to provide psychological support for women caring for a seriously disabled child; highlights the need for a strategy and sharing of best practices on mental health and wellbeing for women and girls with disabilities;
8. Calls on the Commission and the Member States to promote information and prevention campaigns and other initiatives to raise public awareness of mental health problems and to overcome stigma; urges the Member States and the Commission to invest in formal, informal and non-formal education for mental health and wellbeing for all age groups, with an emphasis on gender-sensitive mental health conditions such as depression, anxiety or substance abuse; calls on the Member States to ensure that schools have the appropriate frameworks in place to identify and support those suffering from mental health problems, including gender aspects, and to ensure the accessibility of mental health services; notes that 70 % of children and young people who experience a mental health problem have not received appropriate intervention at a sufficiently early age;

⁽¹⁾ Krug, Dahlberg, Mercy, Zwi and Lozano, 2002.

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9. Calls on the Commission, the Member States and the European Institute for Gender Equality (EIGE) to increase the collection of regular data on mental health at EU and national level, and in particular on the prevalence of depression, with the data collected being disaggregated at least by sex, gender, age group and socio-economic status and including sexual and reproductive health indicators;

10. Believes that the action taken at EU level on mental health and wellbeing should involve leading figures in the political, health, educational and social spheres, together with social partners and civil society organisations; considers it essential that mental health should cease to be a taboo subject in certain social environments;

11. Insists that the link between socio-economic conditions, mental health and wellbeing is crucial to policy coherence on mental health, since poverty and social exclusion lead to greater mental health problems; notes that the feminisation of poverty and austerity policies that disproportionately impact women put women's mental wellbeing at greater risk;

12. Highlights the importance of social mental health treatment and care, such as through sport, music, arts and cultural activities, as an important element in health service delivery, and one which reduces the economic and human cost that mental health problems can bring to bear on individuals and society as a whole; calls on the Commission and the Member States to invest more in social mental health care programmes, such as social prescribing;

13. Notes with concern that only 13 EU Member States are known to the WHO to have a national suicide prevention strategy; calls on the Commission and the Member States to establish and implement a national suicide prevention strategy and for measures to be taken to reduce the risk factors involved in suicide, such as alcohol abuse, drugs, social exclusion, depression, and stress; also calls for systems to be set up to provide support following suicide attempts;

14. Recognises the impact of the media, and particularly the internet and social media, on mental health and wellbeing, particularly for young women and girls, and notes that more research must be done on the subject; notes that media cultures that emphasise women's age and physical appearance potentially cause women and girls adverse effects on their mental health and wellbeing such as anxiety, depression, or obsessive behaviour; underlines that effective tools, including legal measures, must be developed to deal with online bullying, harassment and objectification; highlights the need to develop an ambitious strategy on e-mental health and wellbeing, and to promote and work with stakeholders to develop emerging e-therapies; recognises that a media strategy on mental health must involve all stakeholders, including publishers and the advertising industry, who must adopt ethical standards so as to avoid the objectification of women and promotion of gender stereotypes;

15. Points out that some women have a distorted perception of their image due to media, stereotyped advertising and social pressure, and develop eating and behavioural disorders, for instance anorexia, bulimia, orthorexia, binge eating disorder, or bigorexia; supports a gender-sensitive approach to eating disorders and the need to mainstream it within the discourse on health and in information addressed to the general public; calls on the Member States to set up assistance and support contact points in schools to provide psychological support to students, in particular adolescent girls, who are more prone to developing eating disorders;

16. Welcomes the fact that, for the first time, world leaders are recognising the promotion of mental health and wellbeing and the prevention and treatment of substance abuse as health priorities within the global development agenda;

17. Raises serious concerns over the provision of mental health care and facilities to refugee women and girls in Europe, particularly those living in makeshift conditions across Member States; highlights that detention of refugees and asylum seekers without effectively and efficiently processing their asylum claims is in violation of international law and has a negative impact on their mental health and wellbeing; calls on the Member States to protect women asylum seekers in detention, and stresses that these women are to be provided with immediate protection, including ending detention, speeding up relocation and promoting support and counselling; calls on the Member States to delink health policies from immigration control by allowing access to basic healthcare services and not imposing a duty to report undocumented

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migrants on healthcare practitioners; asks the Member States, moreover, to implement the multi-agency guidelines on protecting and supporting the mental health and psychosocial wellbeing of refugees, asylum-seekers and migrants in Europe, as prepared by WHO/Europe, UNHCR and IOM;

18. Points out that women often have to work a two-in-one working day, that is to say, a day's work at their place of employment and a day's work at home, because men do not devote themselves sufficiently to the responsibility of household tasks and bringing up daughters and sons, causing many women to suffer from depression, anxiety, and stress, in addition to feelings of guilt at their failure to look after the family in the proper way, that being the role traditionally assigned to women;

19. Condemns a widespread new sexist stereotype which has it that the modern woman has to shine in her studies and at work, but must satisfy traditional expectations by being a good wife and home-maker and a perfect mother while also keeping her looks, a behaviour pattern that causes many women to feel stress and anxiety;

20. Calls on the Commission, the Member States and local authorities to develop specific tailored policies in order to provide mental health services to groups of vulnerable women in marginalised communities and to those facing intersectional discrimination, such as refugee and migrant women, women facing poverty and social exclusion, intersex and transgender persons, ethnic minority women, women with disabilities, older women, and women in rural areas;

21. Highlights the importance of a life-cycle approach to mental health, where every age-group's needs are addressed in a coherent and comprehensive manner, with an emphasis on adolescent girls and older women, who on average report a lower rate of life satisfaction than men of the same age groups;

22. Recommends that in the case of pregnancy, mental healthcare should begin as soon as possible in the first trimester, in order to make it possible to identify specific conditions that may require surveillance, recognise social problems for which women may need help from social or mental health services and inform women on pregnancy-related issues; calls for greater comprehensive and local obstetric care provision, extending to midwives and obstetricians, to be guaranteed in all EU Member States, and stresses the particular significance of that challenge for rural areas; stresses that psychological healthcare is just as important as physical healthcare and notes that between 10 and 15 % of women in the EU who have just given birth suffer from postnatal depression; stresses the importance of women having access to psychological and medical care after miscarriages and the need for a sensitive and personal approach; calls on the Commission and the Member States to promote, develop and provide early detection and treatment of postpartum psychosis and depression;

23. Underlines that social and employment policies, particularly policies on work-life balance, must take a holistic approach taking women's mental health and wellbeing into account, and calls on the Commission and the Member States to work together with trade unions, employers, health professionals and civil society in order to develop a holistic and gender-sensitive approach to mental wellbeing at work; notes the importance of providing mental health training to those in management positions in both private and public sectors;

24. Recognises the important role of formal and informal carers, who are overwhelmingly women, in mental healthcare; calls for particular attention to be paid to the role of formal and informal carers in mental health, and particularly to the role of women carers, as well as action to protect the mental health and wellbeing of the carers themselves;

25. Urges the Commission and the Member States to include the mental health and wellbeing challenges faced by men and boys due to gender stereotypes leading to a greater likelihood of substance abuse and suicide than is the case for women; underlines that policies on men's mental health must also take into account the perspectives of age and lifespan, socio-economic condition, social exclusion, and geographic factors;

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Gender equality in clinical trials

26. Underlines the fact that clinical trials of pharmaceutical products on both men and women are necessary and that these should be inclusive, non-discriminatory and performed under conditions of equality, inclusion and non-marginalisation, as well as being reasonably reflective of the population that would use the products; suggests that clinical trials should also take account of specific vulnerable population groups such as paediatric and geriatric patients and persons from ethnic minorities; is of the opinion that gender-disaggregated data should also be collected after commercialisation of the products, in order to record the different side-effects, alongside research and data on the implementation of the relevant EU legislation by Member States;

27. Expresses its deep concern at the fact that the failure to improve women's representation in clinical trials and biomedical research results in putting women's health and lives at risk, and emphasises that clinical trial methodologies and design must allow for stratified analysis by age and gender; stresses, therefore, the urgent need to incorporate gender differences into clinical procedures in the mental health field;

28. Highlights the importance of the publication of the results of clinical trials so that the methodology is transparent and accessible;

29. Recalls that infectious diseases (e.g. HIV and malaria) and adverse pregnancy outcomes (e.g. stillbirth) are highest in low- and middle-income countries (LMICs); calls for pregnant women to be included in clinical trials as a way to reduce morbidity and mortality in mothers and infants;

30. Demands that the labels on pharmaceutical products clearly indicate whether trials on women took place or not, and whether men and women may expect different side-effects; calls on the Member States to encourage research on the long-term effects of products used in hormone replacement therapy;

31. Asks the Commission to incentivise projects at EU level focused on how women are treated in clinical research; considers that such projects should involve health authorities at all levels and the pharmaceutical industry, by way of developing specific strategies for implementing the guidelines on studying and assessing gender differences in clinical trials;

32. Calls on the Commission and the Member States to invest in awareness-raising campaigns to encourage women to participate in clinical trials;

33. Urges the EMEA to draw up separate guidelines for women as a special population in clinical trials;

34. Calls on the Member States, when applying Regulation (EU) No 536/2014 in clinical trials of medicinal products for human use, to use a methodological approach for clinical trials that guarantees an adequate representation of men and women, paying special attention to transparency as regards the gender composition of participants, and, when considering the proper implementation of this regulation, to specifically monitor the level of representation of men and women;

35. Urges Member States, the EMEA, and relevant stakeholders to ensure that sex and gender factors are introduced at the earliest stages of research and development of medication, before the stage of clinical trials; emphasises the need for improved sharing of best practice among research institutions and healthcare providers across Europe on the subject;

36. Underlines that urgent action is required to correct gender gaps in clinical trials in areas of health where such gaps are particularly harmful, such as in medication for Alzheimer's, cancer, treatment of strokes, anti-depressants, and cardiovascular diseases;

37. Emphasises that concerted action must be taken by researchers and all relevant stakeholders to eliminate harmful side-effects of medication that specifically affect women, as in the case of anti-depressants, contraceptives and other medicines, in order to improve women's health and the quality of healthcare;

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38. Notes with concern that gender discrimination and inequality occur in health and social care research in developing countries, thereby affecting the development of appropriate and targeted treatments; points out, in particular, that patients in developing countries are inadequately represented in pharmacological research; notes that special populations, including children and pregnant women, have been neglected in tuberculosis drug development; stresses the need to collect and store samples for pharmacogenetic study in future clinical trials based on gender; recalls that women's different biological and physiological make-up requires proper information about the effect of drugs on their bodies;

39. Notes with concern that the increase in offshoring medicine testing to Africa and other underdeveloped regions may result in serious ethical violations and infringements of fundamental EU principles such as the right to health protection and healthcare; points out that not having access to affordable healthcare, health insurance or affordable medicine, gives vulnerable people, particularly women, no other choice but to participate in clinical trials in order to receive medical treatment, possibly unaware of any risks entailed;

40. Notes that it is a proven fact that women take greater quantities of psychotropic drugs than men, but that there are very few studies on gender differences regarding the effect of those drugs, which are prescribed for women and men without distinction and in the same doses; expresses its concern at the fact that women suffer to a greater extent from adverse effects of psychotropic drugs because they are excluded from clinical trials and no account is taken, therefore, of the female physiology; also points out that women, seek more often than men to resolve their mental problems with the aid of psychotherapy;

General remarks

41. Calls on the Commission and the Member States:

- (a) to promote healthcare by ensuring easy access to services and the provision of adequate information tailored to men's and women's specific needs and the exchange of best practice in the field of mental health and clinical research;
- (b) to take stock of the specific health needs of women and men and to ensure the integration of a gender perspective in their health policies, programmes and research, from their development and design to impact assessment and budgeting;
- (c) to ensure that prevention strategies specifically target women who are at risk of intersectional discrimination such as Roma women, women with disabilities, lesbians and bisexual women, migrants and women refugees and women living in poverty, as well as transgender and intersex people;
- (d) to recognise gender-based violence and violence against women as a public health issue, as stated in WHO Resolution WHA49.25 of 25 May 1996, which directly impacts on women's mental health and wellbeing;
- (e) to ensure rapid development of the EU-wide survey on the prevalence of gender-based violence for implementation within the European Statistical System, as confirmed in Eurostat's 2016 work programme, and to collect regular, disaggregated data, in particular on the prevalence of depression, this data being disaggregated at least by sex, age group and socio-economic status;
- (f) to support civil society and women's organisations that promote women's rights, and to work to ensure that women have a voice in European and national health policy issues and that European and national health policies respond to their needs;
- (g) to incentivise programmes that address the specific needs of women concerning illnesses such as osteoporosis, musculoskeletal problems and central nervous system illnesses such as Alzheimer's and/or dementia, including those that inform women about prevention methods and offer training to medical staff;
- (h) to pay extra attention to the special needs of women diagnosed with chronic fatigue syndrome or fibromyalgia by providing them with adequate high-quality health care services;

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(i) to increase funding to foster research on the causes and possible treatment of endometriosis, as well as the drafting of clinical guidelines and the creation of reference centres; to promote information, prevention and awareness-raising campaigns on endometriosis, and to provide means for the training of specialised health professionals and for research initiatives;

42. Calls on the Member States to adopt policies for improving the average health level of the population by eliminating the health inequalities affecting disadvantaged socio-economic groups; calls, in this context, for active engagement in a range of policy sectors, with regard not only to public health and healthcare systems, but also education, social security, work/life balance and city planning, always engaging with a clear gender equality perspective;

43. Calls on the governments of developing countries to mainstream gender in mental health policy, and to develop policies and programmes that address both the specific needs of women for mental health treatment and the social origins of psychological distress; notes with concern that, especially in Least Developed Countries, the exclusion of women from biomedical research is often the result of lack of information and awareness campaigns, the roles they play as mothers and caregivers and their lack of decision-making freedom in their households; strongly believes that better balance in gender roles and obligations, income security, equal access to education, labour market integration, more effective measures to promote work-life balance, especially for single mothers, the development of social safety nets and poverty reduction would further redress gender disparities in mental health;

44. Considers that sexual and reproductive rights include access to legal and safe abortion, reliable, safe and affordable contraception, and comprehensive sexuality and relationship education;

45. Considers it regrettable that sexual and reproductive rights are severely limited and/or apply only subject to certain conditions in several EU Member States;

46. Is of the opinion that the increasing number of medical professionals who refuse to perform abortions in Member States represents another threat to the health and rights of women; urges the Member States to ensure that there is at least a minimum number of health professionals available to perform abortions in hospitals;

47. Calls on the Member States to prevent, ban and prosecute the forced sterilisation of women, a phenomenon that affects in particular women with disabilities, transgender and intersex persons, and Roma women;

48. Underlines the fact that screening procedures in the early stages of cancer, along with information programmes, are considered to be among the most effective cancer prevention measures, and calls on the Member States to ensure that all women and girls have access to such screenings;

49. Stresses that empowering women and promoting gender equality is crucial to accelerating sustainable development and thus ending all forms of discrimination against women and girls, including those occurring in mental health and clinical research, and is not only a basic human right, but also has a multiplier effect across all other development areas (UN Sustainable Development Goal 5);

50. Considers that the Member States have an obligation to guarantee local obstetric care provision as a public service and to ensure that midwives are available in rural and mountain regions too;

51. Calls on the Member States' health authorities to recognise endometriosis as an incapacitating illness, since this would allow the women affected to be treated free of charge, even in the case of costly treatments and/or surgery, and would permit special sick leave from work during the most acute periods, thus avoiding stigmatisation in the workplace;

52. Urges the Member States, the Commission and relevant agencies to ensure full access to high-quality physical and mental healthcare for all refugees, asylum seekers and migrants, particularly vulnerable women and girls, as a matter of universal human rights and, in the longer term, to adequately prepare their national health systems for incoming refugees and asylum seekers; highlights the need for gender-sensitive mental health training of immigration, asylum, and law enforcement staff and officials who work with refugees, asylum seekers and immigrants, especially those who work with vulnerable women and girls; considers that these necessary healthcare measures should include provisions such as safe

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accommodation and sanitary facilities for women and children, legal counselling and access to sexual and reproductive health and rights, including contraception, support for survivors of sexual violence, and safe and legal abortion;

53. Calls on the EU and the Member States to put an immediate end to current austerity policies and cuts in public spending which affect services that are crucial to the attainment of a high level of healthcare protection for all women and men and girls and boys in the EU, regardless of their background or legal status;

54. Calls on the Member States to ensure free access to health services for unemployed women, women in rural areas and women pensioners on low incomes who cannot pay for medical checks and treatment themselves;

55. Recommends that after the birth of a disabled child or a child with a life-threatening illness women should be provided with special support, including free access to long-term paediatric home care, palliative paediatric care and specialised and easily accessible psychological support;

56. Stresses that the achievement of the right to health for all prevails over the protection of intellectual property rights and depends on investment in European health research, including health technologies and drugs for poverty-related and neglected diseases (PRNDs);

57. Deplores the cutting of public health budgets by Member States, and is disappointed at the fact that the annual budgets for programmes designed to prevent gender-based violence and violence against women in all Member States are much less than the actual cost of such violence, be it economic, social or moral in nature; supports the Member States in increasing expenditure to support programmes aimed at preventing violence against women and effectively helping and protecting victims;

58. Calls on the Member States to take measures in the health-related field of early detection and support to victims of gender-based violence, and to apply health protocols in cases of assault, which should be referred to the appropriate courts with a view to speeding up the legal procedure; also calls on the Member States to guarantee the right of access to information and integrated social assistance, to be provided through permanent urgent care services specialising in multidisciplinary professional services;

59. Welcomes the moves by the Commission for ratification by the EU of the Istanbul Convention, and regrets that many Member States have not yet ratified it; urges the Council to ensure the accession of the EU to the Istanbul Convention as soon as possible;

60. Stresses that prostitution is also a health issue, as it has detrimental health impacts on persons in prostitution, who are more likely to suffer from sexual, physical and mental health traumas, drug and alcohol addiction, and loss of self-respect, as well as a higher mortality rate, than the general population; adds and stresses that many of the sex buyers ask for unprotected commercial sex, which increases the risk of detrimental health impacts, both for persons in prostitution and for the buyers;

61. Calls on the Member States to prevent, ban and prosecute female genital mutilation and genital mutilation affecting intersex persons, and to provide mental health support, in conjunction with physical care, to victims and to those individuals likely to be targeted;

62. Encourages the Commission and the Member States to pay special attention to the most vulnerable or disadvantaged groups, and to launch intervention programmes for them;

63. Considers that the lack of comparable, comprehensive, reliable and regularly updated gender-disaggregated data results in discrimination for women's health;

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64. Recalls that healthcare and health policy are a competence of the Member States and that the role of the Commission is complementary to national policies;

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65. Instructs its President to forward this resolution to the Council and the Commission.

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P8_TA(2017)0033

EU-Mongolia Framework Agreement on Partnership and Cooperation (Resolution)

European Parliament non-legislative resolution of 15 February 2017 on the draft Council decision on the conclusion of the Framework Agreement on Partnership and Cooperation between the European Union and its Member States, of the one part, and Mongolia, of the other part (08919/2016 — C8-0218/2016 — 2015/0114(NLE) — 2016/2231(INI))

(2018/C 252/11)

The European Parliament,

- having regard to the draft Council decision (08919/2016),
- having regard to the draft Framework Agreement on Partnership and Cooperation between the European Union and its Member States, of the one part, and Mongolia, of the other part (07902/1/2011),
- having regard to the request for consent submitted by the Council in accordance with Articles 207 and 209 and Article 218(6), second subparagraph, point (a), of the Treaty on the Functioning of the European Union (C8-0218/2016),
- having regard to the signature of the Framework Agreement on Partnership and Cooperation (or 'Partnership and Cooperation Agreement' — PCA) on 30 April 2013 in Ulaanbaatar, in the presence of the Vice-President of the European Commission / High Representative of the Union for Foreign Affairs and Security Policy (VP/HR), Catherine Ashton,
- having regard to the Agreement on Trade and Economic Cooperation between the European Economic Community and its Member States and Mongolia, which entered into force on 1 March 1993,
- having regard to its legislative resolution of 15 November 2005 on the proposal for a Council decision on an amendment to the Agreement establishing the European Bank of Reconstruction and Development (EBRD), enabling the Bank to finance operations in Mongolia ⁽¹⁾,
- having regard to its resolution of 13 April 2016 on implementation and review of the EU-Central Asia Strategy ⁽²⁾,
- having regard to its resolutions of 16 December 2015 ⁽³⁾ and 14 March 2013 ⁽⁴⁾ on EU-China relations, and in particular to recital Y of the latter resolution,
- having regard to its resolution of 10 June 2015 on the state of EU-Russia relations ⁽⁵⁾,
- having regard to its resolution of 16 February 2012 on Parliament's position on the 19th Session of the UN Human Rights Council ⁽⁶⁾, and in particular to paragraph 30 thereof,

⁽¹⁾ OJ C 280 E, 18.11.2006, p. 49.

⁽²⁾ Texts adopted, P8_TA(2016)0121.

⁽³⁾ Texts adopted, P8_TA(2015)0458.

⁽⁴⁾ OJ C 36, 29.1.2016, p. 126.

⁽⁵⁾ OJ C 407, 4.11.2016, p. 35.

⁽⁶⁾ OJ C 249 E, 30.8.2013, p. 41.

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- having regard to its resolution of 17 January 2013 on the recommendations of the Non-Proliferation Treaty Review Conference regarding the establishment of a Middle East free of weapons of mass destruction ⁽¹⁾, and in particular to recital F thereof,
- having regard to its resolution of 27 October 2016 on nuclear security and non-proliferation ⁽²⁾,
- having regard to its legislative resolution of 15 February 2017 on the draft decision ⁽³⁾,
- having regard to the inclusion of Mongolia in the EU General Preferential Scheme's Special Incentive Arrangement for Sustainable Development and Good Governance (GSP+),
- having regard to the long-standing relations between the delegations of the European Parliament and the State Great Khural (the Mongolian parliament), and in particular to the joint statement of the 10th Interparliamentary Meeting (IPM) held on 17 February 2015 in Ulaanbaatar,
- having regard to the chairing of and hosting by Mongolia of the 11th Asia-Europe (ASEM) Summit, held in Ulaanbaatar on 15-16 July 2016, and of the 9th Asia-Europe Parliamentary Partnership (ASEP) meeting, held in Ulaanbaatar on 21-22 April 2016, and to the respective declarations adopted by both meetings,
- having regard to the active role of Mongolia in the OSCE Parliamentary Assembly, including the hosting of its Autumn Meeting of 15-18 September 2015 in Ulaanbaatar,
- having regard to Mongolia's election to the UN Human Rights Council for the period 2016-2018, and to its declared aspiration to become a UN Security Council member in 2022,
- having regard to the Mongolian chairmanship of the Community of Democracies in 2012-2013, and of the 'Freedom On-line' coalition in 2015,
- having regard to the preliminary findings and conclusions of the international election observation mission to the parliamentary elections of 29 June 2016 in Mongolia, involving the OSCE Office for Democratic Institutions and Human Rights (OSCE/ODIHR) and the European Parliament,
- having regard to the address given to the plenary of the European Parliament on 9 June 2015 by the President of Mongolia, Tsakhiagiin Elbegdorj,
- having regard to the various mutual high-level meetings and visits, including that of November 2013 by the President of the European Commission, José Barroso, to Mongolia,
- having regard to Mongolia's 'third neighbour' foreign policy, involving relations with the EU, the US, Japan, the Republic of Korea, India, Iran, the countries of Central Asia and others,
- having regard to Mongolia's strategic partnerships with Russia and China,
- having regard to Mongolia's observer status in the Shanghai Cooperation Organisation (SCO),
- having regard to the regular high-level trilateral meetings held between Mongolia, Russia and China and between Mongolia, Japan and the US,

⁽¹⁾ OJ C 440, 30.12.2015, p. 97.

⁽²⁾ Texts adopted, P8_TA(2016)0424.

⁽³⁾ Texts adopted, P8_TA(2017)0032.

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- having regard to the initiatives to integrate different economic projects in the region, including China's Silk Road Economic Belt, Russia's Trans-Eurasian Belt Development, and Mongolia's Prairie Road,
 - having regard to Mongolia's Individual Partnership and Cooperation Programme with NATO, agreed in 2012,
 - having regard to Mongolia's declaration of September 2015 of its intention to pursue permanent neutrality status,
 - having regard to Mongolia's self-declared nuclear weapon-free status, recognised by the UN in September 2012,
 - having regard to Mongolia's International Cooperation Fund, aimed at sharing experiences with other countries undergoing democratic transformation, such as Myanmar, Kyrgyzstan and Afghanistan,
 - having regard to the trust-building efforts including the Ulaanbaatar Dialogue on Northeast Asian Security, involving North Korea, as well as the Forum of Asia,
 - having regard to the concluding observations of the UN Committee against Torture on the second periodic report of Mongolia adopted in August 2016,
 - having regard to Rule 99(2) of its Rules of Procedure,
 - having regard to the report of the Committee on Foreign Affairs (A8-0383/2016),
- A. whereas Mongolia can serve as a democratic model not only for the region's other emerging democracies, but also for the regimes with more authoritarian tendencies;
- B. whereas the European Communities established diplomatic relations with Mongolia on 1 August 1989;
- C. whereas the EU and Mongolia enjoy friendly relations based on political, societal, economic, cultural and historical ties;
- D. whereas the EU and Mongolia have many converging positions regarding most major international challenges, and Mongolia plays a constructive role in international relations, especially in multilateral organisations;
- E. whereas EU relations with Mongolia are mainly focused on development cooperation projects aimed at enabling the country to steer the ongoing rapid transformation towards a socially inclusive and economically sustainable development of its society;
- F. whereas Mongolia is interested in developing relations with the EU further and expanding the existing cooperation beyond development cooperation; whereas the Partnership and Cooperation Agreement underlines the growing importance of EU-Mongolia relations based on shared principles such as equality, mutual benefit, democracy, the rule of law and human rights, and formally opens up the possibility for both sides to develop new fields of cooperation in areas such as not only business, trade, development, agriculture, environment, energy, modernisation of the state, but also education, culture and tourism;
- G. whereas the development of the EU's relations with Mongolia is still within the responsibility of the EU Delegation in Beijing; whereas currently Bulgaria, the Czech Republic, France, Germany, Hungary, the United Kingdom and Italy have established their own embassies in Ulaanbaatar;

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General provisions

1. Appreciates the friendly and constructive relations between the EU and Mongolia;
2. Recognises Mongolia's specific geographical position between China, Russia and the countries of Central Asia and North-East Asia, with their great potential for the global economy, its importance for stability within the region, its regionally rather exceptional established democratic credentials, and the constructive role it plays by assisting and facilitating peaceful solutions to the conflicts and confrontation in the region and by promoting regional economic integration;
3. Recognises that the democratic transformation which commenced in the 1990s is continuing consistently; acknowledges the tangible progress made in terms of socio-economic reforms; takes note, nevertheless, of the challenges that exist in the areas of sustainable development and economy, finance, good governance, fighting corruption, social security and environmental protection and political polarisation and are compounded by an increasingly testing international environment;

Institutional framework and diplomatic representation

4. Welcomes the deepening and expanding nature of the EU-Mongolia relationship, as manifested in the Framework Agreement on Partnership and Cooperation (PCA), which takes in areas including political dialogue and human rights, trade and development assistance, as well as cooperation in the fields of agriculture and rural development, energy, climate change, research and innovation and education and culture, which are of great importance for economic diversification and resolving the current economic problems, as well as for the long-term transformation of an originally nomadic society;
5. Welcomes the establishment of a Joint Committee to accompany, pursuant to Article 56 of the agreement, the implementation of the PCA, and encourages it to report regularly to both the European Parliament and the Mongolian Parliament;
6. Urges the three Member States which have not yet done so to speedily finalise their national ratification processes in order to allow the long overdue conclusion and entry into force of the PCA;
7. Emphasises the need to further enhance the parliamentary dimension of EU-Mongolia relations; regrets the absence from the PCA text of articles that would establish a Parliamentary Cooperation Committee (PCC) under the PCA to undertake democratic scrutiny of the implementation of the agreement and to enhance political dialogue between the two parliaments; encourages negotiations, therefore, on a new protocol to remedy the situation to take place as soon as possible, subject to Article 57 of the PCA on future cooperation, as urged previously by the Mongolian and European Parliaments in the Joint Statement of the 10th IPM;
8. Is concerned at the fact that diplomatic relations with Mongolia are currently still being run from the EU Delegation to China; urges the Council and the VP/HR to turn the European Union Liaison Office in Ulaanbaatar into a fully fledged EU Delegation, a measure that is of the utmost importance with a view to facilitating political dialogue and cooperation on human rights and democracy, boosting capacity to implement and oversee EU assistance projects, and promoting trade in goods and services, as well as exchanges of people and cultural exchanges;

Democracy, the rule of law, good governance and human rights

9. Welcomes Mongolia's efforts to consolidate democratic progress and the rule of law, including multi-party elections, more independent media and a vibrant civil society; welcomes, from this point of view, the participation of Mongolia in the Community of Democracies;

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10. Underlines that respect for freedom of the media and freedom of expression are essential to further consolidation of democracy, the rule of law and human rights in Mongolia; encourages the Mongolian authorities to address issues related to reports of politically motivated interference in media work and to refrain from penalising and restricting government-critical offline and online media; encourages the Mongolian Parliament to codify such fundamental rights explicitly and to implement them under strong scrutiny;

11. Is convinced that the democratic transformation of Mongolia could produce a positive spillover effect in the region, in which complex transformation processes are taking place, and that Mongolia could in this sense constructively contribute to the stability and common wellbeing of the region; calls on the EU to take this into account when programming regional cooperation, especially with the countries of the Central Asian region, as well as the wider region;

12. Praises the fact that general respect for electoral rules was demonstrated on the occasion of the recent elections; calls on the Mongolian authorities to address the recommendations made by the OSCE/ODIHR following the parliamentary elections of 29 June 2016, including stabilisation of the electoral law, restrictions on campaigning, media independence, and impartiality and comprehensiveness of the information available to voters;

13. Expresses interest in sending a European Parliament observation mission to the presidential elections scheduled for mid-2017;

14. Encourages Mongolia to address the outstanding challenges of respect for independence of the judiciary;

15. Welcomes the recently started legislative efforts to strengthen the legal basis for the fight against pervasive corruption, which brings with it the real and great risk of undermining the social cohesion of the country, as well as efforts to address human rights and social conflicts; encourages Mongolia to adopt substantial reforms and to implement them in a timely manner; refers in this context to its own experience whereby people convicted of corruption must be held consistently responsible; recommends that the country strengthen its cooperation with the EU, the OSCE and the UN on dealing with corruption; is convinced that active involvement in implementing international recommendations on corporate social responsibility (CSR) in the economic productive sector and the public and administrative life of Mongolia could play a positive and substantive role in these undertakings;

16. Recognises the country's commitments and legal framework with a view to suppressing trafficking in human beings, but remains concerned about the concrete situation, and urges Mongolia to implement fully the 2012 anti-trafficking law and the related national plans;

17. Is pleased that an agreement between the EU and Mongolia has been reached in principle and that preparatory work is underway to launch a regular EU-Mongolia Human Rights Dialogue in 2017;

18. Welcomes the fact that, after ratifying the Second Optional Protocol to the International Covenant on Civil and Political Rights, the Mongolian Parliament adopted in December 2015 a revised Criminal Code, which, among other important legal reforms such as the prohibition of torture, abolishes the death penalty for all crimes; notes that the newly elected Parliament has postponed the implementation of the revised Criminal Code and encourages the Mongolian authorities to implement this important reform without further delay;

19. Notes Mongolia's progress in improving its legal framework in line with international human rights obligations, institutional reform, including its Independent National Human Rights Commission, and efforts aimed at capacity-building and human rights awareness-raising, and the continued commitment to address remaining challenges related to the protection and promotion of universal human rights standards, such as those highlighted at the 2015 second UN Universal Periodic Review (UN-UPR), including preventing and investigating all allegations of torture, protecting women's and children's rights, as well as those of prisoners';

20. Expresses concern over reports of cases of arrest without a legal warrant, and torture and impunity inside Mongolian jails; joins the United Nations Human Rights Council's (UNHRC) call for effective measures to guarantee that all detained persons are afforded in practice all fundamental legal safeguards in accordance with international standards; calls on Mongolia to follow up on its commitment to establish an independent mechanism to investigate allegations of torture and ill-treatment promptly and effectively;

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21. Commends the project supported by the EU in support of LGBTI rights in Mongolia; is nevertheless worried by the ongoing discrimination and harassment committed against the LGBTI community;
22. Recommends Mongolia, in accordance with the already ratified Convention on the Rights of the Child, to legally ban corporal punishment not only in educational establishments, but entirely, and to address with specific and targeted measures the non-declining rates of violence against children, the economic exploitation of children, and incidents causing death or severe injuries involving children; calls on all relevant EU institutions for assistance with this issue;
23. Recommends strengthening the situation in the area of health and safety by implementing ILO Convention C176, as well as the other ILO Safety and Health Conventions not yet ratified;
24. Supports Mongolia's continued and honest efforts to progressively eradicate all forms of child labour, and to guarantee the rights of the child;
25. Welcomes Mongolia's legal framework for realising equal rights for women and men adopted in 2011, and the progressive elimination of discrimination against women;

Sustainable development

26. Welcomes the substantial progress made by Mongolia since the 1990s in economic development and poverty reduction in line with the Millennium Development Goals (MDGs); supports Mongolia in its pursuit of the UN Sustainable Development Goals (SDGs), in line with the principles of aid effectiveness and transparency;
27. Recognises that deepened regional economic integration will open up opportunities for Mongolia in terms of a more prosperous future and economic success, takes note of the fact that Mongolia is simultaneously looking for economic alliances and partners that would allow it to fully exploit its cooperation potential by respecting at the same time its legitimate national political and economic interests, the long-standing commitment to multidirectional diplomacy, traditional identity and lifestyle or the democratic foundations of Mongolian society;
28. Is concerned, nevertheless, at the fact that in some areas poverty is becoming entrenched and that the reported economic boom of 2010-2012 did not contribute sufficiently to poverty reduction in the country;
29. Encourages Mongolia in its efforts to achieve sustained economic growth; expresses its concern at the sharp slowdown in GDP growth, which in 2011 stood at record levels (17,3 %) but was only 2,3 % in 2015, with the 2016 figure forecast to be 1,3 %; is concerned that the budget deficit, which has risen to 20 % of GDP, may have a negative impact on poverty alleviation, as well as on the social inclusiveness and cohesion of the social protection system;
30. Welcomes the fact that EU development assistance to the country for 2014-2020 has been more than doubled — standing at EUR 65 million, in comparison with the 2007-2013 figure of EUR 30 million — with a focus on improved economic governance and vocational training for better employment opportunities; encourages Mongolia's participation in regional programmes financed by the EU; notes the relatively good implementation of EU projects and programmes assisting Mongolia's development and modernisation;
31. Emphasises the importance of a continuous administrative reform focusing mainly on building up a highly professional administration at both national and local level; encourages the EU institutions to help Mongolia with developing the necessary resources and expertise, in the interest of better equipping the country to face the challenges of the complex economic and societal transformation processes and to increase the absorption capacity for EU funds in the country;
32. Calls for more exchange opportunities for students and academics under the Erasmus+ and Marie Skłodowska-Curie programmes and for people-to-people contacts, including for artists, to be broadened between the EU and Mongolia; calls on the EU to include research and innovation in its fields of cooperation with Mongolia;

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33. Welcomes Mongolia's timely deposition on 21 September 2016 of the ratification instrument of the Paris Agreement on climate change; is concerned that the combined effects of climate change, the extensive growth of livestock farming, a dramatic increase in migration from the countryside to the capital, as well as the massive use and rapid exploitation of natural resources such as water and soil for the official and unofficial mining of copper, coal and other raw materials, has led to a drastic deterioration in the environmental situation of Mongolia, an increasing risk of water conflicts with its neighbours and a growing occurrence of climatic phenomena such as the 'dzud', characterised by cycles of long droughts and harsh winters and resulting in a massive loss of livestock, wildlife and biodiversity in general; invites the Mongolian government to intensify efforts for the diversification of its economy, and calls on the EU to assist this process with dedicated activities and preventive and other measures, for example in the context of closer coordination of the environmental policies of the two sides; calls on the Mongolian authorities and parliament, as well as on all the EU Member States, to cooperate and to contribute to a substantial strengthening of the international climate regime within the scope of the Marrakesh COP22 undertakings;

34. Welcomes Mongolia's ratification of and compliance with all the relevant GSP+ conventions on environmental protection and climate change; urges Mongolia, however, to comply with its reporting obligations under the UN Conventions on Environmental Protection and Climate Change (CITES, Basel and Stockholm Conventions) and to enforce the country's environmental legal framework;

35. Points out that in 2014 extractive industries in Mongolia accounted for 17 % of GDP and 89 % of the country's total exports; welcomes in this context the active participation of Mongolia in the Extractive Industries Transparency Initiative (EITI), which aims to make this sector more accountable and transparent;

36. Underlines that the Oyu Tolgoi copper and gold mine is the single largest mining project, which from 2020 is set to account for a third of Mongolia's GDP, and that Tavan Tolgoi is the world's largest undeveloped coal mine; welcomes the public debates held on the environmental impact of mining and the public participation in resources management at local levels;

37. Encourages Mongolia to develop, for the benefit of its own citizens, the exploitation of its natural resources, in particular of rare minerals, as they have an ever-increasing value in the digital industry; points to the supporting role the EU could play in granting technological and financial aid towards such independent mineral extraction;

38. Is of the opinion that investing in future technologies and digitalisation could help bridge the development gap between different regions in Mongolia and diversify the economy; encourages the EU and the Member States to intensify cooperation in the area of digitalisation and new technologies;

39. Acknowledges the significant challenges of combating drug trafficking; recommends that the EU assist with strengthening public institutions and resources to address these issues;

Trade and economic relations

40. Notes that the EU has become Mongolia's third-biggest trading partner, and that Mongolian goods already enter the EU market virtually tariff-free under the current Generalised Scheme of Preferences;

41. Welcomes the inclusion of Mongolia in the GSP+ scheme;

42. Notes that European investment in Mongolia has so far remained limited, owing to the insecure business environment and lack of information;

43. Encourages the EU and Mongolia to intensify their trade and investment relations, including promotion by means of information and awareness-raising, in accordance with the legal provisions of the PCA; stresses that such an intensification should be in line with, and fully respect, the obligations resulting from the international conventions on labour standards, good governance, human rights and environmental standards;

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44. Urges, in this context, a further development of the activities of the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD) in Mongolia;
45. Emphasises the importance of a stable business and legal environment for an increase in investment from the EU;
46. Takes note of the decline in foreign direct investment (FDI) related to the mining sector that dominates the economy, which remains a key divisive factor;
47. Urges Mongolia, with the help of foreign investment and a more transparent legal environment, to diversify its economy in order to help avoid vulnerability to volatile mineral markets; welcomes, in this context, the new legislation on FDI;
48. Encourages further integration of Mongolia into the global and regional economy, within frameworks such as the Prairie Road, the Silk Road/‘One Belt One Road’ or the Trans-Eurasian Belt, in accordance with the strategic interests and priorities of the country; asks the EU to consider participation in infrastructural and investment programmes, including in the mining sector, in the region;

Regional and global challenges and cooperation

49. Recognises the pivotal role Mongolia can play between the dynamic economies of China, Russia, South Korea and Japan and the Central Asian countries, and at the same time as an intermediary between Europe and the East Asian region;
50. Highlights Mongolia’s ‘third neighbour’ foreign policy concept, which includes relations with the EU, balanced against constructive and intense relations with its influential strategic partners and direct neighbours Russia and China;
51. Takes note of Mongolia’s friendly, and also economically competitive, relations with the other countries in the region;
52. Notes that Mongolia is seriously evaluating the impact of potential membership of the Eurasian Economic Union (EAEU); is concerned that such a move might hinder further political and trade relations with the EU;
53. Congratulates Mongolia on its successful role in chairing the 2016 ASEM and ASEP meetings in Ulaanbaatar, on the solidification of the parliamentary dimension, and on strengthening the partnership between the two regions based on universally acknowledged principles of equality, mutual respect and the promotion and protection of human rights and fundamental freedoms; welcomes Mongolia’s proposal to set up an ASEM Center, including a virtual/online facility;
54. Welcomes the fact that Mongolia has declared itself a nuclear-weapons-free zone, as officially recognised by the UN; welcomes, in particular, the constructive and active role it plays in multilateral fora in promoting cooperation towards global nuclear disarmament, as well as its signing up to the Humanitarian Pledge ⁽¹⁾;
55. Welcomes the mutual commitment to promoting international peace and security, and, in this context, welcomes Mongolia’s active role in international multilateral mechanisms such as the UN and the OSCE, and its contribution to initiatives in support of peace and stability in Northeast Asia and beyond, such as the Ulaanbaatar Dialogue on Northeast Asian Security (UBD);
56. Notes Mongolia’s contribution to UN peacekeeping around the world, and its provision of training facilities for such missions, together with increasingly seeking in parallel a strengthening of the political and diplomatic opportunities and responsibility of the UN to prevent and solve conflicts;

⁽¹⁾ <http://www.icanw.org/pledge/>

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57. Welcomes Mongolia's close alignment with the EU in its negotiating and voting positions in the United Nations and other multilateral fora; in this context, underlines the importance of Article 8 of the PCA on international cooperation;
58. Recognises Mongolia's role in promoting respect for human rights as a new member of UNHRC in 2016-2018, and calls for close EU cooperation with Mongolia in the preparation and implementation of UNHRC's work;
59. Welcomes Mongolia's ratification of the Rome Statute of the International Criminal Court (ICC) and encourages Mongolia to ratify the Kampala Amendments, which provided in a timely fashion a definition and a procedure for jurisdiction of the Court over the crime of aggression;
60. Commends Mongolia's efforts to promote democracy, the rule of law and human rights in countries close to Mongolia's neighbourhood aspiring to democratic change; calls on the EU also to involve Mongolia and to seek synergies on an ad hoc basis in regional programmes within Central Asia focusing on such developments;
61. Praises Mongolia's role in bringing together academics from both Koreas, China and Russia, as well as for hosting reunions of families split by the division of the Korean peninsula;
62. Supports Mongolia's declared aspiration to become a UN Security Council member in 2022;

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63. Instructs its President to forward this resolution to the Council, the Commission, the VP/HR, the governments and parliaments of the Member States, and the Government and State Great Khural (Parliament) of Mongolia.
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P8_TA(2017)0036

2016 Report on Albania

European Parliament resolution of 15 February 2017 on the 2016 Commission Report on Albania (2016/2312(INI))

(2018/C 252/12)

The European Parliament,

- having regard to the Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and the Republic of Albania, of the other part,
- having regard to the Presidency conclusions of the Thessaloniki European Council of 19-20 June 2003 concerning the prospect of the Western Balkan countries joining the EU,
- having regard to the European Council decision of 26-27 June 2014 to grant the status of candidate country for EU membership to Albania and to the Council conclusions of 15 December 2015,
- having regard to the Presidency conclusions of 13 December 2016,
- having regard to the eighth meeting of the Stabilisation and Association Council between Albania and the EU, held in Brussels on 8 September 2016,
- having regard to the Final Declaration by the Chair of the Paris Western Balkans Summit of 4 July 2016, and to the recommendations of the Civil Society Organisations for the Paris Summit 2016,
- having regard to the Commission communication of 9 November 2016 entitled ‘2016 Communication on EU Enlargement Policy’ (COM(2016)0715), accompanied by the Commission staff working document entitled ‘Albania 2016 Report’ (SWD(2016)0364),
- having regard to the Joint Conclusions of the sixth High-Level Dialogue on the Key Priorities adopted in Tirana on 30 March 2016,
- having regard to the OSCE/ODIHR final reports concerning the 2013 parliamentary elections and the 2015 local elections,
- having regard to the OCSE report ‘Monitoring of Administrative Trials 2015’,
- having regard to the recommendations adopted at the 11th meeting of the EU-Albania Stabilisation and Association Parliamentary Committee (SAPC), held in Brussels on 7-8 November 2016,
- having regard to its previous resolutions on Albania,
- having regard to Rule 52 of its Rules of Procedure,
- having regard to the report of the Committee on Foreign Affairs (A8-0023/2017),

A. whereas Albania has made progress towards meeting the political criteria for membership and steady progress in the five key priorities for the opening of accession negotiations; whereas further implementation of, inter alia, the judicial reform package, electoral reform and the so-called decriminalisation law are indispensable in strengthening citizens’ trust in their public institutions and political representatives;

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- B. whereas challenges still persist and need to be addressed swiftly and efficiently in a spirit of dialogue, cooperation and compromise between government and opposition, in order to ensure further progress on Albania's path to EU accession;
- C. whereas constructive and sustainable political dialogue between political forces on EU-related reforms is essential for making further progress in the EU accession process;
- D. whereas there is a political consensus and wide public support for the EU accession process in Albania;
- E. whereas accession negotiations are a powerful incentive for adopting and implementing accession-related reforms;
- F. whereas judicial reform remains key for moving forward with Albania's EU accession process;
- G. whereas presidential and parliamentary elections will take place in Albania in 2017;
- H. whereas the protection of religious freedom, cultural heritage, the rights of minorities and the administration of property are among the fundamental values of the European Union;
- I. whereas the EU has highlighted the need to strengthen economic governance, the rule of law and public administration capacities in all of the Western Balkan countries;
- J. whereas the Albanian authorities have a positive approach to regional cooperation to promote the development of infrastructure, measures to combat terrorism, trade and youth mobility;
1. Welcomes Albania's continuous progress on EU-related reforms, in particular the consensual adoption in July 2016 of constitutional amendments paving the way for a deep and comprehensive judicial reform; stresses that not only consistent adoption but also full and timely implementation of reforms on all five key priorities and sustained political commitment are essential in order to further advance the EU accession process; encourages Albania to establish a solid track record with regard to such reforms;
 2. Welcomes the Commission's recommendation for opening accession negotiations with Albania; fully supports Albania's accession to the EU, and calls for the accession negotiations to be opened as soon as there is credible and sustainable progress in the implementation of comprehensive judicial reform and the fight against organised crime and corruption, in order to keep the reform momentum; expects Albania to consolidate the progress achieved and to maintain the pace of progress on implementation of all key priorities;
 3. Reiterates that a constructive dialogue, sustainable political cooperation, mutual trust and a willingness to compromise are crucial for the success of the reforms and for the entire EU accession process; welcomes, in this regard, the adoption of the legislation for the exclusion of criminal offenders from public office; calls on all political parties to make further efforts to establish a genuine political dialogue and achieve constructive cooperation;
 4. Commends the consensual adoption of the constitutional amendments for judicial reform and the adoption of laws on the institutional reorganisation of the judiciary, the prosecution office and the Constitutional Court; calls for the swift adoption and credible implementation of all relevant accompanying laws and bylaws, in particular the law on the re-evaluation (vetting) of judges, prosecutors and legal advisors and the package of draft laws needed for the implementation of the reform of the justice system; notes the ruling by the Constitutional Court on the constitutionality of the vetting law following a positive opinion from the Venice Commission; reiterates that a comprehensive judicial reform is a major demand by Albania's citizens for re-establishing trust in their political representatives and public institutions, and that the credibility and effectiveness of the overall reform process, including the fight against corruption and organised crime, depend on the success of the vetting process and the implementation of the judicial reform; recalls that adopting and implementing such a reform is instrumental in the fight against corruption, and is essential to the entrenchment of the rule of law and for enhancing the enforcement of fundamental rights in the country, also with a view to increasing trust in the judicial system among all citizens;

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5. Welcomes the new justice reform strategy for 2017-2020 and its action plan aimed at achieving greater professionalism, efficiency and independence of the judicial system, including the courts system and the re-evaluation of all members of the judiciary, as well as the increased budgetary means for implementation; regrets that the administration of justice continues to be slow and inefficient; notes the lack of progress in the filling of vacancies at the High Court and the administrative courts and the effective use of the unified case management system; calls for any shortcomings in the functioning of the judicial system to be further addressed, including lack of independence from political influence and other branches of power, selective justice, limited accountability, ineffective oversight mechanisms, corruption, and the overall length of judicial proceedings and enforcement; regrets political interference in investigations and court cases, and therefore calls for the independence of the judiciary to be strengthened in practice; calls for further engagement in the area of administrative justice, addressing issues such effective access to the courts and allocating resources to enable the courts to work efficiently; reiterates that reform of the criminal justice system should aim at holding offenders accountable and promoting their rehabilitation and reintegration, while ensuring protection of the rights of victims and witnesses of crime;

6. Calls on the Ad Hoc Parliamentary Committee on Electoral Reform to finalise swiftly its review of the electoral code while addressing all previous OSCE/ODIHR recommendations and strengthening the transparency of party financing and the integrity of the electoral process; calls on the competent authorities to ensure implementation in due time before the upcoming parliamentary elections of June 2017, as well as the independence and depoliticisation of the electoral administration; recalls that all political parties are responsible for ensuring that democratic elections are conducted in compliance with international standards; calls on the authorities to encourage civil society organisations (CSOs) to actively participate in the overview of the whole electoral process; recalls that free and fair elections are crucial to further advancement of the EU accession process; stresses the need to address concerns related to political party financing and an accountable audit system;

7. Calls on Albania's political parties to respect both the spirit and the letter of the law on the exclusion of criminal offenders from public office when drawing up their candidate lists for the next elections; calls for the full implementation of this law;

8. Encourages the Albanian authorities to take measures to facilitate the possibility for Albania citizens residing abroad to vote in Albanian elections outside the country;

9. Welcomes the improved transparency and inclusivity of parliamentary activities, but calls for parliamentary capacities to be enhanced in order to monitor the implementation of reforms and their compliance with EU standards, and to make better use of the various oversight mechanisms and institutions in order to hold the government to account; calls for the parliamentary code of ethics to be approved and for the rules of procedure to reflect the law on the role of parliament in the EU integration process; offers to explore means of closer cooperation with the Parliament of Albania within the framework of the European Parliament support programme for parliaments of the enlargement countries, in order to enhance its capacity to produce quality legislation in line with the EU acquis and exercise its oversight role in the implementation of reforms;

10. Notes the efforts towards a more citizen-friendly public administration and steady progress in the implementation of public administration reform and the public financial management reform; calls for further progress in strengthening the application of the Civil Service Law and the Code of Administrative Procedure, in order to improve recruitment and promotion procedures on the basis of merit and performance, and enhance institutional and human resource capacities, with a view to consolidating the achievements made towards ensuring a more efficient, depoliticised, transparent and professional public administration, which would also enable the efficient conduct of EU accession negotiations; calls for enhancing the authority, autonomy, efficiency and resources of human rights structures, including the office of the Ombudsman; commends the National Council for European Integration on its initiatives to enhance the capacities of the public administration and civil society in monitoring the implementation of accession-related reforms; stresses the need to safeguard the independence of regulatory and oversight bodies;

11. Takes note of the implementation of the territorial reform; stresses that substantial efforts are needed to increase the financial and administrative capacity of the newly created local government units;

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12. Welcomes the adoption of key pieces of anti-corruption legislation, including on the protection of whistleblowers; continues to be concerned, however, that corruption remains high and prevalent in many areas and continues to pose a serious problem, eroding people's trust in public institutions; is concerned that key anti-corruption institutions continue to be subject to political interference and have limited administrative capacities; notes that poor interinstitutional cooperation and exchange of information continue to hamper proactive investigation and the effective prosecution of corruption; stresses the need for a more adequate legal framework for conflicts of interest, the regulation of lobbying and better interinstitutional cooperation, especially between police and prosecution services, in order to improve the track record on investigation, prosecution and conviction, including in high-level cases;

13. Welcomes the continued implementation of the strategy and action plan on the fight against organised crime and intensified international police cooperation; calls also for organised crime networks to be dismantled and for the number of final convictions in organised crime cases to be increased, by enhancing cooperation between international organisations, police and prosecution services and by strengthening institutional and operational capacities; is concerned that the track record of freezing and confiscating illegally acquired assets remains very low, and calls for an increase in capacity and greater use of financial investigations to improve the track record in these areas; notes that despite an upward trend in investigating cases involving money laundering the number of final convictions remain limited;

14. Calls, while welcoming the recent operations against cannabis plantations, for the stepping-up measures to eradicate drug cultivation, production and trafficking in Albania and related networks of organised crime, including by strengthening international and regional cooperation; notes, however, that police and prosecutors fail to identify the criminal networks behind drug cultivation;

15. Calls for intensified efforts to tackle uncontrolled proliferation of illicit trafficking in arms, including by stepping up cooperation with the EU to that effect, as well as by destroying the remaining stockpile of small arms and light weapons and improving the condition of storage facilities; is concerned at the very high rate of firearm killings in Albania;

16. Calls for the strengthening of the government's capacity to search, seize and confiscate the proceeds of cybercrime and prevent money laundering on the internet;

17. Encourages Albania to further improve its legal framework for determining international protection status for refugees; commends the efforts of the Albanian police to step up information sharing with Frontex, and calls for a further strengthening of cooperation between the EU and Albania in order to protect refugees' rights in line with international standards and EU fundamental values; expresses its concern at the recent rise in cases of human trafficking; calls for the stepping-up of efforts to prevent human trafficking, paying particular attention to the main victims of such trafficking, notably unaccompanied minors, women and girls;

18. Expresses its concern about the excessively large prison population and (reports of) the inadequacy of medical care in places of detention, as well as the maltreatment of suspects at police stations; recommends revision of the punitive approach, reclassification of criminal offences and greater resort to alternatives to imprisonment;

19. Notes the improving EU-related cooperation between state institutions and CSOs, including the participation of CSOs in meetings of the National Council on European Integration (NCEI); notes that an empowered civil society is a crucial component of any democratic system; stresses, therefore, the need for even closer coordination at all levels of government, including at local level, with CSOs; welcomes in this regard the establishment of the National Council for Civil Society (NCCS); calls for the effective implementation of the right to information and public consultation and for better regulation of the fiscal framework affecting CSOs;

20. Recalls, among the key priorities, the need to reinforce the protection of human rights, minority rights and anti-discrimination policies, including by strengthening their enforcement; urges the competent authorities to continue improving the climate of inclusion and tolerance for all minorities in the country in line with European minority protection standards, including by enhancing the role of the State Committee on Minorities; welcomes the initial steps aimed at improving the legal framework for the protection of minorities, and calls on Albania to adopt the framework law on the protection of minorities and to ratify the European Charter for Regional and Minority Languages; notes the broad

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consultation process involving independent institutions, minorities associations and civil society; underlines the need to improve living conditions for Roma, Egyptians and other ethnic minorities; calls for concrete actions such as the civic registration (birth certificates and IDs) of Roma and Egyptians, calls for continued efforts in improving their access to employment and all public and social services, education, health, social housing and legal aid; is concerned that, despite improvements, the inclusion of Roma children in the education system remains the lowest in the region;

21. Commends the efforts of the Ombudsman's office to improve the human rights legislation, especially in the framework of the reform of the judiciary; welcomes active promotion of the rights of vulnerable groups and the principles of human dignity, freedom, equality and the rule of law; regrets that the work of the Ombudsman's office continued to be limited by lack of funding and personnel at his central and local offices; calls for enhancement of the authority, autonomy, efficiency and resources of his office;

22. Continues to be concerned about discrimination against and lack of appropriate measures for the protection of women and girls belonging to disadvantaged and marginalised groups, as well as the high number of cases of domestic violence against women and girls; stresses the need for additional efforts in order to develop a track record of anti-discrimination cases; calls on the competent authorities to continue with awareness-raising and prevention regarding domestic violence, and to improve support for its victims; reiterates its call for the full implementation of the Council of Europe Convention on preventing and combating violence against women and domestic violence (the Istanbul Convention); urges the authorities to tackle gender-based stereotypical preconceptions through systematic education, public debate and government measures;

23. Calls for better institutional mechanisms to protect the rights of the child and to prevent child labour;

24. Notes that further efforts are needed to protect the rights of all minorities in Albania, through the full implementation of the relevant legislation; recommends that the rights of people with Bulgarian ethnicity in the Prespa, Golo Brdo and Gora regions be enshrined in law and ensured in practice;

25. Welcomes the improvement of the protection of the rights of LGBTI people and the adoption of the National Action Plan for LGBTI people 2016-2020, and encourages the government to continue to further implement measures of the programme and further consolidate the government's cooperation with LGBTI civil society organisations; encourages, furthermore, the government and lawmakers to ensure that gender recognition conditions will meet the standards set in Recommendation CM/Rec(2010)5 by the Committee of Ministers of the Council of Europe to member states on measures to combat discrimination on grounds of sexual orientation or gender identity;

26. Regrets that the competent authorities have so far failed to conduct an effective criminal investigation into the loss of life in the demonstration of 21 January 2011; invites the authorities to proceed without undue delay to deliver justice for the victims of the events of that day;

27. Commends religious tolerance and good cooperation among religious communities; encourages the competent authorities and religious communities to cooperate in preserving and fostering religious harmony in line with the Constitution; considers it essential to prevent Islamic radicalisation through a targeted approach by intelligence services, law enforcement authorities and judicial institutions, including through the disengagement and reintegration of returning foreign fighters, to counter violent extremism in cooperation with CSOs and religious communities, and to intensify regional and international cooperation in this area; commends the country's comprehensive legal framework for the prevention and fight against the financing of terrorism; urges that all measures should ensure in all circumstances respect for human rights and fundamental freedoms according to international standards; stresses the importance of special education programmes for the prevention of radicalisation, as well as for the rehabilitation and social reintegration of the individuals concerned;

28. Regrets that limited progress was made in the area of freedom of the media last year; reiterates the critical importance of professional and independent private and public service media; is concerned about political influence in the media and widespread self-censorship among journalists; notes the slow implementation of the law on audiovisual media and the delays in filling vacancies in the Audiovisual Media Authority (AMA); calls for measures to raise the professional and ethical standards of and prevalence of regular work contracts for journalists, to enhance the transparency of

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government advertising in the media, and to ensure the independence, impartiality and accountability of the regulatory authority and the public broadcaster, especially with a view to the upcoming parliamentary elections; reiterates the need to finalise and adopt the internal statutes of the public service broadcaster RTSH and to finalise the digital broadcasting switchover process;

29. Welcomes the improvements in fiscal consolidation and the higher scores as regards doing business and efforts to fight the informal economy; notes, however, that continuing shortcomings in the rule of law and a cumbersome regulatory environment deter investment; is concerned that migrant remittances constitute an important driver of domestic demand; urges the competent authorities to take measures for improved enforcement of contracts and better tax collection, and to continue implementing the judicial reform in order to improve the business environment; is concerned at the high levels of direct procurement and non-competitive bidding and the awarding of long- term outsourcing and PPP contracts having a questionable impact with regard to the public interest;

30. Recommends the authorities to speed up the construction of major infrastructure projects such as the rail link and modern highway between Tirana and Skopje as part of Corridor VIII;

31. Notes with concern the limited nature of the administrative capacities for enforcement of environmental law, as well as the poor waste management and water management, often resulting in environmental crime that threatens Albania's economic resources and constitutes a barrier to a resource-efficient economy; underlines the need to improve the quality of environmental impact assessments, as well as to guarantee public participation and consultation of civil society in relevant projects; stresses the crucial importance of meeting climate change objectives without negatively impacting on biodiversity, the landscape, water resources, flora and fauna, and affected local populations; is deeply concerned about the fact that, according to the Commission, 44 of 71 hydropower plant projects are under construction in protected areas;

32. Highlights that the environmental impact of hydropower plants is often not properly assessed to ensure compliance with international standards and relevant EU nature legislation; advises the government to consider the establishment of a Vjosa National Park along the whole length of the river and to abandon plans for new hydropower plants along the Vjosa river and its tributaries; urges further alignment with EU legislation in the field of energy, particularly on the adoption of a national energy strategy, in order to increase energy independence and efficiency; welcomes the 2015-2020 national action plan for renewable energy sources (RESs);

33. Notes that the enforcement of property rights has still to be effectively ensured; urges action to complete the process of property registration, restitution and compensation and update and effectively implement the 2012-2020 strategy on property rights; further urges the authorities to develop a roadmap setting out clear responsibilities and deadlines in this regard, and to conduct a public information campaign in order to inform former owners about their rights and duties concerning property restitution; calls for greater transparency and legal certainty and equality of treatment as regards the law on compensation for property confiscated during the communist period; calls for the appointment of a national coordinator for property rights and for acceleration of the process of property registration and mapping, including property digitalisation;

34. Stresses the importance of research in the process of revealing crimes committed by the former communist regime, as well as the moral, political and legal responsibility of the state institutions in this process; calls on the authorities to draw up suitable legislative measures to help the rehabilitation of victims, including the compensation of individuals and their families, and to revoke all politically motivated court decisions that are still in force; urges the state institutions to investigate and bring to justice the perpetrators of crimes against humanity under the communist dictatorship;

35. Notes that addressing the communist past is of key importance in terms of confronting human rights abuses and obtaining truth and justice for victims; welcomes the law establishing an authority for the opening of the Sigurimi records; welcomes the survey published by the OSCE Presence and the German Embassy on knowledge and public perceptions of the communist past in Albania and future expectations; considers that these efforts will help create dialogue about the past and build expectations for the future;

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36. Emphasises the importance of strengthening social dialogue, the involvement of CSOs, the capacities of social partners, and enforcement mechanisms for social rights; urges the government to modernise the education system with a view to building a more inclusive society, reducing inequalities and discrimination and better equipping young people with skills and knowledge; emphasises the importance of support under the Instrument for Pre-Accession Assistance (IPA) for education, employment and social policies;
 37. Calls on the Albanian authorities to strengthen their policies towards people with disabilities, who continue to face difficulties in accessing education, employment, healthcare, social services and decision-making, including obstacles preventing them from freely exercising the right to vote;
 38. Notes with concern that the number of asylum applications lodged by Albanians in EU Member States that have been deemed unfounded has increased again; urges the government to take immediate and determined action to address this phenomenon and to intensify awareness-raising, socio-economic support and prevention efforts in this regard, as well as to address push factors linked to unemployment and structural shortcomings in social protection, education and health policies; stresses the need to provide sufficient human resources to the Directorate-General for Borders and Migration and the Border Police, as well as to improve relevant interinstitutional cooperation in order to better counter irregular migration;
 39. Commends Albania on its continued full alignment with relevant EU declarations and Council conclusions, thereby demonstrating its clear commitment to European integration and solidarity; stresses the importance and necessity of the continued constructive contribution of Albania to political stability in the region;
 40. Welcomes the decision by the Albanian authorities to align the country's foreign policy with Council Decision (CFSP) 2016/1671, renewing the restrictive EU measures against Russia;
 41. Underlines the importance of ensuring good neighbourly relations, which remain essential as an integral part of the enlargement process as well as of the Stabilisation and Association Process conditionality; welcomes Albania's constructive and proactive role in promoting regional cooperation and good neighbourly relations with other enlargement countries and neighbouring EU Member States; welcomes the participation of Albania in the Western Balkans Six initiative;
 42. Commends both Albania and Serbia on their continued commitment to improving bilateral relations and strengthening regional cooperation at political and societal level, for example through the Regional Youth Cooperation Office (RYCO) headquartered in Tirana; encourages both countries to continue their good cooperation in order to promote reconciliation in the region, particularly through programmes for young people, such as those available in the framework of the Positive Agenda for the Youth in the Western Balkans;
 43. Notes the recent frictions in relations between Albania and Greece, and recommends that both sides abstain from actions or statements that could have a negative impact on relations;
 44. Reiterates its request that the Commission include in its reports information on IPA support for Albania and the effectiveness of the measures implemented, in particular the IPA support allocated for implementation of the key priorities and relevant projects;
 45. Instructs its President to forward this resolution to the Council, the Commission and the Government and Parliament of Albania.
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P8_TA(2017)0037

2016 Report on Bosnia and Herzegovina**European Parliament resolution of 15 February 2017 on the 2016 Commission Report on Bosnia and Herzegovina (2016/2313(INI))**

(2018/C 252/13)

The European Parliament,

- having regard to the Stabilisation and Association Agreement (SAA) between the European Communities and their Member States, of the one part, and Bosnia and Herzegovina (BiH), of the other part,
- having regard to the Protocol on the Adaptation of the SAA between the European Communities and its Member States, on the one part, and BiH, on the other part, to take into account the accession of the Republic of Croatia to the European Union, which was initialled on 18 July 2016, and signed on 15 December 2016,
- having regard to BiH's application for membership of the European Union on 15 February 2016,
- having regard to the European Council conclusions of 19-20 June 2003 on the Western Balkans and to the annex thereto entitled 'The Thessaloniki Agenda for the Western Balkans: moving towards European integration',
- having regard to the Council conclusions of 20 September 2016 on the application of BiH for membership of the EU,
- having regard to the EU Presidency conclusions of 13 December 2016,
- having regard to the first meeting of the EU-BiH Stabilisation and Association Parliamentary Committee (SAPC) held in Sarajevo on 5-6 November 2015 and the first meetings of the Stabilisation and Association Council (SAC) and the Stabilisation and Association Committee between BiH and the EU held on 11 and 17 December 2015 respectively,
- having regard to the Final Declaration by the Chair of the Paris Western Balkans Summit of 4 July 2016 and to the Recommendations of the Civil Society Organisations for the Paris Summit 2016,
- having regard to the joint statement of 1 August 2016 by the Vice-President/High Representative (VP/HR) and the Commissioner for European Neighbourhood Policy and Enlargement Negotiations on Bosnia and Herzegovina's authorities' agreement on key measures on the country's EU path,
- having regard to the joint statement of 17 September 2016 by the VP/HR and the Commissioner for European Neighbourhood Policy and Enlargement Negotiations following the decision of the BiH Constitutional Court regarding the Republika Srpska (RS) day,
- having regard to the Commission Communication of 9 November 2016 entitled '2016 Communication on EU Enlargement Policy' (COM(2016)0715), accompanied by the Commission Staff Working Document entitled 'Bosnia and Herzegovina 2016 Report' (SWD(2016)0365),
- having regard to the Special Report of the European Court of Auditors entitled 'EU pre-accession assistance for strengthening administrative capacity in the Western Balkans: A meta-audit' ⁽¹⁾,

⁽¹⁾ ECA 2016 No. 21.

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- having regard to the Fiftieth Report to the UN Security Council of the High Representative for Implementation of the Peace Agreement on Bosnia and Herzegovina ⁽¹⁾,
 - having regard to the Statement from November 2016 on behalf of the European Union and its Member States by H.E. Mr. João Vale de Almeida, Head of the Delegation of the European Union to the United Nations, at the Security Council Debate on ‘The situation in Bosnia and Herzegovina’,
 - having regard to the Reform Agenda for BiH 2015-2018 adopted in July 2015 and to the Coordination Mechanism adopted by the Council of Ministers of BiH and the governments of the Federation of BiH and the RS on 23 August 2016,
 - having regard to its previous resolutions on the country,
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on Foreign Affairs (A8-0026/2017),
- A. whereas the EU remains committed to BiH's EU perspective, to its territorial integrity, sovereignty and unity; whereas progress has been achieved on the EU integration path; whereas the Council asked the Commission to prepare its opinion on BiH's application for membership;
- B. whereas on 9 December 2016, in Sarajevo, the Commissioner for European Neighbourhood Policy and Enlargement Negotiations delivered the questionnaire to the BiH authorities;
- C. whereas the suspension of the Autonomous Trade Measures will be lifted once the Protocol on the Adaptation of the SAA has been signed and provisionally applied;
- D. whereas, with the Reform Agenda for BiH 2013-2018, the authorities at all levels recognised the urgent need to initiate a process of rehabilitating and modernising the economy with a view to creating new jobs and fostering sustainable, efficient, socially just and steady economic growth; whereas BiH has demonstrated commitment and readiness to embark on further socio-economic reforms necessary to reduce youth unemployment, which is still at far too high a rate;
- E. whereas an independent, functional and stable judiciary is important in guaranteeing the rule of law and progress on the path to EU accession;
- F. whereas challenges remain in relation to the sustainability of the reconciliation process; whereas progress in the EU accession process will facilitate further reconciliation;
- G. whereas BiH has still not implemented the rulings of the European Court of Human Rights (ECHR) in the *Sejdić-Finci*, *Zornić* and *Pilav* cases;
- H. whereas corruption, including at the highest level, continues to be widespread;
- I. whereas there are still 74 000 internally displaced persons and a significant number of refugees from BiH in neighbouring countries, across the whole of Europe and worldwide, as well as 6 808 missing persons;
- J. whereas education is essential to creating and promoting a tolerant and inclusive society as well as fostering cultural, religious and ethnic understanding in the country;
- K. whereas BiH is a signatory to the Convention on Environmental Impact Assessment in a Transboundary Context (Espoo, 1991);

⁽¹⁾ S/2016/911.

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L. whereas (potential) candidate countries are judged on their own merits, and whereas the speed and quality of the necessary reforms determines the timetable for accession;

1. Welcomes the consideration of BiH's EU membership application by the Council and the handing in of the questionnaire and looks forward to the Commission's opinion on the merits of the application for membership; calls on competent BiH authorities at all levels to commit actively to this process and to cooperate and coordinate in participating in the Commission's Opinion process by providing a single and coherent set of replies to the Commission's inquiries; points out that this exercise will also serve as a proof of state functionality; reiterates that the EU accession process is inclusive and involves all stakeholders;

2. Appreciates and welcomes the role of the tripartite Presidency as playing an important role in creating the incentive for all other institutional actors on all levels to engage in efforts to fulfil their respective roles in the overall process of the country's approximation to the EU;

3. Welcomes the progress made on the implementation of the 2015-2018 Reform Agenda, as well as the country's determination to pursue further institutional and socio-economic reforms; recalls that the renewed EU approach towards BiH has been triggered by the difficult socio-economic situation and the increasing dissatisfaction among citizens; notes that the situation has somewhat improved, but stresses that harmonised and effective implementation of the Reform Agenda in line with the action plan is needed to achieve real change across the country and make tangible improvements to the lives of all BiH citizens;

4. Calls for the momentum of the reform to be maintained in order to transform BiH into a fully effective, inclusive and functional state based on the rule of law, guaranteeing equality and democratic representation of all its constituent peoples and citizens; regrets that common reform efforts often continue to be hampered by ethnic and political divisions, caused by deeply-rooted disintegrative tendencies hindering normal democratic development, and through the further politicisation of public administrations; stresses also that BiH will not be a successful candidate for EU membership until the appropriate institutional conditions have been established; urges all political leaders to work on introducing the necessary changes, including the reform of electoral law, also taking into account the principles expressed in its previous resolutions, including the principles of federalism, decentralisation and legitimate representation, so as to guarantee that all citizens can stand as candidates, be eligible to be elected, and serve at all political levels, on equal grounds; considers it essential to maintain consensus on EU integration and to make progress in a concerted manner on the rule of law, including the fight against corruption and organised crime, the reform of the judiciary and public administration; highlights equally the need for a continued and effective focus on social and economic reforms, which should remain a priority;

5. Welcomes the agreement on setting up a coordination mechanism for EU matters aimed at improving functionality and efficiency in the accession process, including in relation to EU financial assistance, and enabling better interaction with the EU; calls for its swift implementation; calls, moreover, for effective cooperation and communication between all levels of government and with the EU in order to facilitate the alignment and implementation of the *acquis*, and to provide satisfactory replies to the Commission's inquiries throughout the Opinion process; deems it unacceptable that the Government of the RS is trying to establish parallel channels of communication by adopting provisions on direct reporting to the Commission; calls for the role and capacities of the Directorate for European Integration to be further enhanced with a view to assuming its coordinating functions in full within the implementation of the SAA and, overall, in the accession process;

6. Expresses satisfaction about the signature of the Protocol on SAA adaptation that has been provisionally applied as of 1 February 2017, automatically reinstating the autonomous trade measures that had been suspended as of 1 January 2016; looks forward to a rapid and smooth ratification of the Protocol;

7. Regrets that the Rules of Procedure (RoP) of the SAPC have still not been adopted, due to the attempts to introduce ethnic blocking into the SAPC's RoP, as a consequence of which BiH has remained the only enlargement country where such a body could not be properly constituted; urges the presiding bodies of the BiH Parliament to find, without delay, a solution in order to meet the requirements of the EU's institutional and legal framework and to provide meaningful parliamentary oversight of the accession process; recalls that the SAA requires the adoption of the RoP and failure to do so is in direct breach of SAA implementation;

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8. Welcomes some improvements of electoral legislation in line with OSCE-ODIHR recommendations; notes that the local elections of 2 October 2016 have been conducted broadly in an orderly manner; regrets that after six years, the citizens of Mostar still cannot exercise their democratic rights to elect their local representatives owing to continued disagreements between political leaders; urges the swift implementation of the Constitutional Court ruling on Mostar by amending electoral legislation and the city's Statute; strongly condemns the unacceptable violence against electoral officials in Stolac and calls on the competent authorities to resolve the situation by respecting the rule of law, including the investigation of all acts of violence and electoral irregularities as well as the prosecution of the perpetrators; notes the annulment of elections in Stolac by the BiH Central Electoral Commission and calls for re-elections to be conducted under democratic standards, in a peaceful manner and an atmosphere of tolerance;

9. Regrets that the declared political commitment to combat corruption did not translate into tangible results; underlines that there is no track record of high-profile cases and that the legal and institutional framework for combating systemic corruption such as in relation to political party finance, public procurement, conflicts of interest, and assets declaration is weak and inadequate; acknowledges progress in adopting anti-corruption action plans and setting up corruption prevention bodies at various levels of governance and calls for the consistent and swift implementation of these decisions; notes with concern that fragmentation and weak inter-agency cooperation hamper the effectiveness of anti-corruption measures; calls for greater professional specialisation within the police and the judiciary by means of appropriate coordination channels; stresses the need to establish a track record of effective scrutiny of political party and electoral campaign financing, to develop transparent employment procedures in the broader public sector, as well as to eliminate corruption in the public procurement cycle;

10. Stresses that the results of the 2013 census are an important basis for providing an adequate response to the Commission questionnaire and are essential for effective socio-economic planning; welcomes the final assessment made by the International Monitoring Operation concluding that the census in BiH was as a whole conducted in compliance with international standards; regrets that the RS refused to acknowledge the census results as legitimate, and that the RS authorities published their own results, different to those confirmed by the BiH Agency for Statistics; urges the RS authorities to reconsider their approach; calls on the BiH statistical agencies to make significant progress in this crucial field and to align their statistics and methodologies with Eurostat standards;

11. Recalls that a professional, effective and merit-based public administration is the backbone of the integration process for any country that aspires to become an EU member; is concerned about the continued fragmentation and politicisation of public administration, which hampers institutional and legislative reforms and makes the delivery of public services to citizens cumbersome and expensive; calls, as a matter of urgency, for a more harmonised approach to policy development and coordination between all levels of government, the depolitisation of public administration and of the public sector, better medium-term planning and for a clear strategy on public financial management;

12. Reiterates its concern about the continued fragmentation into four different legal systems; stresses the need to address swiftly any outstanding shortcomings of the judiciary, to strengthen judicial efficiency and independence, including through the depolitisation of the judiciary, to fight corruption in the judiciary and to implement adequate procedures for the execution of court decisions; urges the rapid adoption of the action plan for the implementation of the 2014-2018 justice sector reform; calls for full implementation of the laws on the protection of children and effective access to justice for children; welcomes the adoption of the law on free legal aid at state level and the introduction by the High Judicial and Prosecutorial Council of guidelines on the prevention of conflicts of interest, the drafting of integrity plans and disciplinary measures;

13. Calls for the overall efficiency of the judiciary to be enhanced, the transparency and objectivity of the process of selecting new judges and prosecutors to be increased, as well for the accountability and integrity mechanisms in the judiciary to be strengthened; underlines the need to reinforce mechanisms for the prevention of conflicts of interests and for establishing mechanisms for the transparency of financial reports and asset declarations in the judiciary; notes the important role of the Structured Dialogue on Justice in addressing the shortcomings in the BiH judiciary; calls for a legislative solution which would allow for tracking the efficiency of the handling of cases throughout the territory of BiH;

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14. Regrets that a high number of constitutional court decisions are not being implemented, including the decision concerning the respect of the basic democratic rights of the citizens of Mostar to vote in local elections; calls for prompt implementation of all these decisions; highlights, in particular, the constitutional court decision on the RS day, which was contested in the referendum held on 25 September 2016; considers this as a serious violation of the Dayton Peace Agreement and an attack on the judiciary and the rule of law; stresses the need for dialogue rather than unilateral initiatives; emphasises that nationalistic and populist rhetoric and actions are serious obstacles for development and that respect for the rule of law and the country's constitutional framework is of paramount importance in advancing on the EU path and in order to preserve peace and stability in BiH;

15. Strongly condemns the Law on Order in RS which is still in force and undermines the fundamental democratic rights of the freedom of assembly, freedom of association and freedom of the media, as well as the provision on the death penalty in the RS; urges the full implementation of the Freedom of Access to Information Act; urges the authorities to swiftly implement the Additional Protocol to the Council of Europe Convention on Cybercrime, concerning the criminalisation of acts of a racist and xenophobic nature committed through computer systems;

16. Urges leaders on all sides to refrain from divisive, nationalist and secessionist rhetoric that polarises society as well as from actions that represent a challenge to the cohesion, sovereignty and integrity of the country; urges instead that they engage seriously in reforms that will improve the socio-economic situation of all BiH citizens, create a democratic, inclusive and functioning state and move the country closer towards the EU;

17. Emphasises the importance of the recent decision of the Constitutional Court on the principle of constituent status and the equality of its three constitutive peoples to elect their own legitimate political representatives based on legitimate and proportional representation in the House of People of the Parliament of the Federation of Bosnia and Herzegovina;

18. Notes satisfactory cooperation on war crimes cases with the International Criminal Tribunal for the former Yugoslavia (ICTY) and encourages more regional cooperation with regard to processing war crimes cases; expresses concern that different legal standards are applied when processing war crimes cases; welcomes the fact that the backlog of domestic war crimes cases is being tackled and that some further progress has been achieved in the successful prosecution of war crimes involving sexual violence; welcomes the agreement between the EU Delegation and the BiH Ministry of Finance and Treasury to finance the activities of the prosecutors' offices and the courts in BiH in relation to the processing of war crimes;

19. Strongly condemns the decision of the RS National Assembly in October 2016 to express appreciation to former leaders of the RS convicted of war crimes; calls, as a matter of urgency, for respect for the victims of war crimes and for reconciliation to be promoted; reminds all political leaders and institutions in BiH of their responsibility to assess war-time events objectively, in the interests of truth and reconciliation, and to avoid misuse of the judiciary for political purposes;

20. Commends the progress made in relation to the prosecution of war crimes involving sexual violence and urges the competent authorities to enhance further access to justice for victims of conflict-related sexual violence, including by making available free legal aid, strengthening psychosocial and health services, as well as better compensation and follow-up; calls for guarantees that the rights to reparation of such victims are recognised in a consistent manner;

21. Notes some progress with regard to refugees and internally displaced persons, who were displaced as a result of the Bosnian war, in terms of the repossession of property and occupancy rights as well as the reconstruction of houses; calls on the competent authorities to facilitate their sustainable return, access to healthcare, employment, social protection and education and to devote further attention to compensation for damage to property which cannot be returned;

22. Is concerned about the persistently high number of persons missing as a result of the war; calls on the competent authorities to address more forcefully the issue of their unresolved fate, including by intensifying cooperation between the two entities; stresses that solving this issue is of paramount importance for reconciliation and stability in the region;

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23. Expresses its concern about the state of the health system in BiH, one of the systems most subject to corruption in the country; calls on the authorities to be vigilant in preventing discrimination in access to medical care;

24. Notes some progress in fighting organised crime; is concerned, however, about the absence of a consistent approach in tackling organised crime owing to the numerous action plans by the various law enforcement agencies at different levels; highlights the need to strengthen further the framework for inter-agency cooperation; welcomes joint investigations, but calls for more coordinated operations and a better exchange of information; calls for the enhancement of the capacities of law enforcement bodies, including on counter-terrorism; calls on the competent authorities to take measures to combat the financing of terrorism and money laundering and to enhance the capacity for conducting financial investigations; welcomes the signing of the operational and strategic cooperation agreement with Europol aimed at combating cross-border criminality by, *inter alia*, exchanging information and jointly planning operational activities; encourages the conclusion of a cooperation agreement with Eurojust as well;

25. Underlines the need to improve the fight against human trafficking; calls on the Federation entity to make swift changes to the criminal code that would ban all forms of human trafficking, 80 % of whose victims are women and girls;

26. Calls for the strengthening of mechanisms for collecting, sharing and analysing data on migration as statistics show an increasing trend of people coming to BiH from the high-migratory-risk countries; calls on the competent authorities to process all refugees and migrants applying for asylum or transiting through its territory in accordance with international and EU law as well as to develop further the regulatory framework on migration and asylum, to enhance inter-institutional coordination and to build the necessary capacities; calls on the Commission to continue work on migration-related issues with all countries of the Western Balkans in order to make sure that European and international norms and standards are observed;

27. Points out that the polarisation of the country, in combination with the deterioration of the socio-economic situation, especially for young people, increases the danger of spreading radicalism; calls, as a matter of urgency, for the boosting of efforts to combat radicalisation and further measures to identify, prevent and disrupt the flow of foreign fighters as well as channels of untraceable money intended for further radicalisation, including through close cooperation with the relevant services of the Member States and countries in the region, as well as by enforcing the relevant laws; calls for better coordination between security and intelligence services and the police; encourages the decisive resolution and sanctioning of cases of hate speech and transmitting extremist ideologies through the social media; calls for the swift introduction of programmes on deradicalisation and preventing youth radicalisation in cooperation with civil society through comprehensive human rights education in order to help deconstruct narratives on radicalisation and to build social cohesion amongst children and youth; encourages, in this respect, greater youth participation in the democratic political process; urges the competent authorities to combat religious extremism; notes with concern the existence of radicalised communities across the country and highlights the important role of religious leaders, teachers and overall of the education system in this respect; stresses further the need to provide tools for reintegration and rehabilitation into society and the upgrading and enhancement of deradicalisation tools;

28. Notes the active engagement of the Joint Parliamentary Committee for Security and Defence in ensuring democratic control over the armed forces of BiH; notes with concern the large stockpiles of unregistered firearms and ammunition held illegally by the population and urges the total eradication of these weapons; is equally concerned by the presence of inadequately stored, large stockpiles of ammunition and weapons under the responsibility of the armed forces; underscores the importance of tackling arms trafficking and calls for the strengthening of cooperation between the EU and BiH to this effect; urges a comprehensive approach to address the remaining challenges of clearing the country of mines by 2019;

29. Deems it essential to enhance public participation in decision-making and to engage citizens, including young people, more effectively in the EU accession process; reiterates its calls for transparent and inclusive public consultation mechanisms with civil society organisations (CSOs) to be implemented at all levels of government as well as to introduce transparent and non-discriminatory procedures for allocating public funding to CSOs; notes that civil society is fragmented, institutionally and financially weak, which has an impact on its sustainability and independence; calls for further EU support, better cooperation mechanisms between government and CSOs, including the development of a strategic

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framework for cooperation, as well as more concrete involvement of civil CSOs in the EU accession process; condemns repeated smear campaigns and violent attacks on CSO representatives and human rights defenders;

30. Underlines the need for a substantial improvement in the strategic, legal, institutional and policy frameworks on the observance of human rights; calls for the adoption of a countrywide strategy on human rights and non-discrimination and for further measures to ensure the effective implementation of the international human rights instruments signed and ratified by BiH; calls for the swift adoption of the law on the reform of the BiH Ombudsman; calls for adherence to the recommendations of the International Coordinating Committee and Venice Commission when adopting it; is concerned that the Ombudsman's Office is not functioning properly, mainly due to a lack of adequate human resources and serious financial constraints; calls on BiH authorities at federal level and in the RS to facilitate the work of the Human Rights Ombudsman;

31. Is concerned about continued discrimination against persons with disabilities in the fields of employment, education and access to health care; calls for the adoption of a single national action plan on the rights of persons with disabilities; calls for the development of a comprehensive and integrated strategy on the social inclusion and representation of the Roma community; calls for better targeting of social assistance in order to reach the most vulnerable populations; welcomes the fact that some governments and parliaments have begun discussing LGBTI rights and drawing up specific measures for their protection; calls for the safety and right of assembly of LGBTI groups to be guaranteed; welcomes changes to the BiH anti-discrimination law extending the listed grounds for discrimination to include age, disability, sexual orientation and gender identity; calls for its proper enforcement; welcomes the introduction of the prohibition of hate crimes in amendments to the Criminal Code of the Federation of BiH; encourages the inclusion of courses on hate crimes into the curricula and training programmes of police officers, prosecutors and judges and calls for improved cooperation between police and judicial bodies in prosecuting hate crime cases; urges again the repeal of the provision on the death penalty in the RS entity's Constitution;

32. Calls for efforts to strengthen further child protection systems in order to prevent and address violence against and the abuse, neglect and exploitation of children; recommends an increased allocation of resources for prevention and the further enhancement of community-government coordination in protecting children; calls for the implementation of the BiH Action Plan on Children 2015-18;

33. Notes that the legal framework for the protection of minorities is largely in place and in line with the Council of Europe Framework Convention for the Protection of National Minorities; welcomes the reactivation of the Federation entity Council of National Minorities in BiH; is concerned that due to a continued lack of coordination between the state and the entities, existing laws are not being implemented and the state-level strategic platform on national minorities has not yet been adopted; regrets that national minorities continue to have a low presence and participation in political and public debates and in the media;

34. Calls for further efforts to promote gender equality and increase the participation of women in political and public life and employment, to improve their socio-economic situation and to strengthen women's rights on the whole; notes that legal provisions instituting equality between women and men are broadly in place, but that their implementation continues to be ineffective; notes with concern that there is still maternity-related discrimination in employment and that entities and cantons have no harmonised legislation on maternity and parental leave; highlights, furthermore, that the existing active labour market measures aimed at supporting the employment of the long-term unemployed and vulnerable groups, such as persons with disabilities, are not being effectively implemented; underlines the importance of enhancing the completion rate of primary and secondary schools by girls, particularly from the Roma community;

35. Highlights the importance of the effective implementation of the legislation on the prevention of and protection from gender-based violence in accordance with the international conventions dealing with the prevention of and protection from domestic violence that BiH has signed and ratified; welcomes the commitment of the competent authorities to implement the Istanbul Convention of the Council of Europe on preventing and combating violence against women and domestic violence; calls for the harmonisation of legislation and public policies with this convention; calls for women survivors of violence to be informed about the available forms of support and assistance, the establishment of crisis centres

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for victims of rape or other forms of sexual violence; is concerned about the absence of systematic recording of gender-based violence;

36. Deplores the fact that BiH is still in breach of the European Convention on Human Rights through not implementing the rulings of the European Court of Human Rights (ECHR) in the *Sejdić-Finci*, *Zornić* and *Pilav* cases; calls firmly and as a matter of urgency, for progress to be made in this regard in order to advance the country's EU perspective; stresses that the implementation of these rulings would contribute to the establishment of a democratic and well-functioning society in which equal rights for all are guaranteed; reiterates that failing to implement these rulings permits the overt discrimination of citizens in BiH and is incompatible with EU values;

37. Is concerned about cases of political pressure and the intimidation of journalists, including physical and verbal attacks, also those perpetrated by high-level officials or former officials, as well as about the lack of transparency in media ownership; is also concerned about the use of civil libel suits against critical media outlets and journalists; emphasises the need to investigate attacks against journalists and ensure proper judicial follow-up; calls on the authorities to condemn unequivocally all attacks against journalists and media outlets and to ensure that such cases are fully investigated and those responsible brought to justice; calls for further measures necessary to guarantee full respect of the freedom of expression, of the press and of access to information both online and offline; calls on the BiH authorities to undertake urgent measures to save the public service media from collapse; calls on the competent authorities to ensure the independence and financial stability of the three public service broadcasters as well as the political, operational and financial independence and transparency of the Communications Regulatory Authority; calls on the competent authorities to guarantee media pluralism and ensure broadcasting in all official languages of BiH; calls for the finalisation of the digital switchover and the setting up of a broadband strategy;

38. Remains concerned by continued fragmentation, segregation, inefficiency and complexity in the education system; calls for the adoption of a countrywide common core curriculum that will contribute to the cohesion of the country; calls for better coordination between the different levels of education governance in order to promote an inclusive and non-discriminatory education system and to foster cooperation across cultural, religious and ethnic lines; calls on the authorities to promote the principles of tolerance, dialogue and intercultural understanding among the different ethnic groups; urges the adoption of concrete measures to improve the efficiency of the education system and to eliminate segregating practices, while guaranteeing the right to equal education opportunities in all official languages of BiH; continues to be concerned about the high proportion of early leavers from education and training and the persistently high school-drop-out rates of Roma pupils; regrets the slow progress in addressing and resolving the issue of 'two schools under one roof', mono-ethnic schools and other forms of segregation and discrimination in schools;

39. Welcomes the measures to modernise labour legislation, to improve the business environment and to address weaknesses in the financial sector within the framework of the Reform Agenda; notes positively also the increase in registered employment and the steps taken to strengthen economic policy coordination; welcomes the 3-year Extended Fund Facility programme agreed with the IMF, which is expected to improve the business climate further, to reduce the size of the government and to safeguard the financial sector; continues to regret the absence of a unified single economic area, which hampers the business environment, foreign direct investments and SMEs; calls for these issues to be addressed through harmonised and coordinated country-wide industrial and SME policies; calls, as a matter of urgency, for the competent authorities to outline coordinated measures with a view to strengthening the rule of law, simplifying contract enforcement procedures and combating corruption in the economy;

40. Welcomes the slight reduction in unemployment; remains concerned, however, that unemployment continues to be largely of a structural nature and that youth unemployment continues to be high, resulting in very high levels of brain drain; encourages BiH to participate actively in various programmes designed for young people in the region, such as those in the framework of the Positive Agenda for the Youth in the Western Balkans or Regional Youth Cooperation Office (RYCO); calls on the competent authorities to further strengthen existing laws and to introduce active labour market policies targeting in particular young people, women, vulnerable groups, including the Roma, and the long-term unemployed, as well as reinforcing the capacities of the employment services;

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41. Regrets that the labour laws in both entities were adopted by means of the urgent procedure and without proper dialogue with the social partners; notes that labour and trade union rights are still limited and stresses the importance of further enhancing and harmonising these laws across the country; recalls that BiH has signed a number of ILO Conventions, which, *inter alia*, recognise the principles of social dialogue and the importance of cooperation with social partners; stresses the importance of further enhancing and harmonising health and safety laws across the country; highlights also the need to reform and harmonise the fragmented social protection systems, to promote social cohesion and ensure social protection for the most vulnerable;

42. Notes that some progress has been achieved in further aligning policies and legislation in the area of environmental protection; calls for significant efforts in relation to the proper and systematic implementation and enforcement of existing legislation; stresses the need to adopt a countrywide strategy for the approximation of environmental *acquis*, to enhance the legal framework and to strengthen administrative and monitoring capacities; points out that the legislation regulating access to environmental information and public participation in decision-making processes must be brought in line with the *acquis*; calls, as a matter of urgency, for alignment with the EU *acquis* in the field of nature protection; underlines that the planning and construction of hydropower plants and projects must comply with international and EU environmental legislation; urges that hydropower projects not be realised in protected natural environments and that they are not harmful to nature; stresses the need for public participation in and the consultation of civil society on relevant projects; expresses concern about the lack of progress in solving the problem of excessive and transboundary environmental pollution caused by the operations of the refinery in Bosanski Brod;

43. Highlights that agreed EU priority electricity and gas transmission interconnection projects with neighbouring countries have been held up due to lack of political agreement on a countrywide energy strategy; urges, in this connection, the adoption of a countrywide energy strategy as well as the adoption of a legal framework for gas in compliance with the Third Energy Package, so that European Energy Community sanctions can be lifted; urges that a law on natural gas be passed with a view to increasing the security of supply; urges the authorities to ensure alignment with EU and international standards and policy objectives in the field of energy and climate change;

44. Notes the country's infrastructural deficiencies and advocates continuing investment in projects that improve transport links both within BiH and with neighbouring countries; encourages the full participation of BiH in the implementation of the EU's connectivity agenda; commends the adoption of the countrywide Framework Transport Strategy for the period 2015-2030 in July 2016; underlines that this would enable BiH to access Instrument for Pre-accession Assistance (IPA) II funding; calls on the authorities to align the legal framework on transport with the relevant EU legislation, to create functional transport chains, remove the bottlenecks on corridor Vc, as well as to observe tendering rules and the principle of transparency in the selection of contractors, in order to prevent abuse and corruption;

45. Welcomes BiH's continued constructive and pro-active role in promoting bilateral and regional cooperation; calls for further efforts to resolve outstanding bilateral issues, including border demarcation with Serbia and Croatia and cases of cross-border pollution; commends BiH for further increasing the rate of its alignment with relevant EU statements and decisions under the Common Foreign and Security Policy (CFSP) from 62 % to 77 %; regrets the decision by BiH authorities not to back EU restrictive measures against Russia, following the latter's illegal annexation of Crimea; reminds BiH of the need for a unified foreign policy and that foreign policy alignment is an essential part of EU membership; considers it important to coordinate BiH foreign policy with EU foreign policy and that the EU remains actively engaged in preserving safety and security in BiH; welcomes the continued presence of Operation Althea, which retains the capability to contribute to the BiH authorities' deterrence capacity if the situation so requires, while focusing on capacity building and training; welcomes equally the prolongation of EUFOR's mandate in November 2016 for another year by the UN Security Council;

46. Instructs its President to forward this resolution to the VP/HR, the Council, the Commission, the Presidency of BiH, the Council of Ministers of BiH, the Parliamentary Assembly of BiH, the governments and parliaments of the Federation of BiH and the RS entities and of the Brčko District, and the governments of the 10 cantons.

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European Semester for Economic Policy Coordination: Annual Growth Survey 2017

European Parliament resolution of 15 February 2017 on the European Semester for economic policy coordination: Annual Growth Survey 2017 (2016/2306(INI))

(2018/C 252/14)

The European Parliament,

- having regard to the Treaty on the Functioning of the European Union (TFEU), and in particular Articles 121(2), 126, 136, and to Protocol No 12 on the excessive deficit procedure,
- having regard to Protocol No 1 on the role of National Parliaments in the European Union,
- having regard to Protocol No 2 on the application of the principles of subsidiarity and proportionality,
- having regard to the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union,
- having regard to Regulation (EU) No 1175/2011 of the European Parliament and of the Council of 16 November 2011 amending Council Regulation (EC) No 1466/97 on the strengthening of the surveillance of budgetary positions and the surveillance and coordination of economic policies ⁽¹⁾,
- having regard to Council Directive 2011/85/EU of 8 November 2011 on requirements for budgetary frameworks of the Member States ⁽²⁾,
- having regard to Regulation (EU) No 1174/2011 of the European Parliament and of the Council of 16 November 2011 on enforcement measures to correct excessive macroeconomic imbalances in the euro area ⁽³⁾,
- having regard to Council Regulation (EU) No 1177/2011 of 8 November 2011 amending Regulation (EC) No 1467/97 on speeding up and clarifying the implementation of the excessive deficit procedure ⁽⁴⁾,
- having regard to Regulation (EU) No 1176/2011 of the European Parliament and of the Council of 16 November 2011 on the prevention and correction of macroeconomic imbalances ⁽⁵⁾,
- having regard to Regulation (EU) No 1173/2011 of the European Parliament and of the Council of 16 November 2011 on the effective enforcement of budgetary surveillance in the euro area ⁽⁶⁾,

⁽¹⁾ OJ L 306, 23.11.2011, p. 12.

⁽²⁾ OJ L 306, 23.11.2011, p. 41.

⁽³⁾ OJ L 306, 23.11.2011, p. 8.

⁽⁴⁾ OJ L 306, 23.11.2011, p. 33.

⁽⁵⁾ OJ L 306, 23.11.2011, p. 25.

⁽⁶⁾ OJ L 306, 23.11.2011, p. 1.

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- having regard to Regulation (EU) No 473/2013 of the European Parliament and of the Council of 21 May 2013 on common provisions for monitoring and assessing draft budgetary plans and ensuring the correction of excessive deficit of the Member States in the euro area ⁽¹⁾,
- having regard to Regulation (EU) No 472/2013 of the European Parliament and of the Council of 21 May 2013 on the strengthening of economic and budgetary surveillance of Member States in the euro area experiencing or threatened with serious difficulties with respect to their financial stability ⁽²⁾,
- having regard to the Council conclusions on the Annual Growth Survey 2016 of 15 January 2016,
- having regard to the Council conclusions on the Fiscal Sustainability Report 2015 of 8 March 2016,
- having regard to the European Council conclusions of 17-18 March 2016,
- having regard to the Euro group Statement of 9 September 2016 on common principles for improving expenditure allocation,
- having regard to the ECB Annual Report 2015,
- having regard to the European Commission's Autumn 2016 European Economic Forecast of 9 November 2016,
- having regard to the Commission communication of 13 January 2015 entitled 'Making the best use of the flexibility within the existing rules of the Stability and Growth Pact' (COM(2015)0012),
- having regard to the Communication of the Commission of 16 November 2016 on the 'Annual Growth Survey 2017' (COM(2016)0725),
- having regard to the Communication of the Commission of 16 November 2016 on the recommendation for a Council Recommendation on the economic policy of the euro area (COM(2016)0726),
- having regard to the Communication of the Commission of 16 November 2016 'Towards a positive fiscal stance for the Euro Area' (COM(2016)0727),
- having regard to the report from the Commission of 16 November 2016 on the 'Alert Mechanism Report 2017' (COM(2016)0728),
- having regard to the debate with national Parliaments in the context of the 2017 edition of the European Parliamentary Week,
- having regard to the Report on completing Europe's economic and monetary union ('Five Presidents' Report'),
- having regard to the Commission communication of 21 October 2015 on steps towards Completing Economic and Monetary Union (COM(2015)0600),
- having regard to its resolution of 24 June 2015 on the review of the economic governance framework: stocktaking and challenges ⁽³⁾,
- having regard to the Eurofound's European Restructuring Monitor annual report 2015,

⁽¹⁾ OJ L 140, 27.5.2013, p. 11.

⁽²⁾ OJ L 140, 27.5.2013, p. 1.

⁽³⁾ OJ C 407, 4.11.2016, p. 86.

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- having regard to the G20 Leader's Communiqué delivered at the Hangzhou Summit of 4-5 September 2016,
 - having regard to the Statement of the President of the ECB at the 34th meeting of the International Monetary and Financial Committee on 7 October 2016,
 - having regard to the COP21 agreement adopted at the Paris Climate Conference on 12 December 2015,
 - having regard to the resolution of the Committee of the Regions on the 2016 European Semester and in view of the 2017 Annual Growth Survey (12 October 2016),
 - having regard to the Annual Report on European SME's 2015/2016,
 - having regard to the report from the Commission to the European Parliament and the Council dated 26 August 2016 on the implementation of Directive 2011/7/EU of the European Parliament and of the Council of 16 February 2011 on combating late payment in commercial transactions (COM(2016)0534),
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on Economic and Monetary Affairs and the opinions of the Committee on Budgets, the Committee on the Environment, Public Health and Food Safety and the Committee on Regional Development (A8-0039/2017),
- A. whereas the European Union's economy is slowly recovering and growing at a moderate pace, albeit unevenly across Member States;
- B. whereas real GDP growth in 2016 is projected by the Commission at 1,8 % for the EU and at 1,7 % for the euro area, and in 2017 at 1,6 % and 1,7 %, respectively, and the government debt is set to stand at 86,0 % in the EU and 91,6 % in the euro area in 2016; whereas the euro area deficit is set to stand at 1,7 % GDP in 2016, 1,5 % in 2017 and 2018;
- C. whereas consumer spending is the current key driver of growth and is expected to remain as such in 2017; whereas, however, Europe still faces an important 'investment gap' where investment remains well below pre-crisis levels;
- D. whereas the employment rate in the EU is growing, although unevenly and at an insufficient pace, reducing unemployment in the euro area to 10,1 % in 2016, but not enough to significantly curb youth and long-term unemployment;
- E. whereas this recovery in the labour markets, and growth, is different between the Member States and remains fragile, and whereas there is a need to promote upward convergence in the EU;
- F. whereas growth has to an important degree relied upon unconventional monetary policies, which cannot last forever; whereas this supports the call for a three-pronged policy approach of growth-friendly investment, sustainable structural reforms and responsible public finances through a consistent implementation of the Stability and Growth (SGP) pact across Member States, with full respect of its existing flexibility clauses;
- G. whereas some Member States still carry a very high private and public debt, exceeding 60 % of GDP threshold as set within the SGP;
- H. whereas the Commission's assessments of the draft budgetary plans (DBPs) for 2017 of euro area Member States finds that no DBP for 2017 has been found in particularly serious non-compliance with the requirements of the SGP, but that, in several cases however, the planned fiscal adjustments fall short, or risk doing so, of what is required by the SGP;
- I. whereas the Commission's assessments on the euro area Member State's Draft Budgetary Plan for 2017 finds that only nine Member States are compliant with the requirements under the SGP;

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- J. whereas the long-term sustainability of public finances of EU Member States is a matter of concern for intergenerational fairness;
- K. whereas the size of government debt can be affected both by contingent and implicit liabilities;
- L. whereas some Member States record very high current account surpluses and European macroimbalances are still large;
- M. whereas the EU requires important additional private and public investment efforts, in particular in education, research, ICT and innovation, as well as new jobs, business and companies, in order to materialise its growth potential and to close the current 'investment gap' where investment remains below pre-crisis level; whereas this requires, in particular, an improved regulatory environment;
- N. whereas the high level of non-performing loans remains a serious challenge in a number of Member States; whereas credit growth is recovering gradually but it is still below pre-crisis levels;
- O. whereas in order to improve the EU's insufficient level of global competitiveness and increase its economic growth, a better implementation of the new policy mix, intelligent structural reforms in the Member States, and the completion of the single market are necessary;
- P. whereas economies with more punitive bankruptcy regimes forego the potential growth in value added and employment which calls for the full implementation of the Small Business Act second chance principle by all Member States;
- Q. whereas European competitiveness also depends heavily on non-prices elements related to innovation, technology and organisational capabilities, rather than solely on prices, costs and wages;
- R. whereas the late payments directive 2011/7/EU was designed to help companies that are facing high costs or even bankruptcies due to late payments by private and public companies; whereas the external ex-post evaluation revealed that public entities in more than half of all Member States are not yet respecting the 30-day payment limit imposed by law; whereas the report has identified that Member States under adjustment programmes have difficulties applying the directive where prompt payment of current invoices has to be balanced against accumulated debt repayment;
1. Welcomes the Commission's Annual Growth Survey 2017 reaffirming the strategy of a virtuous triangle of private and public investment, socially balanced structural reforms and responsible public finances, and calls for a better implementation of this policy mix; agrees that faster progress on the adoption of reforms, in line with the country-specific recommendations, is needed to deliver on growth and jobs, in order to support the economic recovery; deplors, therefore, the very low implementation rate of country-specific recommendations, which declined from 11 % in 2012 to only 4 % in 2015; stresses that Member States will need to step up their efforts to reform if they want to return to growth and create jobs; supports the Commission in its priority of boosting jobs, growth and investment for the Union;
 2. Observes the current excessive reliance on the monetary policy of the European Central Bank and notes that monetary policy alone is insufficient to stimulate growth when investments and sustainable structural reforms are lacking;
 3. Agrees with the Commission that the euro area would need to rely increasingly on domestic demand; considers that stronger domestic demand would be better for the euro area's sustainable growth;
 4. Notes that growth in 2016 is continuing at a positive moderate pace, surpassing the pre-crisis level, but that the modest growth must be seen in the perspective of an extraordinary monetary policy and that it remains weak and uneven between Member States; notes with concern that GDP and productivity growth rates remain below full potential, and that there is therefore no time for complacency, and that this moderate recovery requires relentless efforts if it is to achieve greater resilience through higher growth and employment;

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5. Notes that the referendum in the United Kingdom has created uncertainties for the European economy and the financial markets; notes that the outcome of the recent presidential election in the United States of America has created political uncertainty that is expected to affect the European economy, not the least regarding international trade relations;
6. Notes with concerns the backlash against globalization and the rise of protectionism;
7. Finds that while unemployment is, on average, gradually decreasing, and that activity rates are growing, structural challenges persist in many Member States; notes that the rates of long-term and youth unemployment remain high; underlines that inclusive labour market reforms, with full respect for the social dialogue, are necessary in the Member States concerned if these structural deficiencies are to be addressed;
8. Stresses that the investment rate in the EU, and in the euro area, is still far below pre-crisis levels; believes that this 'investment gap' needs to be filled in by private and public investments, and underlines that only targeted investment can bring about visible results in a short timeframe and at an appropriate scale; agrees with the Commission that the low funding cost environment supports frontloading investments, in particular in infrastructure;

Investment

9. Agrees with the Commission that access to finance and the strengthening of the single market are crucial for businesses to innovate and grow; stresses that new capital and liquidity requirements, albeit necessary to enhance the resilience of the banking sector, should not undermine banks' ability to lend to the real economy; believes more efforts should be done to boost SME access to finance; calls on the Commission, therefore, to step up its efforts to improve the financing environment;
10. Stresses that private and public investments in human capital and infrastructure are of the utmost importance; considers that there is a strong need to facilitate investment in areas such as education, innovation and research and development, which are crucial factors for a more competitive European economy;
11. Welcomes the Commission's proposal to extend the duration, and double the amount, of the European Fund for Strategic Investments (EFSI); stresses that geographical and sectorial coverage must be improved significantly if the objectives set out in the regulation are to be achieved; stresses that EFSI should also attract finance for projects with a cross-border dimension, balanced across the Union; stresses the importance of better coordination between the Member States, the Commission and the European Investment Advisory Hub;
12. Calls on the Member States and the Commission to speed up and maximise the use of European Structural and Investment Funds (ESIF) in order to take advantage of all internal growth drivers and to promote upward convergence;
13. Notes that a credible financial system and its institutions are crucial for attracting investment and growth in the European economy; stresses that safety and stability in the current financial system has increased compared to pre-crisis level; notes, this notwithstanding, that some pressing challenges remain unaddressed, such as the stock of nonperforming loans (NPLs) accumulated during the financial crisis;
14. Stresses that a fully functioning Capital Markets Union (CMU) can, in a longer perspective, provide alternative financing to SMEs, complementing that of the banking sector, and bring about more diversified sources of financing for the economy in general; calls on the Commission to accelerate its work on the CMU with a view to creating a more efficient allocation of capital throughout the EU, improving the depth of EU capital markets, increasing diversification for investors, stimulating long-term investment and making full use of the EU's innovative financial instruments designed to support access to capital markets for SMEs; stresses that the completion of the CMU should not undermine the achievements obtained so far, but should strive to be of ultimate benefit to the European citizens;
15. Stresses that increased financing of investments is needed; calls for a well-functioning financial system where increased stability and existing cross-border institutions can facilitate liquidity and market making, especially for SMEs; notes as well, in this regard, that high-growth companies have issues with access to finance; calls for the Commission to identify and implement projects that support and attract market-based investment for such companies; underlines that reforms regarding banking structure must not hamper liquidity making;

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16. Encourages a thorough, step-by-step completion of the Banking Union and the development of the CMU, with the aim of increasing resilience in the banking sector, contributing to financial stability, creating a stable environment for investment and growth, and avoiding fragmentation of the euro area financial market; stresses, in this context, the principle of liability, and underlines that moral hazard must be avoided, in particular in order to protect citizens; urges respect for the existing common rules;

17. Highlights that public and private investment is crucial to allow for the transition towards a low-carbon and circular economy; recalls the commitments of the European Union, particularly in the Paris Agreement, to finance the deployment of clean technologies, the scaling-up of renewable energies and energy efficiency, and the overall reduction of greenhouse gas emissions;

18. Emphasises that reliable investment requires a stable regulatory environment that allows for a return on investment; considers that predictable rules, efficient and transparent public administrations, effective legal systems, a level playing field and a reduced administrative burden are crucial factors for attracting investment; stresses that 40 % of the country-specific recommendations for 2016 address obstacles to investment which the local and regional authorities can help to remove; calls, furthermore, on the Commission to take the necessary action on the basis of the 'Call for evidence: EU Regulatory Framework for Financial Services', to reduce red tape, simplify regulation and improve the financing environment;

19. Recognises the untapped potential for productivity growth and investment that could be reaped if single market rules were fully enforced, and the product and services markets were better integrated; recalls the importance of country-specific recommendations in pointing out key areas for actions in Member States;

20. Agrees with the Commission that the benefits of trade are not always recognised in the public debate, and stresses that international trade can be a significant source of jobs for Europeans and a crucial contribution for growth; reiterates that more than 30 million jobs are now supported by exports from the EU; underlines that international trade agreements should not undermine European regulatory, social and environmental standards, but rather strengthen global standards;

21. Notes with concern that the EU share of global foreign direct investments flows have fallen significantly since the crisis; calls on the Commission and the Member States to step up efforts to improve the business environment for investments, inter alia by fully implementing and enforcing EU Single Market legislation; agrees that faster progress on the adoption of sustainable structural reforms, in line with the country-specific recommendations, is needed to enhance the EU's competitiveness, to promote a favourable environment for businesses (especially SMEs) and investment, and to deliver on growth and jobs, as well as to foster upward convergence between Member States;

22. Insists on the need to safeguard the long-term investment capacities of financial institutions, the profitability of low-risk savings, and of long-term pension products, in order not to jeopardise the sustainability of savings and pensions provisions of European citizens;

23. Stresses that sustainable structural reforms need to be complemented by longer-term investment in education, research, innovation and human capital, notably education and training aimed at providing new skills and knowledge; believes that partnerships between policy-makers, legislators, researchers, producers and innovators can also be considered as tools to promote investment, deliver smart and sustainable growth, and complement investment programmes;

Structural reforms

24. Agrees that sustainable structural reforms in product and service markets, as well as in inclusive labour, health, housing and pension markets, remain a priority in the Member States in order efficiently to support the recovery, to tackle high unemployment, to boost competitiveness, fair competition and growth potential, and to improve the efficiency of research and innovation systems, without watering down worker's rights, consumer protection or environmental standards;

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25. Considers that well-functioning and productive labour markets, combined with an adequate level of social protection and dialogue, have proven to be quicker to recover from the economic downturn; calls on Member States to reduce segmentation of the labour markets, increase labour market participation and upgrade skills, including by means of a stronger focus on training and lifelong learning to enhance employability and productivity; observes that some Member States still have a considerable need for reform if they are to make their labour markets more resilient and inclusive;

26. Underlines the importance of launching or continuing the implementation of coherent and sustainable structural reforms for stability in the medium and long terms; stresses that the EU and its Member States cannot compete on general or labour costs alone, but need to invest more in research, innovation and development, education and skills, and resource efficiency, at both national and European level;

27. Is concerned about the effects of demographic developments on public finances and sustainable growth, conditioned by, inter alia, low birth rates, ageing societies and emigration; points in particular to the impact of ageing populations on pension and healthcare systems in the EU; notes that, owing to different demographic structures, the effects of these developments will vary across Member States, but warns that the already foreseeable funding costs will have a significant impact on public finances;

28. Recalls that an important factor for ensuring the sustainability of pension systems is to achieve and maintain a high employment rate; points as well, in this context, to the importance of using migrants' skills in better ways in order to adapt to labour market needs;

29. Notes that the Member States currently spend 5-11 % of their respective GDPs on healthcare, a share that is expected to increase considerably in the coming decades as a result of demographic changes; urges the Commission to focus efforts on cost-effective spending on high-quality healthcare, and on universal access thereto, through cooperation and sharing of best practices at EU level and by addressing the sustainability of quality healthcare systems in country-specific recommendations;

30. Invites the Commission to publish regular fiscal sustainability assessments for each Member State, taking into account all country-specific factors, such as demographical developments, and contingent, implicit and other off-budget obligations that affect the sustainability of public finances; recommends that these reports be part of the annual country reports; suggests that the Commission develop an indicator to assess the effect of public finances and annual budgets on future generations, taking into account future liabilities and implicit budgetary obligations; agrees that the administrative burden for these assessments should be kept limited;

31. Welcomes the fact that, on average, youth unemployment is declining, although it is still too high; notes that stark differences remain across the Member States that call for continued reforms to facilitate the entry of young people into the labour market, thereby ensuring intergenerational fairness; emphasises, in this regard, the importance of the Youth Guarantee, and calls for continued EU funding for this crucial programme; agrees with the Commission that more action is needed from the Member States to fight youth unemployment, particularly in enhancing the effectiveness of the Youth Guarantee;

32. Stresses the importance of responsible and growth-friendly wage developments, providing a good standard of living, in line with productivity, taking account of competitiveness, and the importance of an effective social dialogue for a well-functioning social market economy;

33. Agrees that taxation must support investments and job creation; calls for reforms in taxation with a view to tackling the high tax burden on labour in Europe, improving tax collection, combating tax avoidance and tax evasion, and making tax systems simpler, fairer and more efficient; highlights the need for better coordination of administrative practices in the field of taxation; calls for further transparency among the Member States in the field of corporate taxation;

Fiscal responsibility and structure of public finances

34. Notes that the Commission considers that fiscal sustainability remains a priority, and that challenges have receded since the peak of the crisis and they may not be a major source of risks for the euro area as a whole in the short term;

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35. Notes as well that the Commission considers that challenges persist, and that legacies inherited from the crisis, as well as structural deficiencies, remain and need to be addressed if long-term risks are to be avoided;

36. Underlines the fact that all Member States are obliged to comply with the SGP, with full respect of its existing flexibility clauses; points, in this regard, also to the importance of the Treaty on Stability, Coordination and Governance (TSCG), and urges the Commission to submit a comprehensive assessment of its experience in implementing it, as a basis for the necessary steps to be taken in accordance with the TEU and the TFEU with the aim of incorporating the substance of this Treaty into the legal framework of the EU;

37. Notes that while six Member States continue to be under the Excessive Deficit Procedure (EDP), there is a decrease of the average public deficit level, which is expected to have remained below 2 % in 2016 and to continue to fall in the coming years, and that only two Member States are expected to remain under the EDP in 2017; notes that, in several cases, the large increase in debt in the recent past is also the result of bank recapitalisation and low growth; underlines that when interest rates begin to rise again, difficulties in improving public finances could increase;

38. Emphasises the Commission's role as guardian of the treaties; underlines the necessity for an objective and transparent evaluation of the application and enforcement of commonly agreed legislation;

39. Insists that there should be no differentiated treatment between Member States; notes that only a fiscal policy that respects and follows Union law will lead to credibility and trust between Member States, and serve as a cornerstone for the completion of EMU and the trust of the financial markets;

40. Invites the Commission and the Council to be as specific as possible when addressing fiscal recommendations under the preventive and corrective arm of the SGP in order to increase transparency and enforceability of the recommendations; underlines the need to include in the recommendations, under the preventive arm, both the target date of the country-specific medium-term-objective and the fiscal adjustment required to achieve or remain at it;

41. Considers that macroeconomic imbalances inside Member States should be addressed in line with the Macroeconomic Imbalance Procedure (MIP) through efforts involving all Member States, building on relevant reforms and investments; stresses that each Member State must deliver on its individual responsibilities in this context; notes that high current account surpluses imply the possibility of greater domestic demand; stresses that high public and private debt levels represent a significant vulnerability, and that responsible fiscal policies and higher growth are needed to reduce them faster;

42. Notes that, while public finances have improved over the recent years, following the assessment of the 2017 DBPs, eight Member States are considered to be at risk of non-compliance; considers that the agreed fiscal adjustment paths need to be adhered to;

43. Welcomes the reduction in average public deficits and debts, but agrees that aggregate pictures hide significant disparities across the Member States; stresses that aggregate pictures should always be looked at in conjunction with the examination of individual budgets, and underlines the need for sound fiscal policies in anticipation of rising interest rates; considers that upward convergence, in particular between euro area Member States, needs to be achieved;

Fiscal stance for the euro area

44. Notes that according to the Commission's 2016 autumn economic forecast, the fiscal stance in the euro area moved from restrictive towards neutral in 2015 and is expected to be mildly expansionary over the forecast horizon; notes, furthermore, the Commission's consideration that a full delivery of the fiscal requirements contained in the country-specific recommendations of the Council would lead, on aggregate, to a modestly restrictive fiscal stance for the euro area as a whole in 2017 and 2018, and the Commission's calls for a positive expansionary fiscal stance though recognising the economic and legal constraints for this;

45. Considers the Commission's communication on a positive fiscal stance an important development; welcomes the communication's intention to contribute to the better coordinating economic policies in the euro area and to highlight the opportunities for fiscal stimulus in Member States having room for this; stresses that fiscal requirements are based on commonly agreed fiscal rules; recalls that the Member States are obliged to comply with the SGP, regardless of aggregate

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recommendations; notes that there are divergent views regarding the potential, and level, of an aggregate fiscal stance target; welcomes the ongoing work of the independent European Fiscal Board on this matter;

46. Takes the view that improving the structure of public budgets is one of the key levers to ensure compliance with EU fiscal rules, and to allow for the financing of indispensable expenditure, for the building of buffers for unforeseen needs and growth-enhancing investments and, lastly, for the financing of less essential spending, as well as to contribute to a more efficient and responsible use of public funds; recalls that the composition of national budgets is decided at national level taking into account country-specific recommendations;

47. Notes that the debate on a smart allocation of public spending and policy priorities is regularly taking place on the EU budget, and that such a critical assessment is also indispensable for national budgets to improve the quality of public budgets in the medium-term and long-term and avoid linear budget cuts;

48. Welcomes the ongoing review of public spending, and encourages the Member States to assess critically the quality and composition of their budgets; supports efforts towards improving the quality and efficiency of public expenditure; including by shifting unproductive expenses towards growth-enhancing investments;

49. Believes the EU budget could help relieve the strain on national budgets by collecting own resources instead of relying extensively on national contributions;

50. Welcomes the thematic discussions undertaken and best practice standards adopted by the Eurogroup, such as on expenditure reviews, during the 2016 Semester Cycle; Invites the Commission and the Eurogroup to make them more effective and transparent;

51. Invites the Commission and the Council to formulate the country-specific recommendations in a way that makes progress measurable, in particular for cases where the policy recommendation repeatedly targets the same policy area and/or where the nature of the reform requires implementation beyond one Semester cycle;

Coordination of national policies and democratic accountability

52. Highlights the importance of national parliaments debating country reports, country-specific recommendations, national reform programmes and stability programmes, and to act on them more than hitherto;

53. Believes that better implementation of country-specific recommendations requires clearly articulated priorities at European level and genuine public debate at national, regional and local levels, leading to greater ownership; calls on the Member States to involve local and regional authorities in a structured manner, in view of the impact and challenges felt within Member States also at sub-national level, in order to improve the implementation of country-specific recommendations;

54. Urges the Commission to launch negotiations on an interinstitutional agreement on economic governance; insists that this IIA should ensure that, within the framework of the Treaties, the structure of the European Semester allows for meaningful and regular parliamentary scrutiny of the process, in particular as regards the Annual Growth Survey priorities and the euro area recommendations;

Sectorial contributions to the 2017 AGS Report

Budgets

55. Considers that the EU budget could provide added value for investment and structural reforms in Member States if greater synergy between existing instruments and linkage with Member States' budgets is introduced; believes, therefore, that the Annual Growth Survey (AGS), as an important policy document which provides basic content for national reform programmes, country-specific recommendations (CSRs) and implementation plans, should serve as a guideline for Member States and for the preparation of national budgets, with a view to introducing joint solutions that are visible in national budgets and are linked to the EU budget;

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56. Recalls that improving the systems for collecting VAT and customs duties should be of highest priority for all Member States; welcomes the Commission's proposal for establishing an EU blacklist of tax havens, which should be enforced by criminal sanctions in order to deal with multinationals that evade taxes;

Environment, Public Health and Food Safety

57. Stresses that an improved and more efficient use of resources, reducing foreign energy dependence and introducing sustainable production, based on better design requirements for products and more sustainable consumption patterns, involves promoting entrepreneurship and job creation, implementing international targets and the Union's environmental objectives effectively and diversifying revenue sources, in a context of fiscal responsibility and economic competitiveness; considers that the European Semester should also incorporate reporting on energy efficiency and interconnectivity on the basis of targets set at EU level;

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58. Instructs its President to forward this resolution to the Council and the Commission, and to the governments of the Member States, the national parliaments and the European Central Bank.

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P8_TA(2017)0039

European Semester for Economic Policy Coordination: employment and social aspects in the Annual Growth Survey 2017

European Parliament resolution of 15 February 2017 on the European Semester for economic policy coordination: Employment and Social Aspects in the Annual Growth Survey 2017 (2016/2307(INI))

(2018/C 252/15)

The European Parliament,

- having regard to Article 5 of the Treaty on European Union (TEU),
- having regard to Articles 9, 145, 148, 152, 153 and 174 of the Treaty on the Functioning of the European Union (TFEU),
- having regard to Article 349 TFEU on a specific statute for the outermost regions,
- having regard to the Interinstitutional Agreement of 13 April 2016 between the European Parliament, the Council of the European Union and the European Commission on Better Law-Making,
- having regard to the Charter of Fundamental Rights of the European Union, and in particular to its Title IV (Solidarity),
- having regard to the UN Convention on the Rights of Persons with Disabilities,
- having regard to ILO Convention 102 on minimum standards for social security, and ILO Recommendation 202 on Social Protection Floors,
- having regard to the Revised European Social Charter,
- having regard to Sustainable Development Goal 1 ('End poverty in all its forms everywhere'), and in particular to Target 3 ('Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable'),
- having regard to Commission recommendation 2013/112/EU of 20 February 2013 entitled 'Investing in children: breaking the cycle of disadvantage',
- having regard to the Commission communication of 16 November 2016 entitled 'Annual Growth Survey 2017' (COM(2016)0725),
- having regard to the Commission recommendation of 16 November 2016 for a Council recommendation on the economic policy of the euro area (COM(2016)0726),
- having regard to the Commission communication of 16 November 2016 entitled 'Towards a positive fiscal stance for the euro area' (COM(2016)0727),
- having regard to the Commission report of 16 November 2016 entitled 'Alert Mechanism Report 2017' (COM(2016)0728),
- having regard to the draft Joint Employment Report from the Commission and the Council of 16 November 2016 accompanying the communication from the Commission on the Annual Growth Survey 2017 (COM(2016)0729),

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- having regard to the Commission communication of 16 November 2016 entitled ‘2017 Draft Budgetary Plans: Overall Assessment’ (COM(2016)0730),
- having regard to the Commission communication of 1 June 2016 entitled ‘Europe investing again — Taking stock of the Investment Plan for Europe and next steps’ (COM(2016)0359),
- having regard to the Commission communication of 22 November 2016 entitled ‘Europe’s next leaders: the Start-up and Scale-up Initiative’ (COM(2016)0733),
- having regard to the Commission communication of 14 September 2016 entitled ‘Strengthening European Investments for jobs and growth: Towards a second phase of the European Fund for Strategic Investments and a new European External Investment Plan’ (COM(2016)0581),
- having regard to the Commission communication of 4 October 2016 entitled ‘The Youth Guarantee and Youth Employment Initiative three years on’ (COM(2016)0646),
- having regard to the Commission proposal of 14 September 2016 for a Council regulation amending Regulation (EU, Euratom) No 1311/2013 laying down the multiannual financial framework for the years 2014-2020 (COM(2016)0604),
- having regard to the Commission communication of 14 September 2016 entitled ‘Mid-term review/revision of the multiannual financial framework 2014-2020 — An EU budget focused on results’ (COM(2016)0603),
- having regard to the Commission communication of 10 June 2016 entitled ‘A new skills agenda for Europe — Working together to strengthen human capital, employability and competitiveness’ (COM(2016)0381),
- having regard to the Commission communication of 2 June 2016 entitled ‘A European agenda for the collaborative economy’ (COM(2016)0356),
- having regard to the Commission communication of 8 March 2016 launching a consultation on a European Pillar of Social Rights (COM(2016)0127) and its annexes,
- having regard to the Commission proposal of 26 November 2015 for a Regulation of the European Parliament and of the Council on the establishment of the Structural Reform Support Programme for the period 2017 to 2020 and amending Regulations (EU) No 1303/2013 and (EU) No 1305/2013 (COM(2015)0701),
- having regard to the Commission communication of 21 October 2015 on steps towards completing Economic and Monetary Union (COM(2015)0600),
- having regard to the Commission proposal of 15 February 2016 for a Council decision on guidelines for the employment policies of the Member States (COM(2016)0071), and to Parliament’s position thereon of 15 September 2016 ⁽¹⁾,
- having regard to the Commission communication of 13 January 2015 entitled ‘Making the best use of the flexibility within the existing rules of the Stability and Growth Pact’ (COM(2015)0012),
- having regard to the Commission communication of 26 November 2014 entitled ‘An Investment Plan for Europe’ (COM(2014)0903),
- having regard to the Commission communication of 2 October 2013 entitled ‘Strengthening the social dimension of the Economic and Monetary Union’ (COM(2013)0690),

⁽¹⁾ Texts adopted, P8_TA(2016)0355.

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- having regard to the Commission communication of 20 February 2013 entitled ‘Towards Social Investment for Growth and Cohesion — including implementing the European Social Fund 2014-2020’ (COM(2013)0083),
- having regard to the Commission communication of 18 April 2012 entitled ‘Towards a job-rich recovery’ (COM(2012)0173),
- having regard to the Commission communication of 20 December 2011 entitled ‘Youth Opportunities Initiative’ (COM(2011)0933),
- having regard to the Commission communication of 16 December 2010 entitled ‘The European Platform against Poverty and Social Exclusion: A European framework for social and territorial cohesion’ (COM(2010)0758), and to Parliament’s resolution thereon of 15 November 2011 ⁽¹⁾,
- having regard to the Commission communication of 3 March 2010 entitled ‘Europe 2020: A strategy for smart, sustainable and inclusive growth’ (COM(2010)2020),
- having regard to the Commission recommendation 2008/867/EC of 3 October 2008 on the active inclusion of people excluded from the labour market ⁽²⁾,
- having regard to the Five Presidents’ Report of 22 June 2015 on ‘Completing the Economic and Monetary Union’,
- having regard to the Council conclusions on the promotion of the social economy as a key driver of economic and social development in Europe (13414/2015),
- having regard to its resolution of 26 October 2016 on ‘The European Semester for economic policy coordination: implementation of 2016 priorities’ ⁽³⁾,
- having regard to its resolution of 5 July 2016 on ‘Refugees: social inclusion and integration into the labour market’ ⁽⁴⁾,
- having regard to its resolution of 25 February 2016 on ‘The European Semester for economic policy coordination: Employment and Social Aspects in the Annual Growth Survey 2016’ ⁽⁵⁾,
- having regard to the opinion of the Committee on Employment and Social Affairs of 24 September 2015 on the European Semester for economic policy coordination: implementation of the priorities for 2015,
- having regard to its resolution of 11 March 2015 on the European Semester for economic policy coordination: Employment and Social Aspects in the Annual Growth Survey 2015 ⁽⁶⁾,
- having regard to its position of 2 February 2016 on the proposal for a decision of the European Parliament and of the Council on establishing a European Platform to enhance cooperation in the prevention and deterrence of undeclared work ⁽⁷⁾,

⁽¹⁾ OJ C 153 E, 31.5.2013, p. 57.

⁽²⁾ OJ L 307, 18.11.2008, p. 11.

⁽³⁾ Texts adopted, P8_TA(2016)0416.

⁽⁴⁾ Texts adopted, P8_TA(2016)0297.

⁽⁵⁾ Texts adopted, P8_TA(2016)0059.

⁽⁶⁾ OJ C 316, 30.8.2016, p. 83.

⁽⁷⁾ Texts adopted, P8_TA(2016)0033.

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- having regard to its resolution of 24 November 2015 on reducing inequalities with a special focus on child poverty ⁽¹⁾,
- having regard to its resolution of 28 October 2015 on cohesion policy and the review of the Europe 2020 strategy ⁽²⁾,
- having regard to question for oral answer O-000121/2015 — B8-1102/2015 to the Council and to its related resolution of 29 October 2015 on a Council recommendation on the integration of the long-term unemployed into the labour market ⁽³⁾,
- having regard to its resolution of 10 September 2015 on ‘Creating a competitive EU labour market for the 21st century: matching skills and qualifications with demand and job opportunities, as a way to recover from the crisis’ ⁽⁴⁾,
- having regard to its resolution of 10 September 2015 on Social Entrepreneurship and Social Innovation in combating unemployment ⁽⁵⁾,
- having regard to its resolution of 25 November 2014 on employment and social aspects of the Europe 2020 strategy ⁽⁶⁾,
- having regard to its resolution of 17 July 2014 on youth employment ⁽⁷⁾,
- having regard to its resolution of 15 April 2014 entitled ‘How can the European Union contribute to creating a hospitable environment for enterprises, businesses and start-ups to create jobs?’ ⁽⁸⁾,
- having regard to its resolution of 19 February 2009 on ‘Social Economy’ ⁽⁹⁾,
- having regard to the concluding observations of the UN Committee on the Rights of Persons with Disabilities on the initial report of the European Union (September 2015),
- having regard to the European Court of Auditors’ Special Report No 3/2015 on ‘The EU Youth Guarantee: first steps taken but implementation risks ahead’ ⁽¹⁰⁾,
- having regard to the document ‘Employment and Social Developments in Europe — Quarterly Review — Autumn 2016’ of 11 October 2016,
- having regard to Eurofound the fifth and sixth editions of the European Working Conditions Surveys (2010 and 2015) ⁽¹¹⁾,
- having regard to the OECD document ‘Employment Outlook 2016’ of 7 July 2016,
- having regard to the OECD working paper of 9 December 2014 on ‘Trends in Income Inequality and its Impact on Economic Growth’,
- having regard to the Social Protection Committee’s report ‘Adequate social protection for long-term care needs in an ageing society’ of 10 October 2014,

⁽¹⁾ Texts adopted, P8_TA(2015)0401.

⁽²⁾ Texts adopted, P8_TA(2015)0384.

⁽³⁾ Texts adopted, P8_TA(2015)0389.

⁽⁴⁾ Texts adopted, P8_TA(2015)0321.

⁽⁵⁾ Texts adopted, P8_TA(2015)0320.

⁽⁶⁾ OJ C 289, 9.8.2016, p. 19.

⁽⁷⁾ OJ C 224, 21.6.2016, p. 19.

⁽⁸⁾ Texts adopted, P7_TA(2014)0394.

⁽⁹⁾ OJ C 76 E, 25.3.2010, p. 16.

⁽¹⁰⁾ http://www.eca.europa.eu/Lists/ECADocuments/SR15_03/SR15_03_EN.pdf

⁽¹¹⁾ <http://www.eurofound.europa.eu/european-working-conditions-surveys-ewcs>

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- having regard to the Commission's roadmap and consultation addressing the challenges of work-life balance faced by working families,
 - having regard to the meetings of 3 October and 8 November 2016 in the framework of the structured dialogue on the suspension of funds for Portugal and Spain,
 - having regard to the debate with representatives of national parliaments on the priorities of the 2017 European Semester,
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on Employment and Social Affairs and the opinions of the Committee on Budgets and the Committee on Culture and Education (A8-0037/2017),
- A. whereas unemployment in the EU has been slowly decreasing since the second half of 2013, 8 million new jobs have been created since 2013, and unemployment stood at 8,6 % in September 2016, reaching its lowest level since 2009; whereas, however, the proportion of young people not in employment, education or training (NEETs) remains high and represents 14,8 % of those aged between 15 and 29 ⁽¹⁾ ⁽²⁾; whereas although unemployment is falling on the aggregate level, it is regrettably still very high in some Member States; whereas according to the Commission the rate of in-work poverty remains high;
- B. whereas employment rates are generally lower among women, and in 2015, the employment rate for men aged 20–64 stood at 75,9 % in the EU-28, as compared with 64,3 % for women; whereas the gender gap in access to employment remains one of the main barriers for achieving gender equality, and urgent efforts are needed to narrow the gap in the employment rate between men and women;
- C. whereas if the current trends are reinforced with adequate public policies, the Europe 2020 employment rate target of 75 % could in fact be reached;
- D. whereas the youth unemployment rate stands at 18,6 % in the EU and 21,0 % in the euro area; whereas 4,2 million young people are unemployed, including 2,9 million in the euro area; whereas the level of youth unemployment remains markedly higher than at its low point in 2008, which recalls that implementation and full use of the youth employment initiative (YEI) by the Member States should be a priority; whereas low wages, sometimes below the poverty level, unpaid internships, lack of quality training and lack of rights at work unfortunately remain characteristics of youth employment;
- E. whereas NEETs are estimated to cost the EU EUR 153 billion (1,21 % of GDP) a year, in benefits and foregone earnings and taxes, while the total estimated cost of establishing Youth Guarantee schemes in the euro area would be EUR 21 billion a year, or 0,22 % of GDP;
- F. whereas the number of NEETs, recorded in 2015, will continue to decline; whereas 6,6 million young people between the ages of 15 and 24 are still in this situation, a figure equivalent to 12 % of this age group;
- G. whereas the primary responsibility for tackling youth unemployment rests with the Member States in terms of developing and implementing labour market regulatory frameworks, education and training systems and active labour market policies;

⁽¹⁾ <https://www.eurofound.europa.eu/young-people-and-neets-1>

⁽²⁾ See Eurofound report on youth unemployment.

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- H. whereas people with disabilities continue to be significantly excluded from the labour market, with very little improvement over the past decade, in part due to a lack of investment in appropriate support measures; stresses that this often leads to poverty and social exclusion and therefore negatively impacts on the Europe 2020 target;
- I. whereas structural challenges in the labour market such as low participation, as well as skills and qualification mismatches, remain a concern in many Member States;
- J. whereas the long-term unemployment rate (referring to unemployment of more than one year) fell by an annual rate of 0,7 % up to the first quarter of 2016, to 4,2 % of the labour force; whereas the very long-term unemployment rate (referring to unemployment of more than two years) fell to 2,6 % of the labour force; whereas nevertheless the number of long-term unemployed remains high, at around 10 million; whereas long-term unemployment is particularly a problem for younger and older jobseekers, with 30 % of those aged between 15 and 24 and 64 % of those aged between 55 and 64 year being jobseekers for more than one year; whereas many older workers who are inactive are not included in unemployment statistics; whereas the level of unemployment and its social consequences vary between European countries and whereas it is essential to take into account specific microeconomic circumstances;
- K. whereas the Europe 2020 strategy aims at reducing poverty by lifting at least 20 million people out of the risk of poverty or social exclusion by 2020; whereas this objective is far from being achieved and therefore more efforts are needed; whereas there were in 2015 119 million people at risk of poverty or social exclusion, around 3,5 million less than in 2014; whereas in 2012 32,2 million persons with disabilities were in this situation in the EU; whereas in 2013 26,5 million children in the EU-28 were at risk of falling into poverty or social exclusion; whereas high levels of inequality reduce the output of the economy and the potential for sustainable growth;
- L. whereas the accompaniment of the long-term unemployed is crucial, since otherwise this situation will begin to affect their self-confidence, wellbeing and future development, putting them at risk of poverty and social exclusion and jeopardising the sustainability of national social security systems, as well as the European social model;
- M. whereas the weakening of social dialogue has a negative impact on workers' rights, on the purchasing power of EU citizens and on growth;
- N. whereas there are a number of positive developments in the EU, signalling the resilience and recovery of the European economy;
- O. whereas the social economy, which represents 2 million enterprises employing more than 14,5 million people in the Union, has been an important sector, contributing to Europe's resilience and economic recovery;
- P. whereas growth in most Member States remains low, the EU growth rate for 2016 having even declined to stabilise at 2 %, despite positive temporary aspects showing therefore that the EU can do more to boost the economic and social recovery so as to make it more sustainable in the medium term;
- Q. whereas as the Commission has stated ⁽¹⁾, employment and social divergences within and between Member States persist and social developments still point to further divergence across the EU, hindering growth, employment and cohesion; whereas societies which are characterised by a high level of equality and investment in people do better in terms of growth and employment resilience;

⁽¹⁾ Joint employment report 2016, p. 2.

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- R. whereas undeclared work is still a reality which has serious budgetary implications, leading to loss of tax revenues and social security contributions, as well as having negative effects on employment, productivity, the quality of work and the development of skills;
- S. whereas the outermost regions (ORs) face huge difficulties related to their particular specificities, which limit their potential for growth and development; whereas unemployment, youth unemployment and long-term unemployment in these regions are among the highest in the EU, in many cases exceeding 30 %;
- T. whereas the European Fund for Strategic Investments (EFSI) has already approved 69 projects in 18 countries and signed 56 operations, and this is expected to result in more than EUR 22 billion in investment and to involve around 71 000 SMEs;
- U. whereas in many Member States the working-age population and the labour force are continuing to shrink; whereas women's participation in the labour market is an opportunity for Member States to cope with this issue and reinforce the labour force in EU; whereas the ongoing arrival of refugees and asylum seekers could also help to reinforce the labour force;
- V. whereas the EU is facing demographic challenges that are not only related to the ageing population and the falling birth rate, but also include other elements such as depopulation;
- W. whereas the gender pay gap currently stands at 16 % and the gender pension gap at 38 %, exposing women to a higher risk of poverty or social exclusion as they age;
- X. whereas the provision and management of social security systems are a Member State competence which the Union coordinates but does not harmonise;
- Y. whereas the healthy life expectancy rate for women has been receding, from 62,6 in 2010 to 61,5 in 2013 with a slight increase in 2014 and has been stagnating for men at 61,4;
1. Welcomes the fact that in the Annual Growth Survey 2017 emphasis is placed on the importance of ensuring social fairness as a means of stimulating more inclusive growth, as well as on creating quality and inclusive employment and enhancing skills and on the need to strengthen competitiveness, innovation and productivity; calls on the Commission to ensure that the country-specific recommendations (CSRs) relating to labour market reforms also stress the importance of active labour market policies and promote workers' rights and the protection of workers;
 2. Welcomes the progress towards achieving a balance between the economic and social dimensions of the European Semester process, the Commission having met some of Parliament's requests; stresses, however, that more effort is needed to improve the political visibility and impact of the scoreboard of key employment and social indicators; welcomes the Commission proposal for amending Regulation (EU) No 99/2013 of the European Parliament and of the Council on the European statistical programme 2013-17, by extending it to 2018-2020 and including new social indicators to present employment and social data connected to the evolution of the macroeconomic data, so that the analysis presents a comprehensive picture of the interconnection and impacts of different policy choices; stresses that employment indicators should be put on an equal footing with the economic indicators, thus allowing them to trigger in-depth analyses and corrective action in the relevant Member States;
 3. Highlights that the European Semester cycle still lacks a child-centred approach, which would include commitment to children's rights, mainstreaming of combating child poverty, and wellbeing objectives across all relevant policy areas of policymaking; stresses that a strategic approach with clear objectives and targets is necessary to break the cycle of disadvantage;

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4. Calls for programmes offering support and opportunities as part of an integrated European plan to invest in early childhood and combat child poverty, including the creation of a Child Guarantee aimed at fully implementing the Commission recommendation 'Investing in Children', which will ensure that every child in Europe at risk of poverty (including refugees) has access to free healthcare, free education, free childcare, decent housing and adequate nutrition;
5. Stresses that investment in social development contributes to economic growth and convergence; takes note of recent studies by the OECD ⁽¹⁾ and the IMF ⁽²⁾ that underline that social inequalities in Europe hamper economic recovery; calls for stronger efforts to combat poverty and rising inequality, and, where needed, for greater investment in social infrastructure and support for those hit hardest by the economic crisis; calls on the Commission to ensure that the CSRs include a specific focus on combating inequalities;
6. Calls on the Commission and the Council to improve the strategy for an overarching gender equality objective; supports the use of the Commission's annual gender equality reports in the context of the European Semester to enhance gender mainstreaming; calls on the Member States to incorporate the gender dimension and the principle of equality between women and men in their National Reform Programmes and stability and convergence programmes, by setting targets and defining measures that address persisting gender gaps; calls on the Commission to continue to provide CSRs with regard to improved childcare services and long-term care that can have a positive impact on the labour market participation of women; reiterates its call on the Commission and the Member States to consider using gender-disaggregated data where appropriate in the European Semester monitoring process; suggests involving the European Institute for Gender Equality more closely in the European Semester;
7. Highlights that public and private debt is too high in some Member States and that this hampers investment, economic growth and employment;
8. Is of the opinion that the data included in the Employment and Social Scoreboard is useful, but is not enough to assess the evolution of the employment and social situation in the EU; calls on the Commission and the Member States to complement the Scoreboard with data on the quality of employment and on poverty, with especial emphasis on multidimensional child poverty;
9. Calls on the Commission to define and quantify its concept of social fairness, taking into account both employment and social policies, to be achieved through the 2016 Annual Growth Survey and the European Semester;
10. Calls on the Member States and the Commission to speed up the implementation of all programmes which can boost the creation of decent, quality, long-term employment for all categories of the population, and particularly young people; stresses that youth unemployment remains at 18,6 %, despite the slight decrease in unemployment in the EU; calls on the Member States to ensure a more proactive follow-up of the programme managing authorities;
11. Underlines that the implementation of the Youth Guarantee should be strengthened at national, regional and local level and prolonged until at least 2020 with the active participation of the social partners and strengthened public services, and stresses its importance for school-to-work transitions; urges the Commission to carry out impact studies with a view to determining precisely what results have been achieved so far and to take additional measures, and to take into account the awaited audit by the Court of Auditors and the sharing of best practices and the organisation of workshops which bring together all the actors concerned and are designed to make this instrument more effective; highlights that Member States should ensure that the Youth Guarantee is fully accessible, including to vulnerable persons and persons with disabilities; stresses that this is not the case in all Member States, and calls on Member States to remedy this situation as soon as possible, as it runs counter to the UN Convention on the Rights of Persons with Disabilities (CRPD); emphasises the need to ensure that the Youth Guarantee reaches young people facing multiple exclusions and extreme poverty; points out that

⁽¹⁾ OECD report: 'In it together: why less inequality benefits all', 2015.

⁽²⁾ IMF report: 'Causes and consequences of income inequality', June 2015.

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special attention should be paid to young women and girls, who could face gender-related barriers; calls on the Commission and the Member States to provide adequate funding for the Youth Guarantee in order to ensure that it is implemented properly in all Member States and to help even more young people;

12. Notes the adoption of EUR 500 million in commitment appropriations for the YEI for 2017; stresses that this amount is not sufficient and needs to be increased and secured in the current MFF; notes also, however, that an agreement on appropriate additional financing for the YEI to cover the remainder of the current MFF period must be reached in the context of the mid-term revision;

13. Highlights the potential of the cultural and creative industries (CCIs) regarding youth employment; stresses that further promotion of, and investment in, the cultural and creative sector may contribute substantially to investment, growth, innovation and employment; calls on the Commission to therefore consider the special opportunities offered by all cultural and creative sectors (CCSs), including NGOs and small associations, for example in the framework of the YEI;

14. Underlines that insufficient investment in the public education system may undermine Europe's competitive position and the employability of its workforce; stresses the need to invest in people as early as possible in the life cycle in order to reduce inequality and foster social inclusion at a young age; also stresses the need to fight stereotypes from the youngest age in schools, by promoting gender equality at all levels of education;

15. Calls on the Member States to introduce policies to implement and monitor more inclusive forms of social protection systems and income support, in order to ensure that these systems offer a decent standard of living for the unemployed and those at risk of poverty and social exclusion, and provide access to education, training and opportunities to enter the labour market;

16. Welcomes the increase in the employment rate; notes, however, that the rising employment rate in Member States has been accompanied by the growing emergence of atypical and non-formal forms of employment, zero-hours contracts included; highlights that sustainability and quality of employment created should be a priority; is highly concerned that high unemployment continues, especially in countries still suffering from the crisis; recognises the phenomenon of in-work poverty as a consequence of deteriorating wage and working conditions, which must be addressed as part of any actions in favour of employment and social protection; encourages the Member States to make further efforts, as well as to remain open towards new solutions and approaches in order to reach the Europe 2020 employment rate target of 75 %, including by focusing on groups that have the lowest labour market participation such as women, older workers, low-skilled workers and persons with disabilities; calls on the Member States to increase their offer in terms of lifelong learning and effective upskilling;

17. Considers that migration could play an important role, including through education schemes, complemented with efficient public expenditure, with a view to making high-quality social and environmentally sustainable investments with the aim of integrating workers into the labour market and reducing unemployment;

18. Recognises that women continue to be under-represented in the labour market; calls, therefore, on the Commission and the Member States to put in place proactive policies and appropriate investment intended and designed to promote women's participation in the labour market; emphasises that a better work-life balance is essential for increasing the participation of women in the labour market; points out in this regard that flexible working arrangements, such as telework, flexitime and reduced working hours can play an important role according to the Commission; shares the view with the Commission that the provision of paid maternity, paternity and parental leave in Member States tends to boost female labour market participation; also calls on the Member States to set appropriate policies to support women and men entering, returning to, staying in and advancing in the labour market after periods of family and care-related types of leave, with sustainable and quality employment; deplores gender inequalities in terms of the employment rate and the pay and pensions gender gap; calls for policies encouraging and supporting women to build a career in entrepreneurship, facilitating access to finance and business opportunities and offering tailor-made training;

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19. Recognises, however, that employment support and measures to improve active labour market participation need to be part of a broader rights-centred approach to tackling social exclusion and poverty, which takes into consideration children and families and their specific needs;

20. Calls on the Member States to exchange best practice and to consider new innovative ways of developing an adaptable and flexible labour market to meet the challenges of a global economy while ensuring high labour standards for all workers;

21. Welcomes the reminder to Member States that welfare systems need to be anchored in strong social standards, and that promoting work-life balance and addressing discrimination contribute not just to social fairness but also to growth; underlines that parents' reintegration into the labour market should be supported by creating the conditions for a quality and inclusive employment and working environment, enabling parents to balance their work and parenting roles;

22. Recognises that alongside job creation, the integration of long-term unemployed individuals into quality employment through individually tailored measures, in particular through active employment policies, is a key factor for fighting their poverty and social exclusion if sufficient decent work is available; points out that emphasis should be put on improved measures aimed at the creation of decent jobs; stresses that integrating those furthest from the labour market has a double effect, benefiting the individual as well as stabilising social security systems and supporting the economy; considers it necessary to take account of the social situation of these citizens and their specific needs, and to better monitor at European level the policies implemented at national level;

23. Highlights the importance of skills and competences acquired in non-formal and informal learning environments and their validation and certification, and of access to life-long learning, as well as of the commitments and benchmarks of the Strategic Framework on Education and Training 2020; calls on the Commission and the Member States to build systems of recognition of non-formal and informal competences; calls further on the Member States to implement policies ensuring not only access to quality, inclusive education and training at an affordable cost, but also the implementation of the lifelong learning framework approach in the direction of a flexible education path that will foster equity and social cohesion and allow employment opportunities for everyone;

24. Calls for the establishment and development of partnerships between employers, social partners, public and private employment services, public authorities, social services and education and training institutions in order to provide the tools needed to better respond to the needs of the labour market and prevent long-term unemployment; recalls that personalised and individualised follow-up, capable of delivering effective responses for the long-term unemployed, is indispensable;

25. Regrets the continuing low rates of public investment, as such investment can be an important trigger for job creation; stresses that EFSI has not developed sufficient investment in social infrastructure and that this is a lost opportunity that must be urgently addressed;

26. Calls for policies that respect and promote collective bargaining and its coverage in order to reach as many workers as possible while at the same time also aiming at better wage floors in the form of minimum wages set at decent levels and with the involvement of social partners, all this with a view to ending the competitive wage race to the bottom, supporting aggregate demand and economic recovery, reducing wage inequalities and fighting in-work poverty;

27. Calls on the Member States to ensure that people on temporary or part-time contracts or who are self-employed enjoy equal treatment, also regarding dismissal and pay and have adequate social protection and access to training, and that framework conditions are set to enable them to make a career; calls on the Member States to implement the framework agreements on part-time work and fixed-term employment and to effectively enforce the directive establishing a general framework for equal treatment in employment and occupation;

28. Calls on the Commission and the Member States to take adequate measures to help refugees settle and integrate, as well as ensuring that public services are sufficiently resourced and that there is early anticipation of the requirements to facilitate their integration;

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29. Deplores the fact that the percentage of people at risk of poverty and social exclusion remains high; points out that high levels of inequality and poverty affect social cohesion while hindering social and political stability; regrets that policies to address this efficiently lack the necessary ambition to have sufficient economic leverage; requests Member States to accelerate their actions towards the achievement of the Europe 2020 target to reduce the number of persons at risk of poverty by 20 million; calls on the Commission and the Member States to make the reduction of inequality a priority; calls for better support and recognition of the work of NGOs, anti-poverty organisations and organisations of people experiencing poverty, encouraging their participation in the exchange of good practices;

30. Expresses its concern at the low labour market participation rate of ethnic minorities, in particular the Roma community; calls for the proper implementation of Directive 2000/78/EC; stresses the need to foster the role played by specialist NGOs in promoting their participation in the labour market and supporting not only the enrolment of children in education but also avoiding early school leaving, in order to break the circle of poverty;

31. Considers that it is important to close the investment gap in order to create sustainable growth while not risking the economic and social sustainability of Member States; stresses, in this regard, the emergence of guaranteeing the consolidation of public finances, which is essential for continuing to provide the European social model that characterises the EU;

32. Regrets that the Commission's latest recommendations ignored Parliament's request to strengthen the application of Article 349 TFEU, namely by adopting differentiated measures and programmes to reduce asymmetries, as well as to maximise social cohesion in the EU; urges the Member States, in this context, to establish specific investment programmes for their subregions where unemployment rates exceed 30 %; reiterates its call on the Commission to assist Member States and European regions, particularly outermost regions, in the design and funding of the investment programmes under the MFF;

33. Recognises the continued fragile situation on the European labour market, which is unable to solve the still high unemployment rates, on the one hand, while on the other companies are demanding a skilled and suitable labour force; calls on the Commission to promote, at Member State level, forms of cooperation involving governments, enterprises, including social economy enterprises, educational institutions, individualised support services, civil society and the social partners, on the basis of exchange of best practices and with a view to adapting the education and training systems of the Member States in order to combat skills mismatch, so as to meet labour market needs;

34. Stresses that education is a fundamental right that should be guaranteed to all children, and that disparities in the availability and quality of education should be addressed in order to strengthen schooling for all and reduce early school leaving; stresses that matching skills and qualifications with demand and job opportunities is supportive to creating an inclusive EU labour market; believes that guidance and counselling which address individual needs and focus on the evaluation and expansion of individual skills must be a core element of education and skills policies from an early stage on, in every person's education; calls on Member States to better align education and training with labour market needs across the EU underlines the importance of evaluating the different employment situations in the Member States in order to ensure their specificity and peculiarities;

35. Recognises that advances in new technologies and the digitisation of European industry present significant challenges for the EU; stresses that the productive models of the EU and of the Member States, supported by their educational models, have to be directed towards high-productivity sectors, in particular those related to ICTs and digitisation, in order to improve the EU's competitiveness at global level;

36. Underlines that insufficient and inadequately focused investment in education in digital skills, programming and STEM subjects (science, technology, engineering and mathematics) included, is undermining Europe's competitive position, the availability of a skilled workforce and the employability of the workforce; takes the view that better skills matching and improved mutual recognition of qualifications will be beneficial for overcoming the gap in terms of skills shortages and mismatches on the European labour market and for jobseekers, especially young people; calls on the Member States to prioritise comprehensive training in digital skills, programming and skills that are highly sought after by employers for all, while at the same time maintaining high standards in traditional education, and to take into account the shift towards the

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digital economy in the context of upskilling and retraining, which should not be limited to knowledge from the user's perspective;

37. Notes that an increased effort is required in many Member States to educate the workforce, including adult education and vocational training opportunities; highlights the importance of lifelong learning, including for older workers, in order to adapt competences to the needs of the employment market; calls for an increase in the promotion targeted at women and girls of STEM subjects, in order to address existing education stereotypes and combat the long-term gender employment, pay and pensions gaps;

38. Acknowledges the value of new technologies and the importance of digital literacy for the individual's personal life and successful labour market integration; suggests, therefore, that Member States enhance their investment in better ICT infrastructure and connectivity in educational institutions and develop effective strategies to harness the potential of ICTs in supporting informal learning by adults, and to improve their formal and non-formal education opportunities;

39. Welcomes the contribution of Erasmus+ in fostering mobility and cultural exchanges across the EU and with third countries; calls for better promotion and use of the European tools for transparency, mobility and recognition of skills and qualifications, with a view to facilitating mobility as regards learning and working; reaffirms the need to ensure mobility opportunities for vocational training, disadvantaged young people and people suffering from different forms of discrimination;

40. Welcomes the new policy and investment framework provided by the Paris agreement, which will contribute to the creation of new employment opportunities in the low-carbon and low-emission sectors;

41. Calls on the Commission to stress the importance of mitigating the obstacles and barriers, both physical and digital, that are still faced by people with disabilities in the Member States;

42. Welcomes the explicit mention of childcare, housing, healthcare and education in relation to improving access to quality services;

43. Recalls that free movement of workers is a fundamental principle of the Treaty; welcomes the fact that in the Annual Growth Survey 2017 emphasis is placed on the importance of ensuring social fairness through a fair collaboration between the various institutions of the Member States; calls, therefore, on the Member states to provide labour inspectorates or other relevant bodies with adequate resources, and also to improve cross-border cooperation between inspection services and the electronic exchange of information and data, in order to improve the efficiency of the controls intended to combat and prevent social fraud and undeclared work;

44. Underlines the need to boost domestic demand by promoting public and private investment and promoting socially and economically balanced structural reforms that aim to reduce inequalities and promote quality and sustainable employment, sustainable growth and social investment and responsible fiscal consolidation, thus reinforcing a favourable path towards an environment of greater cohesion and upward social convergence for business and public services; stresses the important role of investment in human capital as a common strategy; also stresses the need to reorientate the Union's economic policies towards a social market economy;

45. Calls on the Commission and the Member States to take suitable measures to guarantee to digital workers the same rights and level of social protection as exist for similar workers in the sector concerned;

46. Notes that micro-enterprises and small and medium-sized enterprises (MSMEs), which represent more than 90 % of all businesses in Europe and are the engine of the European economy, as well as health and social services and social and solidarity enterprises, contribute effectively to sustainable and inclusive development and the creation of quality employment; calls on the Commission and the Member States to give greater consideration to the interests of MSMEs in the policy-making process by applying the SME test all along the legislative process, in accordance with the 'Think small first principle', and to promote existing forms of financial support for micro-enterprises, such as the Employment and Social Innovation (EaSI) programme; considers it of utmost importance to reduce the administrative burden on such companies and to eliminate unnecessary legislation while not undermining labour and social rights; stresses the need to facilitate

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a second chance for entrepreneurs who in their first attempt failed in a non-fraudulent way and had respected employees' rights;

47. Highlights that social entrepreneurship is a growing field that can boost the economy while simultaneously alleviating deprivation, social exclusion and other societal problems; therefore considers that entrepreneurship education should include a social dimension and should address matters such as fair trade, social enterprises, and alternative business models, including cooperatives, with a view to achieving a more social, inclusive and sustainable economy;

48. Urges the Commission and the Council to explore how to increase productivity by investing in human capital, taking into account that the most competent, well-integrated and fulfilled workers are those that can best address the demands and challenges facing enterprises and services;

49. Encourages the Member States to focus on the status of self-employed entrepreneurs, in order to ensure that they have adequate social protection as regards sickness, accident and unemployment insurance and pension rights;

50. Recalls the importance of implementing a true culture of entrepreneurship, which stimulates young people from an early age; calls, therefore, on the Member States to adapt their education and training programmes in line with this principle; alerts Member States to the importance of creating incentives for entrepreneurship, in particular through the implementation of fiscal rules and reduction of administrative burdens; calls on the Commission, in close cooperation with the Member States, to take measures to provide better information on all European funds and programmes having the potential to boost entrepreneurship, investment and access to finance, such as Erasmus for Young Entrepreneurs;

51. Stresses the leverage effect of the EU budget on national budgets; stresses the complementary role played by the EU budget in achieving the Union's goals under the social policies charted in the Annual Growth Survey 2017, aiming at the creation of more and better jobs throughout the EU;

52. Is concerned with the delay in implementing the operational programmes during the current programming period; notes the fact that by September 2016 only 65 % of competent national authorities had been designated, and calls on the Member States to make more active use of the European Structural and Investment Funds (ESIFs) and the YEI to address employment and social priorities and support the implementation of the CSRs that address, in particular and in an inclusive manner, social and employment matters; however, at the same time underlines that these funds should not be used solely to implement the CSRs, since this could potentially lead to other important investment areas being left out; highlights that further efforts should be made to simplify procedures, notably in the case of horizontal and sectorial financial rules, and to remove barriers for civil society to accessing funds;

53. Notes that economic growth in the EU and the euro area remains modest; stresses that investment is needed in research, innovation, and education; notes that the 2017 EU budget allocates EUR 21 312,2 million in commitment appropriations for competitiveness, growth and jobs, through programmes such as Horizon 2020, COSME, and Erasmus+;

54. Highlights that European funds and programmes such as Erasmus for Entrepreneurs, the European Employment Services (EURES), the programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME), the programme for Employment and Social Innovation (EaSI) and the European Fund for Strategic Investments (EFSI), include the potential to facilitate access to financing and boost investment and, therefore, entrepreneurship; recalls the importance of the partnership principle, the principle of additionality, the bottom-up approach, adequate resource allocation, and a good balance between reporting duties and data collection from those profiting from the funds; calls on the Commission to ensure the close monitoring of the use of EU funds to improve effectiveness; Calls on the Commission to provide CSRs on the implementation of EU funds, in order to increase the coverage and effectiveness of social and active labour market policies at national level;

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55. Welcomes the allocation in 2017 of an additional EUR 500 million on top of the draft budget for the YEI and of EUR 200 million to boost key initiatives for growth and job creation; recalls the need to make better use of the available funds and initiatives related to education and training, culture, sport and youth, and to enhance their investment in these sectors where necessary, especially with regard to thematic areas with direct relevance to the Europe 2020 strategy, such as early school leaving (ESL), higher education, youth employment, vocational education and training (VET), lifelong learning and mobility, in order to build resilience and reduce unemployment, especially amongst the young and the most vulnerable groups, prevent radicalisation and ensure long-term social inclusion;

56. Welcomes the proposal from the Commission to extend EFSI and double its amount to reach EUR 630 billion by 2022, while at the same time improving geographical and sectorial coverage; notes that EFSI has so far not been particularly successful in improving social and economic convergence between Member States and their regions within the Union, or in targeting social infrastructure; recalls that most projects are being approved in the economically more healthy regions of western Europe, thus deepening the investment gap between Member States and reinforcing European imbalances; asks the Commission to help the weaker regions with the application process, but not to modify the basic premise of selecting projects solely on the basis of their quality; calls urgently on the Commission to support social enterprises and SMEs in being able to access the EFSI; calls on the Commission and the European Investment Bank to take additional and proactive steps to ensure that all Member States and sectors are being appropriately targeted with a view to accessing EFSI, in particular those contributing directly to tackling poverty and social exclusion; stresses the need to reinforce administrative capabilities such as the Advisory Hub; regrets that there is no available data on the jobs that are expected to be created as result of EFSI investments; calls on the Commission to monitor and control investments under the EFSI and measure their economic and social impact, and to ensure that EFSI does not duplicate existing financial programmes or substitute direct public spending; reiterates its call for investment in human and social capital in areas such as healthcare, childcare and affordable housing;

57. Points out that the outermost regions are facing a series of structural constraints, the permanence and combination of which severely restrain their development; calls on the Commission to bolster the application of Article 349 TFEU;

58. Stresses the need for the Commission and the Member States to reach a stronger commitment to apply Article 174 of the TFEU; emphasises that greater territorial cohesion implies greater economic and social cohesion, and therefore calls for strategic investment in the regions concerned, in particular in broadband, with a view to making them more competitive, improving their industry and territorial structure and, ultimately, stabilising their population;

59. Invites the Commission and the Member States to involve all levels of government and relevant stakeholders in the identification of obstacles to investment, focusing on the those regions and sectors most in need as well as making available adequate instruments bringing together public and private financing;

60. Calls on the Commission to introduce policies designed to combat demographic decline and the dispersion of the population; stresses that EU cohesion policy should prioritise attention for regions suffering demographic decline;

61. Highlights that universal access to public, solidarity-based and adequate retirement and old-age pensions must be granted to all; acknowledges the challenges faced by Member States to strengthen the sustainability of pension systems, but stresses the importance of safeguarding solidarity in pension systems by strengthening the revenue side without necessarily increasing the retirement age; underlines the importance of public and occupational pension systems which provide an adequate retirement income well above the poverty threshold and allow pensioners to maintain their standard of living; believes that the best way to ensure sustainable, safe and adequate pensions for women and men is to increase the overall employment rate and quality jobs across all ages, improve working and employment conditions and commit the necessary supplementary public spending; believes that pension system reforms should focus among other aspects on the effective

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retirement age and reflect labour market trends, birth rates, the health and wealth situation, working conditions and the economic dependency ratio; considers that these reforms must also take account of the situation of millions of workers in Europe, particularly women, young people and the self-employed, suffering insecure, atypical employment, periods of involuntary unemployment and reduced working time;

62. Points out to the Member States, in view of the ageing of Europe's citizens and its impact in terms of increasing informal and formal care needs, the need to invest in public health promotion and disease prevention while ensuring and improving the sustainability, safety, adequacy and effectiveness of social protection systems and the provision of quality long-term social services over the coming decades; encourages the Member States, therefore, to develop strategies to ensure adequate funding, staffing and development for those systems and services and to extend the coverage of social security systems for the benefit of society and the individual; in particular, urges the Commission, Member States and social partners to:

- encourage higher employment rates for all age groups;
- work to reduce gender segregation and the gender pay gap;
- adapt labour markets for older workers through age-friendly working conditions enabling them to work up to statutory retirement age;
- combat age stereotypes in labour markets;
- ensure a life-cycle and preventive approach to occupational health and safety;
- focus on work-life balance for persons with care responsibilities, through appropriate care-and-leave schemes and by supporting informal carers;
- support and inform employers, especially SMEs, on how work environments can be improved to allow workers of all ages to stay productive;
- support public employment services to enable them to provide meaningful assistance to older jobseekers;
- invest in and promote lifelong learning for workers of all ages, both inside and outside the workplace, and develop systems for skills validation and certification;
- help older workers to remain active longer and prepare for retirement through employee-driven flexible working conditions allowing them to reduce their working time during the transition between work and retirement;

63. Underlines the need for the Commission to monitor developments in homelessness and housing exclusion, in addition to the evolution of house prices in the Member States; calls for urgent action to address rising levels of homelessness and housing exclusion in many Member States; is concerned at the potential social consequences of the high volume of non-performing loans on banks' balance sheets, and especially at the Commission's statement that sale to non-bank specialised institutions should be encouraged, which could lead to waves of evictions; encourages Member States, the Commission and the EIB to make use of EFSI for social infrastructure, including implementation of the right to adequate and affordable housing for all;

64. Notes with concern that in some Member States wages are insufficient to ensure a decent life, thus transforming workers into 'working poor' and discouraging the unemployed from returning to the labour market; in this regard, supports boosting collective bargaining;

65. Encourages the Member States to implement the necessary measures for the social inclusion of refugees, as well as of people of ethnic minority or immigrant origin;

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66. Welcomes the fact that in the Annual Growth Survey 2017 emphasis is placed on the need to promote tax and benefit reforms aimed at improving work incentives and making work pay, as tax systems can also contribute to combating income inequalities and poverty, as well as increasing competitiveness at a global level; calls on the Member States to gradually shift taxes from labour to other sources;
67. Calls for reforms in health and long-term care systems to focus on the development of health prevention and promotion, the maintenance of quality universally accessible healthcare services, and the reduction of inequalities in access to healthcare services;
68. Calls on the Commission and the Member States to work together on removing the obstacles to labour mobility, ensuring that EU mobile workers are treated equally with non-mobile workers;
69. Calls on the Member States to increase the coverage, efficiency and effectiveness of active and sustainable labour market policies, in close cooperation with social partners; welcomes the call made in the AGS 2017 for more efforts to develop measures aimed at supporting labour market inclusion for disadvantaged groups, in particular persons with disabilities, in view of the long-term positive economic and social impact;
70. Calls on the Member States to set ambitious social standards based on their own CSRs, in line with their national competence and financial and fiscal situation, especially by introducing adequate minimum income schemes across the whole lifespan where such schemes do not exist, and by closing the gaps in adequate minimum income schemes created by insufficient coverage or non-take-up;
71. Welcomes the Commission's initiative as regards launching consultations on the setting- up of a European pillar of social rights; considers that this initiative should be able to stimulate the development of more flexible skills and competences, lifelong learning actions and active support for quality employment;
72. Reiterates the request made to the Commission in the latest opinion prepared by the Committee on Employment and Social Affairs for the Committee on Economic and Monetary Affairs to consider the introduction of a procedure for social imbalances in the design of CSRs, in order to avoid a race to the bottom, in terms of standards based on the effective use of social and employment indicators in the framework of macroeconomic surveillance;
73. Calls on Member States to place greater emphasis on breaking the poverty cycle and promoting equality; calls on the Commission to make stronger recommendations to Member States regarding social inclusion and protection, also looking beyond the labour force, and in particular on investing in children;
74. Welcomes the involvement in the European Semester process of the social partners, the national parliaments and other relevant stakeholders from civil society; reiterates that social dialogue and dialogue with civil society are key to achieving sustained change for the benefit of all, and are essential for enhancing the effectiveness and adequacy of European and national policies, and must therefore be pursued in all phases of the Semester; highlights the need to make involvement more effective by ensuring useful timing, access to documents, and dialogue with interlocutors at the appropriate level;
75. Recalls the various requests for an agenda in which the position of Parliament is strengthened and taken into account before the Council takes a decision; calls, furthermore, for the Committee on Employment and Social Affairs to be placed on an equal footing, considering their specific competences, with the Committee on Economic and Monetary Affairs whenever Parliament is called to give its opinion at the various stages of the European Semester;
76. Considers that a EU social convention should be convened in which representatives of the social partners, the national governments and parliaments and the EU institutions discuss the future and structure of the European social model, with public participation;
77. Calls once more for the role of the EPSCO Council in the European Semester to be strengthened;
78. Instructs its President to forward this resolution to the Council and the Commission.
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P8_TA(2017)0040

Single Market Governance within the European Semester 2017

European Parliament resolution of 15 February 2017 on the Annual Report on the Single Market Governance within the European Semester 2017 (2016/2248(INI))

(2018/C 252/16)

The European Parliament,

- having regard to its resolution of 25 February 2016 on Single Market governance within the European Semester 2016 ⁽¹⁾, and to the Commission's follow-up thereon adopted on 27 April 2016,
- having regard to its resolution of 11 March 2015 on Single Market governance within the European Semester 2015 ⁽²⁾, and to the Commission's follow-up thereon adopted on 3 June 2015,
- having regard to its resolution of 25 February 2014 on Single Market governance within the European Semester 2014 ⁽³⁾, and to the Commission's follow-up thereon adopted on 28 May 2014,
- having regard to its resolution of 7 February 2013 with recommendations to the Commission on the governance of the Single Market ⁽⁴⁾, and to the Commission's follow-up thereon adopted on 8 May 2013,
- having regard to its resolution of 26 May 2016 on the Single Market Strategy ⁽⁵⁾,
- having regard to its resolution of 26 May 2016 on non-tariff barriers in the single market ⁽⁶⁾,
- having regard to the Commission communication of 26 November 2015 on the Annual Growth Survey 2016 — Strengthening the recovery and fostering convergence (COM(2015)0690),
- having regard to the Commission communication of 16 November 2016 on the Annual Growth Survey 2017 (COM(2016)0725),
- having regard to the Commission communication of 28 October 2015 on 'Upgrading the Single Market: more opportunities for people and business' (COM(2015)0550) and the report on 'Single Market Integration and Competitiveness in the EU and its Member States' (SWD(2015)0203),
- having regard to the Commission communication of 6 May 2015 on 'A Digital Single Market Strategy for Europe' (COM(2015)0192),
- having regard to the Commission communication of 8 June 2012 on 'Better Governance for the Single Market' (COM(2012)0259),

⁽¹⁾ Texts adopted, P8_TA(2016)0060.

⁽²⁾ OJ C 316, 30.8.2016, p. 98.

⁽³⁾ Texts adopted, P7_TA(2014)0130.

⁽⁴⁾ OJ C 24, 22.1.2016, p. 75.

⁽⁵⁾ Texts adopted, P8_TA(2016)0237.

⁽⁶⁾ Texts adopted, P8_TA(2016)0236.

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- having regard to the Commission communication of 8 June 2012 on the implementation of the Services Directive (COM(2012)0261), as updated in October 2015,
 - having regard to the study of September 2014 entitled ‘The Cost of Non-Europe in the Single Market’ commissioned by the Committee on Internal Market and Consumer Protection,
 - having regard to the Commission communication of 21 October 2015 on steps towards completing Economic and Monetary Union (COM(2015)0600),
 - having regard to the study of September 2014 entitled ‘Indicators for Measuring the Performance of the Single Market — Building the Single Market Pillar of the European Semester’ commissioned by the Committee on Internal Market and Consumer Protection,
 - having regard to the study of September 2014 entitled ‘Contribution of the Internal Market and Consumer Protection to Growth’ commissioned by the Committee on Internal Market and Consumer Protection,
 - having regard to the July 2016 edition of the online Single Market Scoreboard,
 - having regard to the European Council conclusions of 17-18 March 2016,
 - having regard to the European Council conclusions of 28 June 2016,
 - having regard to Protocol No 1 on the role of National Parliaments in the European Union,
 - having regard to Protocol No 2 on the application of the principles of subsidiarity and proportionality,
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on the Internal Market and Consumer Protection (A8-0016/2017),
- A. whereas delivering a deeper and fairer single market will be instrumental in creating new jobs, promoting productivity and ensuring an attractive climate for investment and innovation, as well as a consumer-friendly environment;
- B. whereas this requires a renewed focus across Europe, including the timely completion and implementation of different single market strategies, in particular the Digital Single Market strategy;
- C. whereas this renewed focus must also include the implications of Brexit, inter alia for the free movement of goods and services, the right of establishment, the customs union and the internal market acquis in general;
- D. whereas, following the economic crisis which began in 2008, the EU is still having to face a period of stagnation with sluggish economic recovery, high rates of unemployment and social vulnerabilities; whereas, on a more positive note, the motto of the Annual Growth Survey (AGS) for 2016 was ‘strengthening recovery and fostering convergence’;
- E. whereas the AGS 2017 recalls the need to achieve an inclusive economic recovery which takes the social dimension of the single market into account, and whereas the AGS 2017 also emphasises the need for Europe to invest strongly in its young people and jobseekers, as well as in its start-ups and SMEs;

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- F. whereas, despite economic recovery, unemployment remains far too high in many parts of Europe, and whereas the prolonged period of high unemployment is taking its social toll on many Member States;
- G. whereas the European Semester aims to increase the coordination of economic and fiscal policies across the EU in order to enhance stability, promote growth and employment and strengthen competitiveness in line with the objectives of social fairness and protection of the most vulnerable in society; whereas this aim has not been achieved;
- H. whereas the single market is one of the cornerstones of the EU and one of its major achievements; whereas for the European Semester to successfully foster economic growth and stabilise economies, it must equally encompass the single market and policies aimed at its completion;

Strengthening the single market pillar of the European Semester

1. Reiterates that the single market is one of the foundations of the EU and is the backbone of Member States' economies and of the European project as a whole; notes that the single market remains fragmented and insufficiently implemented and has great potential for growth, innovation and jobs; stresses that for the EU to successfully strengthen its recovery, foster convergence and support investments in its young people and jobseekers, as well as in start-ups and SMEs, the single market plays an essential role; calls on the Commission to ensure the completion of all dimensions of the single market, including goods, services, capital, labour, energy, transport, and in the digital sector;
2. Reiterates its call for the creation of a strong single market pillar with a social dimension within the European Semester, with a system of regular monitoring and identification of the country-specific barriers to the single market, which have tended to be introduced lately with a greater impact, frequency and scope in Member States; calls for an in-depth evaluation of single market integration and internal competitiveness; insists that the evaluation of the state of single market integration should become an integral part of the economic governance framework;
3. Recalls that the European Semester was introduced in 2010 with the aim of ensuring that Member States discuss their economic and budgetary plans with their EU partners at specific times throughout the year, allowing them to comment on each other's plans and monitor progress collectively; stresses the importance of maintaining a focus on social performance as well as the promotion of upward economic and social convergence;
4. Stresses that the single market pillar within the European Semester should serve to identify the key areas, as regards all dimensions of the single market, for the creation of growth and jobs; stresses, furthermore, that it should also serve as a benchmark for commitment to structural reform in Member States;
5. Highlights that the single market pillar within the European Semester would allow a regular evaluation of the governance of the single market through systematic checks of national legislation and data analytics tools for detecting non-compliance, improving the monitoring of the single market legislation, enabling the institutions with the necessary information to redesign, implement, apply and enforce the single market regulatory framework and delivering concrete results to the citizens;
6. Welcomes the Commission's efforts to ensure that the benefits of globalisation and technological change are distributed fairly across different groups of society, in particular among young people; calls for awareness to be raised at all levels about the impact of policies and reforms on income distribution, guaranteeing equality, fairness and inclusiveness;
7. Believes that, with regard to national measures or implementation, early intervention may be more effective and better results achieved than through infringement procedures; stresses, nevertheless, that if the early intervention proceedings do not give results, the Commission must use all available measures, including infringement procedures, to ensure full implementation of legislation on the single market;

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8. Reiterates its call on the Commission to take full account of the key growth and job-creation areas for building an EU single market fit for the 21st century, as previously identified by the Commission and further specified in the study of September 2014 entitled 'The Cost of Non-Europe in the Single Market' and including services, the Digital Single Market and in particular e-commerce, the consumer acquis, public procurement and concessions and the free movement of goods;
9. Urges the Commission to carry out systematic monitoring of implementation and enforcement of the single market rules through the country-specific recommendations (CSRs), in particular where those rules make a contribution to structural reforms, and recalls in this context the importance of the new approach taken by the Commission, which emphasises social fairness; invites the Commission to report to Parliament on the progress made by Member States in the implementation of the CSRs related to the functioning of the single market and integration of products, goods and services markets, as part of the Annual Growth Survey package;
10. Recalls that the overall implementation of the key reforms outlined in the CSRs is still disappointing in some areas and varies across countries; calls on the Member States to speed up progress on the adoption of reforms in line with the CSRs, together with appropriate sequencing and implementation, in order to raise growth potential and foster economic, social and territorial cohesion;
11. Believes that the ownership of the CSRs by national parliaments needs to be strengthened; encourages the Member States to provide for the possibility of the Commission presenting the CSRs in the national parliaments; calls, furthermore, on the Member States to implement the CSRs; reiterates its request that the Commission report to the competent committee of Parliament on the measures taken to ensure progress in the implementation of the CSRs and the progress achieved thus far;
12. Invites the Competitiveness Council to take an active role in the monitoring of the implementation of CSRs by Member States as well as in the process of formulating those recommendations;
13. Highlights that among the goals of the Investment Plan for Europe are removing unnecessary barriers, increasing innovation and deepening the single market while fostering investments in human capital and social infrastructure;
14. Stresses that improving the investment environment means strengthening the single market by providing greater regulatory predictability and by reinforcing the level playing field in the EU and removing unnecessary barriers to investment both from within and outside the EU; recalls that sustainable investments require a solid and predictable business environment; notes that several work strands have been launched at EU level, as laid out in the Single Market Strategy, the Energy Union and the Digital Single Market, and considers that this EU effort needs to be accompanied by an effort at national level;
15. Recalls that the new set of recommendations for the euro area include reforms aimed at ensuring open and competitive product and services markets; recalls also that national and trans-border innovation and competition is key to a functioning single market and believes that European legislation should seek to ensure this;
16. Supports the Commission's call on Member States to redouble their efforts on the three elements of the triangle of economic policy, and in so doing, put the focus on social fairness in order to deliver more inclusive growth;
17. Shares the Commission's view that convergence efforts compatible with the single market must be based on best practices on lifelong learning strategies, effective policies to help the unemployed re-enter the labour market, modern and inclusive social protection and education systems;

Tapping the potential of the single market in key growth areas

18. Stresses that, despite the abolition of tariff barriers in the single market, a vast number of various unnecessary non-tariff barriers (NTBs) still exist; highlights that strengthening the single market requires urgent action at both EU and national level in order to address those unnecessary NTBs in a way which is compatible with the promotion of social, consumer and environmental standards, in order to generate more competition and create growth and jobs; emphasises that protectionism and discriminatory measures by Member States should not be tolerated; recalls its request that the Commission present in 2016 a comprehensive overview of NTBs in the single market and an analysis of the means for tackling them, making a clear distinction between an NTB and regulations for implementing a legitimate public policy

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objective of a Member State in a proportionate manner, including an ambitious proposal to eliminate these NTBs as soon as possible in order to unleash the still untapped potential of the single market;

19. Highlights that barriers related to the free provision of services are of particular concern as they hamper, above all, the cross-border activity of small and medium-sized enterprises, which are a driving force of development of the EU economy; points out that disproportionate administrative requirements, inspections and sanctions can lead to the reversal of single market achievements;

20. Emphasises the Single Market Strategy and its targeted actions, which should be aimed at creating opportunities for consumers, professionals and businesses, especially for SMEs, encouraging and enabling the modernisation and innovation that Europe needs, and ensuring practical delivery that benefits consumers and businesses in their daily lives; urges the Commission and the Member States to ensure the best possible conditions for the collaborative economy to develop and thrive; underlines that the collaborative economy holds enormous potential in terms of growth and consumer choice;

21. Calls on the Member States to introduce reforms and policies to facilitate the diffusion of new technologies to ensure that their benefits can spill over a wider range of firms; calls on the Commission to promptly present the concrete proposals, referred to in the AGS 2017, linked to the enforcement of single market rules as well as measures in the area of business services, including facilitating their cross-border provision and the creation of a simple, modern and fraud-proof VAT system;

22. Welcomes the Commission's announcement in the AGS 2017 of the ongoing work on a single EU authorisation framework that would directly apply to large projects with a cross-border dimension or major investment platforms that involve national co-financing;

23. Calls on the Commission to ensure that the EU public procurement rules are implemented in a timely manner, in particular the deployment of e-procurement and the new provisions encouraging the division of contracts into lots, which is essential to foster innovation and competition and to support SMEs in procurement markets;

24. Emphasises, in respect of the single market in services, that there is a clear need to improve the cross-border provision of services while maintaining the high quality of these services; takes note of the Commission proposal for a European services card and for a harmonised notification form; encourages the Commission to review market developments and, if necessary, take action in connection with insurance requirements for business and construction service providers;

25. Notes that more than 5 500 professions across Europe require specific qualifications or a specific title, and welcomes, in this context, the mutual evaluation of regulated professions conducted by the Commission with the Member States;

26. Calls on the Commission to act strongly against protectionism by Member States; considers that Member States should refrain from discriminatory measures, such as trade and tax laws that only affect certain sectors or business models that distort competition, making it difficult for foreign businesses to establish themselves in a given Member State, which constitutes a clear breach of internal market principles;

27. Anticipates, in respect of the single market in goods, a Commission proposal for a revision of the Mutual Recognition Regulation which should ensure that companies have an effective right to free circulation within the EU of products that are lawfully marketed in a Member State; emphasises that the principle of mutual recognition is not applied and respected properly by Member States, which often makes companies focus on overcoming the difficulties connected to the lack of implementation instead of conducting business;

28. Calls on the Commission to press forward with its vision for a single and coherent European Standardisation System that adapts to the changing environment, supports multiple policies and brings benefits to consumers and businesses; highlights that European standards are frequently adopted worldwide, not only bringing the benefits of interoperability and safety, cost reductions and easier integration of companies into the value chain and trade, but also empowering industry through internationalisation;

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29. Takes the view that advancing the Digital Single Market is crucial to stimulating growth, creating quality jobs, promoting necessary innovation in the EU market, keeping the European economy globally competitive and bringing benefits to both businesses and consumers; calls on the Member States to fully cooperate in implementing the Digital Single Market;

Strengthening the governance of the single market

30. Reiterates its call on the Commission to improve governance of the single market by developing a set of analytical tools including social indicators to more properly measure its performance within the framework of the single market pillar of the European Semester; believes that such an analytical tool could provide useful input for the CSRs, the AGS, the European Council's guidance to Member States and the national action plans aimed at implementing the single market guidelines;

31. Calls for the framework for single market governance to be enforced and for the monitoring and assessment of the correct, timely and effective implementation and application of single market rules to be strengthened; calls on the Member States to enhance their performance in the use of the single market governance tools and to better use the Single Market Scoreboard data available for each Member State as well as their evolution in terms of policy performance;

32. Is still of the opinion that there is a need to define an integrated measurement system, combining different methodologies such as composite indicators, a systematic set of indicators and sectorial tools, so as to measure the performance of the single market for the purpose of embedding it in the European Semester; calls on the Commission, in order both to measure and to provide an impetus for deepening the single market in key priority areas, to consider a headline indicator and a target for this indicator as regards single market integration;

33. Reiterates its call on the Commission to introduce, where justified, quantitative targets for the reduction of unnecessary administrative burdens at European level; asks that these quantitative targets be considered in the Commission's new initiative on reducing administrative burdens;

34. Believes that Member States have to step up their efforts to modernise their public administrations by providing more, and better accessible, digital services for citizens and businesses, and to facilitate cross-border cooperation and interoperability of public administrations;

35. Calls on the Commission to precede each legislative initiative with a thorough impact assessment which takes into account the consequences of the act for the business environment in all Member States and to carefully assess the right balance between costs and objectives of the project for the EU as a whole;

36. Calls on the Commission to rigorously pursue its actions in the area of smart enforcement and a culture of compliance, so as to remedy the situation whereby not all the opportunities that the single market offers on paper are a reality today because EU law has not been fully implemented and enforced;

37. Calls on the Commission to strengthen the market surveillance mechanism to detect unsafe and non-compliant products and to remove them from the single market; calls again for the immediate adoption of the Product Safety and Market Surveillance Package by the Council;

38. Welcomes and eagerly anticipates the Commission initiative to create a Single Digital Gateway to build on and improve existing tools and services, such as the Points of Single Contact, the Product Contact Points, the Product Contact Points for Construction, the Your Europe portal and SOLVIT, in a user-friendly way for the benefit of both citizens and businesses;

39. Acknowledges the positive role of the 'EU Sweeps' actions, launched by the Commission to enhance enforcement through coordinated control actions to identify breaches of consumer law in the online environment;

40. Recognises the importance of better regulation principles and the REFIT initiative, ensuring more coherence in current and future legislation while preserving the regulatory sovereignty and the need for regulatory security and predictability;

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41. Stresses the importance of the Commission's help and cooperation with Member States in the field of better transposition, implementation and application of single market legislation; stresses, in this context, the need for further actions at national level, including with a view to reducing administrative burdens and avoiding adding additional requirements when transposing directives into national law ('gold-plating'), such as tax barriers to cross-border investment;

42. Stresses that the single market should continue to work for all actors — EU citizens, in particular students, professionals and entrepreneurs, especially SMEs — in all Member States, which should remain in permanent dialogue and should be committed to assessing what works and what does not, and in what way single market policy should be developed in the future; highlights, in this context, the role of the Single Market Forum organised annually by the Commission in cooperation with local partners such as national authorities, civil society stakeholders, social partners, chambers of commerce and business associations;

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43. Instructs its President to forward this resolution to the Commission, the Council, the European Council and the governments and parliaments of the Member States.

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P8_TA(2017)0041

Banking Union — Annual Report 2016**European Parliament resolution of 15 February 2017 on Banking Union — Annual Report 2016 (2016/2247(INI))**

(2018/C 252/17)

The European Parliament,

- having regard to the Commission Action plan on a Capital Markets Union of 30 September 2015 (COM(2015)0468),
- having regard to its resolution of 19 January 2016 on ‘Stocktaking and challenges of the EU Financial Services Regulation: impact and the way forward towards a more efficient and effective EU framework for Financial Regulation and a Capital Markets Union’⁽¹⁾,
- having regard to the Euro Area Summit Statement of 29 June 2012, in which the participants stated their intention ‘to break the vicious circle between banks and sovereigns’⁽²⁾,
- having regard to the European Systemic Risk Board’s first EU Shadow Banking Monitor of July 2016,
- having regard to the 2016 International Monetary Fund (IMF) Global Financial Stability Report,
- having regard to the results of the stress tests conducted by the European Banking Authority (EBA) and published on 29 July 2016,
- having regard to the results of the EBA CRD IV-CRR / Basel III monitoring exercise based on December 2015 data and released in September 2016,
- having regard to the ECOFIN Council conclusions of 17 June 2016 on a roadmap to complete the Banking Union,
- having regard to the Commission communication of 24 November 2015 entitled ‘Towards the completion of the Banking Union’ (COM(2015)0587),
- having regard to Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions⁽³⁾ (SSM Regulation),
- having regard to Regulation (EU) No 468/2014 of the European Central Bank of 16 April 2014 establishing the framework for cooperation within the Single Supervisory Mechanism between the European Central Bank and national competent authorities and with national designated authorities⁽⁴⁾ (SSM Framework Regulation),

⁽¹⁾ Texts adopted, P8_TA(2016)0006.

⁽²⁾ http://www.consilium.europa.eu/en/european-council/pdf/20120629-euro-area-summit-statement-en_pdf

⁽³⁾ OJ L 287, 29.10.2013, p. 63.

⁽⁴⁾ OJ L 141, 14.5.2014, p. 1.

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- having regard to the SSM statement on its supervisory priorities for 2016,
- having regard to the ECB Annual Report on supervisory activities 2015, published in March 2016 ⁽¹⁾,
- having regard to European Court of Auditors Special Report 29/2016 on the Single Supervisory Mechanism ⁽²⁾,
- having regard to the EBA report of July 2016 on the dynamics and drivers of non-performing exposures in the EU banking sector,
- having regard to the European Systemic Risk Board report on the regulatory treatment of sovereign exposures of March 2015,
- having regard to the approval by the ECB Governing Council on 4 October 2016 of principles increasing transparency in developing ECB regulations on European statistics, and taking into account the transparency practices of the European Parliament, the Council and the Commission,
- having regard to the consultation held by the ECB on its draft guidance to banks of September 2016 on non-performing loans,
- having regard to the ECB Guide on options and discretions available in Union law,
- having regard to Regulation (EU) 2016/445 of the European Central Bank of 14 March 2016 on the exercise of options and discretions available in Union law ⁽³⁾,
- having regard to the ongoing discussions within the Basel Committee, and in particular to the consultative document of March 2016 on 'Reducing variation in credit risk-weighted assets — constraints on the use of internal model approaches',
- having regard to the EBA report of 3 August 2016 on the leverage ratio requirements under Article 511 of the Capital Requirements Regulation (CRR) (EBA-Op-2016-13),
- having regard to the ECOFIN Council conclusions of 12 July 2016 on finalising the post-crisis Basel reforms,
- having regard to its resolution of 12 April 2016 on the EU role in the framework of international financial, monetary and regulatory institutions and bodies ⁽⁴⁾,
- having regard to its resolution of 23 November 2016 on the finalisation of Basel III ⁽⁵⁾,
- having regard to the Commission's ongoing work on the review of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 ⁽⁶⁾ (CRR), in particular as regards the review of Pillar 2 and the treatment of national options and discretions,

⁽¹⁾ <https://www.bankingsupervision.europa.eu/ecb/pub/pdf/ssmar2015.en.pdf>

⁽²⁾ 'Single Supervisory Mechanism — Good start but further improvements needed', http://www.eca.europa.eu/Lists/ECADocuments/SR16_29/SR_SSM_EN.pdf

⁽³⁾ OJ L 78, 24.3.2016, p. 60.

⁽⁴⁾ Texts adopted, P8_TA(2016)0108.

⁽⁵⁾ Texts adopted, P8_TA(2016)0439.

⁽⁶⁾ OJ L 176, 27.6.2013, p. 1.

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- having regard to Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council ⁽¹⁾ (BRRD),
- having regard to Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 ⁽²⁾ (SRM Regulation),
- having regard to the 2015 annual report of the Single Resolution Board (SRB) of July 2016,
- having regard to the Commission communication on the application, from 1 August 2013, of State aid rules to support measures in favour of banks in the context of the financial crisis ('Banking Communication') ⁽³⁾,
- having regard to Commission Delegated Regulation (EU) 2016/1450 of 23 May 2016 supplementing Directive 2014/59/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the criteria relating to the methodology for setting the minimum requirement for own funds and eligible liabilities ⁽⁴⁾,
- having regard to the Commission report of 28 July 2016 on an assessment of the remuneration rules under Directive 2013/36/EU and Regulation (EU) No 575/2013 (COM(2016)0510),
- having regard to the Financial Stability Board (FSB) Total Loss-Absorbing Capacity (TLAC) term sheet of November 2015,
- having regard to the Bank for International Settlements (BIS) Working Paper No 558 of April 2016 on 'Why bank capital matters for monetary policy',
- having regard to the EBA's interim report of 19 July 2016 on the implementation and design of the MREL framework,
- having regard to the Commission's supplementary analytical report of October 2016 on the effects of the proposal for a European Deposit Insurance Scheme (EDIS),
- having regard to the EBA's final report of 14 December 2016 on the implementation and design of the MREL framework,
- having regard to the Agreement on the transfer and mutualisation of contributions to the Single Resolution Fund, and in particular Article 16 thereof,
- having regard to the Memorandum of Understanding of 22 December 2015 between the Single Resolution Board and the European Central Bank in respect of cooperation and information exchange,
- having regard to Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes ⁽⁵⁾ (DGSD),

⁽¹⁾ OJ L 173, 12.6.2014, p. 190.

⁽²⁾ OJ L 225, 30.7.2014, p. 1.

⁽³⁾ OJ C 216, 30.7.2013, p. 1.

⁽⁴⁾ OJ L 237, 3.9.2016, p. 1.

⁽⁵⁾ OJ L 173, 12.6.2014, p. 149.

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- having regard to the Commission proposal of 24 November 2015 for a regulation of the European Parliament and of the Council amending Regulation (EU) No 806/2014 in order to establish a European Deposit Insurance Scheme (COM(2015)0586),
 - having regard to the various EBA guidelines issued under the Deposit Guarantee Scheme Directive, in particular the final reports on guidelines on cooperation agreements between deposit guarantee schemes of February 2016 and on guidelines on stress tests of deposit guarantee schemes of May 2016,
 - having regard to the statement of the Eurogroup and the ECOFIN Ministers of 18 December 2013 on the SRM backstop,
 - having regard to the Council statement of 8 December 2015 on Banking Union and bridge financing arrangements for the Single Resolution Fund,
 - having regard to Protocol No 1 on the role of national parliaments in the European Union,
 - having regard to Protocol No 2 on the application of the principles of subsidiarity and proportionality,
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on Economic and Monetary Affairs (A8-0019/2017),
- A. whereas the establishment of the Banking Union (BU) is an indispensable component of a monetary union and a fundamental building block of a genuine Economic and Monetary Union (EMU); whereas further efforts are needed as the Banking Union remains incomplete as long as it lacks a fiscal backstop and a third pillar, this being a European approach to deposit re-/insurance which is currently being debated at committee level; whereas a completed Banking Union will be an important contribution to breaking the sovereign-risk nexus;
- B. whereas the European Central Bank (ECB) might on specific occasions suffer from conflict of interests due to its dual responsibility as both a monetary policy authority and a banking supervisor;
- C. whereas the capital and liquidity ratios of EU banks have in general steadily improved over the last years; whereas risks to financial stability nevertheless remain; whereas the current situation calls for caution when introducing extensive regulatory changes, especially with regard to the financing environment for the real economy;
- D. whereas a proper clean-up of bank balance sheets after the crisis has been delayed and this continues to hamper economic growth;
- E. whereas it is not the role of the European institutions to ensure the profitability of the banking sector;
- F. whereas the objective of the new resolution regime that entered into force in January 2016 is to bring about a change of paradigm from bailout to bail-in; whereas market participants still need to adapt to the new system;
- G. whereas participation in the Banking Union is open to Member States that have not yet adopted the euro;
- H. whereas all Member States that have adopted the euro make up the Banking Union; whereas the euro is the currency of the European Union; whereas all Member States, with the exception of those having a derogation, are committed to joining the euro and therefore to joining the Banking Union;

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- I. whereas transparency and accountability of the Commission vis-à-vis the European Parliament are key principles; whereas this implies proper follow-up of Parliament's recommendations by the Commission and proper assessment and monitoring of this follow-up by Parliament;
- J. whereas our work on the Capital Markets Union (CMU) should not reduce the pressure for completion of our work on the Banking Union, which remains a pre-requirement for financial stability in the bank-reliant landscape of the European Union;
- K. whereas recent data show that the estimated value of all non-performing loans (NPLs) in the euro area is EUR 1 132 billion ⁽¹⁾;

Supervision

1. Is concerned at the high level of NPLs, as, according to ECB data, by April 2016 banks in the euro area held EUR 1 014 billion in such loans; considers that reducing this level is crucial; welcomes the efforts already being made to reduce the level of NPLs in some Member States; notes, however, that until now the issue has mainly been addressed at national level; considers that the problem needs to be solved as soon as possible, but acknowledges that a definitive solution will take time; considers that any suggested solution should take into account the source of NPLs, the impact on banks' lending capacity to the real economy, and the need for the development of a primary and secondary market for NPLs, possibly in the form of safe and transparent securitisation, that involves both Union and national levels; recommends that the Commission assists Member States in, among others, the establishment of dedicated asset management companies (or 'bad banks') and enhanced supervision; reiterates in this context the importance of the ability to sell off NPLs in order to free up capital, which is especially important for bank lending to SMEs; welcomes the ECB's consultation on a draft guidance to banks on NPLs as a first step, but believes that more substantial progress has to be made; welcomes the Commission's proposal on insolvency and restructuring including early restructuring and second chance, in the framework of the CMU; calls on Member States, pending its adoption and in order to complement it, to improve their relevant legislation, especially with regard to the length of recovery procedures, the functioning of judicial systems, and more generally their legal framework concerning the restructuring of debt, and to implement necessary sustainable structural reforms aimed at economic recovery in order to tackle NPLs; notes that, according to the Bank for International Settlements, some euro area banks weakened their capital bases by paying substantial dividends, sometimes exceeding the level of retained earnings, throughout the crisis years; considers that the capital position of banks can be strengthened by reducing dividend payments and raising fresh equity;
2. Encourages all Member States that have not yet adopted the euro to take all necessary steps to do so, or to join the BU, in order to progressively align the BU with the entire internal market;
3. Is concerned at the lingering instability of the banking landscape in Europe, as underlined *inter alia* in the 2016 IMF Global Financial Stability Report, which states that Europe would, even under a cyclical recovery, still have a high proportion of weak and challenged banks; notes the low profitability of a number of institutions in the euro area; points out that explanations for this situation include among others the stock of NPLs, the interest rate environment, and possible demand-side issues; endorses the call made by the IMF for fundamental changes in both bank business models and system structure in order to ensure a healthy European banking system;
4. Considers that there are risks associated with sovereign debt; notes as well that in some Member States financial institutions have over-invested in bonds issued by their own government, leading to excessive 'home bias' while one of the main objectives of the BU is to break the bank-sovereign-risk nexus; notes that an appropriate prudential treatment of sovereign debt might create incentives for banks to better manage their sovereign exposures; notes, however, that government bonds play a critical role as a source of high-quality, liquid collateral and in the conduct of monetary policy, and that modifying their prudential treatment, especially if no phasing-in approach is envisaged, could have a significant effect on both the financial sector and the public sector, and that this necessitates a careful consideration of the pros and cons of a revision of the current framework before any proposal is made; takes note of the various policy options set out in

⁽¹⁾ 2017 independent Annual Growth Survey 5th Report, 23 November 2016.

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the report of the High Level Working Group on the prudential treatment of sovereign exposures discussed at the informal ECOFIN meeting of 22 April 2016; considers that the EU regulatory framework should be consistent with the international standard; awaits, therefore the results, of the FSB's work on sovereign debt with great interest in order to guide future decisions; considers that the European framework should enable market discipline in delivering sustainable policies and providing high- quality and liquid assets for the financial sector and safe liabilities for governments; stresses that, in parallel with the reflections on sovereign debt, reflection should take place on convergence on a wider range of economic issues, on state aid rules and on risks such as misconduct, including financial crime;

5. Considers it essential for depositors, investors and supervisors to address the excessive variability in risk weights applied to risk-weighted assets of the same class across institutions; recalls that the current rules governing the use of internal models provide a significant level of flexibility for banks and add a layer of modelling risk from the supervisory perspective; welcomes in this respect the work undertaken by the EBA to harmonise key assumptions and parameters, the divergence of which has been identified as one of the main drivers of variability, as well as the work done in ECB banking supervision within the ECB's Targeted Review of Internal Models (TRIM) project, in order to assess and confirm the adequacy and appropriateness of internal models; encourages further progress on these workstreams; awaits the outcome of the work done internationally to streamline resort to internal models in the case of operational risk and lending to corporates, other financial institutions, specialised finance and equities banks, in order to re-establish the credibility of internal models and ensure that they focus on the areas where they deliver added value; also welcomes the introduction of a leverage ratio to act as a robust backstop, in particular for global systemically important institutions (G-SIIs); stresses the need for a more risk-sensitive standard approach in order to ensure respect of the 'same risks, same rules' principle; calls on financial supervisors to allow new internal models only if they do not lead to unjustified significantly lower risk weights; reiterates the conclusions of its resolution of 23 November 2016 on the finalisation of Basel III; in particular, recalls that the regulatory changes planned should not result in overall increases in capital requirements or harm the ability of banks to finance the real economy, in particular SMEs; stresses that the international work should respect the proportionality principle; recalls the importance of not unduly penalising the EU banking model and of avoiding discrimination between EU and international banks; calls on the Commission to ensure that European specificities are considered when developing new international standards in this area, and to take duly into account the proportionality principle and the existence of different banking models when assessing the impact of future legislation implementing internationally agreed standards;

6. Stresses that reliable access to finance and the sound allocation of capital in Europe's bank-based financing model depend heavily on robust balance sheets and proper capitalisation, the restoration of which after the financial crises was not and is not uniformly assured across the Union, thus hampering economic growth;

7. Underlines that the European banking sector plays a key role in financing the European economy and that this is supported by a strong supervision system; welcomes, therefore, the intention of the Commission to maintain the SME Supporting Factor in the upcoming revision of CRD/CRR and to extend it beyond its current threshold;

8. Points out that guidance provided by international fora should be followed to the greatest extent possible in order to avoid the risk of regulatory fragmentation with regard to the regulation and supervision of large, internationally active banks, without this either preventing a critical approach when needed or precluding targeted departures from international standards when and where the characteristics of the European system are not sufficiently taken into account; recalls the conclusions of its resolution of 12 April 2016 on the EU role in the framework of international financial, monetary and regulatory institutions and bodies; in particular, stresses the importance of the role of the Commission, the ECB and the EBA in terms of engaging in the work of the BCBS and providing Parliament and the Council with transparent and comprehensive updates on the state of play of the BCBS discussions; considers that the EU should work on having an

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appropriate representation in the BCBS, notably for the euro area; calls for a stronger visibility of this role during ECOFIN meetings, as well as enhanced accountability to Parliament's Committee on Economic and Monetary Affairs; underlines that the BCBS and other fora should help promote a level playing field at the global level by mitigating — rather than exacerbating — the differences between jurisdictions;

9. Points to the risks, including systemic risks, of a rapidly growing shadow banking sector, as shown by the 2016 EU Shadow Banking Monitor; insists that any action on the regulation of the banking sector must be accompanied by appropriate regulation of the shadow banking sector; calls, therefore, for coordinated action in order to ensure fair competition and financial stability;

10. Underlines the need for a comprehensive view of the cumulative impact of the different changes in the regulatory environment, whether they concern supervision, loss absorption, resolution or accounting standards;

11. Stresses that national options and discretions may hinder the creation of a level playing field between Member States and the comparability of the financial reporting by banks to the public; is pleased with the opportunity offered by the newly proposed amendment to the CRR to close or restrict the use of some of them at Union level in order to address existing barriers and segmentation, and to keep only those that are strictly necessary because of the diversity of banking models; urges that this opportunity be fully exploited; welcomes the ECB guidance and regulation harmonising the exercise of some of the national options and discretions within the BU; recalls, however, that when conducting work on the reduction of options and discretions the ECB shall remain within the limits of its mandate; stresses that working towards the deepening of the single rulebook is crucial, and underlines the need to streamline the current overlapping and intertwining of existing, amended and new legislation; calls on the ECB to make fully public the Supervisory Manual laying down common processes, procedures and methods for conducting a euro area-wide supervisory review process;

12. Stresses that there has been a natural learning phenomenon for all the members of the Supervisory Board since the creation of the SSM, dealing with a variety of different business models and entities of different sizes, and that this needs to be supported and accelerated;

13. Notes the clarifications with regard to the objectives of Pillar 2 and its place within the stacking order of capital requirements proposed in the amendments to the Capital Requirements Directive (CRD); notes that the use of capital guidance is said to balance financial stability concerns with the need to leave scope for supervisory judgement and case-by-case analyses; encourages the ECB to clarify the criteria that underline the Pillar 2 guidance; recalls that this guidance does not constrain the Maximum Distributable Amount (MDA) and therefore should not be disclosed; believes that the use of capital guidance should not result in a demonstrable reduction of Pillar 2 requirements; considers that more supervisory convergence is needed concerning the composition of own funds to cover Pillar 2 requirements and guidance; is pleased, therefore, that the issue is addressed in the proposed amendment to the CRD;

14. Stresses the risks stemming from the holding of level 3 assets, including derivatives, and in particular from the difficulty of their valuation; notes that these risks should be reduced and that this calls for a progressive reduction of the holdings of these assets; calls on the SSM to make this issue one of its supervisory priorities, and to organise, jointly with the EBA, a quantitative stress test on it;

15. Reiterates the need to ensure higher transparency on the full set of supervisory practices, in particular in the SREP cycle; asks the ECB to publish performance indicators and metrics in order to demonstrate supervisory effectiveness and enhance its external accountability; reiterates its call for more transparency with regard to Pillar 2 decisions and justifications; calls on the ECB to publish Joint Supervisory Standards;

16. Notes the risks stemming from 'too-big-to-fail', too-interconnected-to-fail and too-complex-to-resolve financial institutions; notes that a set of policy measures designed at international level to address these risks have been agreed (notably TLAC, central clearing of derivatives, and capital and leverage ratio add-on for globally systemic banks); is committed to working swiftly on the corresponding legislative proposals for their implementation in the Union, thus reducing further the risks stemming from the too-big-to-fail issue; recalls the words of Mark Carney, Chair of the FSB, to the effect that agreement on proposals for a common international standard on total loss-absorbing capacity for G-SIBs represents a watershed in putting an end to too-big-to-fail banks; also notes that an effective bail-in mechanism and the

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application of an appropriate level of MREL are an important part of the regulatory measures for addressing this issue and enabling globally systemic banks to be resolved without recourse to public subsidy and without disruption to the wider financial system;

17. Highlights the limitations of the current stress test methodology; welcomes, therefore, the EBA's and ECB's efforts to pursue improvements to the stress testing framework; believes, however, that more should be done to better reflect the possibility and reality of real crisis situations by, inter alia, better incorporating more dynamic elements, such as contagion effects, in the methodology; considers that the lack of transparency characterising the ECB's own stress tests imply uncertainty in supervisory practices; calls on the ECB to publish the results of its stress test exercise to foster market confidence;

18. Considers that when a national competent authority (NCA) rejects the demand to take into account specific circumstances in the stress test exercise, this should be communicated to the EBA and the SSM so as to ensure a level playing field;

19. Welcomes the progress made to prepare for allowing some delegation in the area of fit and proper decisions; points out, nevertheless, that a change in the regulations is needed to allow more and easier delegation of decision-making on certain routine issues, from the Supervisory Board to relevant officials; would welcome such a change, which would contribute to making the ECB's banking supervision more efficient and effective; calls on the ECB to specify tasks and legal framework for the delegation of decision-making;

20. Takes note of the report of the European Court of Auditors (ECA) on the functioning of the SSM; takes note of the findings concerning the insufficient level of staffing; calls on NCAs and Member States to fully provide the ECB with the necessary human resources and economic data enabling it to do its job, in particular as regards on-site inspections; calls on the ECB to amend the SSM Framework Regulation in order to formalise commitments by participating NCAs and to implement a risk-based methodology to determine the target number of staff and the composition of skills for Joint Supervisory Teams; takes the view that more involvement of ECB personnel and less reliance on staff from NCAs would improve the independence of supervision, together with the use of staff from the competent authority of one Member State to supervise an institution from another Member State, which also contributes to effectively addressing the risk of supervisory forbearance; welcomes the ECB's cooperation with the European Parliament on staff working conditions; calls on the ECB to promote a good working environment that fosters professional cohesion within it; recalls the potential conflict of interest between supervisory tasks and responsibility for monetary policy, and the need for a clear separation between both sets of functions; calls on the ECB to perform a risk analysis on possible conflicts of interest and to envisage separate reporting lines where specific supervisory resources are concerned; believes that, while the separation of monetary policy and supervision is a central principle, it should not preclude cost savings enabled by the sharing of services, provided such services are non-critical in terms of policymaking and proper guarantees are established; calls on the ECB to hold public consultations when drafting quasi-legislative measures in order to enhance its accountability;

21. Underlines that the creation of the SSM has been accompanied by an increase of influence for the European Union on the international stage compared to the pre-existing situation;

22. Underlines that the separation of the supervisory tasks from monetary policy functions should enable the SSM to take an independent position on all relevant matters, including on potential effects of ECB interest rate targets on the financial position of supervised banks;

23. Shares the opinion of the ECA that an audit gap has emerged since the establishment of the SSM; is concerned that owing to limitations imposed by the ECB on the ECA's access to documents, important areas are left unaudited; urges the ECB to fully cooperate with the ECA to enable it to exercise its mandate and thereby enhance accountability;

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24. Recalls the need to find, in regulation as well as in the exercise of supervision, a balance between the need for proportionality and the need for a consistent approach; notes, in this respect, the changes proposed regarding reporting and remuneration requirements in the Commission proposal amending Directive 2013/36/EU; calls on the Commission to prioritise work on a 'small banking box', and to extend it to an assessment of the feasibility of a future regulatory framework consisting of less complex and more appropriate and proportional prudential rules specific to different types of banking model; points out that all banks should be subject to an appropriate level of supervision; recalls that appropriate supervision is key to monitoring all risks whatever the size of the banks; respects the division of roles and competences between the SRB, the EBA and other authorities within the European System of Financial Supervision, while underlining the importance of effective cooperation; sees the need to overcome the proliferation of overlapping reporting requirements and national interpretations of European laws in a common market; supports the streamlining efforts made to date, such as the idea behind the European Reporting Framework (ERF), and encourages further efforts in this direction to avoid double reporting and unnecessary additional costs of regulation; calls on the Commission to address the issue in due course, in line with its conclusions from the call for evidence, for instance through a proposal for a common unitary and consolidated supervisory reporting procedure; calls as well for the timely announcement of ad hoc and permanent reporting requirements so as to ensure high data quality and planning security;

25. Underlines that the safety and soundness of a bank cannot be captured by a point-in-time assessment of its balance sheet alone, as they are ensured through dynamic interactions between the bank and the markets, and affected by various elements in the entire economy; underlines, therefore, that a sound framework for financial stability and growth should be comprehensive and balanced so as to cover dynamic supervisory practices and not focus merely on static regulation with mainly quantitative aspects;

26. Draws attention to the division of responsibilities between the ECB and the EBA; stresses that the ECB should not become the de facto standard-setter for non-SSM banks;

27. Notes that on 18 May 2016 the ECB Council adopted the regulation on the collection of granular credit and credit risk data (AnaCredit); calls on the ECB to allow national central banks as much leeway as possible when implementing AnaCredit;

28. Calls on the ECB not to begin work on any further stages of AnaCredit until after a public consultation exercise has been carried out, with the full involvement of the European Parliament and with particular account being taken of the proportionality principle;

29. Reiterates its stressing of the importance of strong and well-functioning IT systems corresponding to the needs of the supervisory functions of the SSM and security concerns; regrets recent reports of persisting weaknesses in the IT system;

30. Welcomes the establishment of National Systemic Risk Boards, but stresses that the establishment of the Banking Union reinforces the need to strengthen macro-prudential policy at the European level in order to properly address potential cross-border spillovers of systemic risk; encourages the Commission to propose a coherent and effective macroprudential supervision in its overall review of the macroprudential framework in 2017; calls on the Commission to be especially ambitious in order to enhance the ESRB's institutional and analytical capacity to assess risks and vulnerabilities in and beyond the banking sector and to intervene accordingly; considers that borrowing based instruments (such as LTVs and DSTIs) should be embedded in European legislation so as to ensure harmonisation in the use of these additional types of macroprudential instruments; highlights the need to reduce the institutional complexity and lengthy process in the interaction between ESRB, ECB/SSM and national authorities, and between competent and designated national authorities, in the field of macroprudential supervision; welcomes, in this regard, the progress already made on cross-border coordination by the ESRB recommendation on voluntary reciprocity; reiterates its call for the clarification of the linkages between the macroprudential framework and existing microprudential tools, in order to ensure effective interaction of macroprudential and microprudential policy instruments; expresses concern about the vulnerabilities in the real estate sector identified by the ESRB; notes that the EBA is still to deliver RTSs on the condition of capital requirements for mortgage exposure under Articles 124(4)(b) and 164(6) CRR; notes that only a small number of SSM members have activated or plan to activate general systemic risk buffers and a counter-cyclical capital buffer until now; notes that the ECB

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has so far not fully exercised its macroeconomic supervisory powers by fostering the adoption of macroprudential supervisory instruments by national authorities;

31. Highlights that the outcome of the referendum on the UK's membership of the EU requires an assessment of the whole European System of Financial Supervision (ESFS), including the voting modalities inside the ESAs, in particular of the double majority mechanism provided for in Article 44(1) of the EBA regulation; emphasises that possible negotiations following the referendum should not lead to an unlevel playing field between EU and non-EU financial institutions, and should not be used to promote deregulation in the financial sector;

32. Welcomes the excellent work of the Joint Supervisory Teams (JSTs), which are a good example of European cooperation and knowledge-building; points out that the proposed future use of a rotating system in the organisation of JSTs should guarantee objective supervision while taking into consideration the lengthy process of knowledge-building in this very complex field of expertise;

33. Welcomes the fact that the Banking Union has widely eliminated the home-host issue in supervision, by the establishment of a single supervisor and the greatly improved exchange of relevant information between supervisory authorities, enabling a more holistic supervision of cross-border banking groups; stresses that, owing to the current incomplete state of the Banking Union, the CRR review on liquidity and capital waivers needs to appropriately take into account consumer protection concerns in host countries;

34. Welcomes the ECB initiative to oblige supervised banks to report significant cyber-attacks under a real-time alert service, as well as the SSM on-site inspections to supervise cyber-security; calls for the establishment of a legal framework which facilitates the exchange of sensitive information relevant to preventing cyberattacks between banks;

35. Stresses the crucial role of cybersecurity for banking services and the need to incentivise financial institutions to be very ambitious in protecting consumer data and guaranteeing cybersecurity;

36. Notes that the SSM has been assigned the task of European banking supervision for the purpose of ensuring compliance with EU prudential rules and of ensuring financial stability, while other supervisory tasks having clear European spillovers have remained in the hand of domestic supervisors; stresses, in this regard, that the SSM should have monitoring powers concerning Anti-Money Laundering (AML) activities of national banking supervisors; emphasises that the EBA should also be assigned additional powers in the field of AML, including the powers to carry out on-site assessments of Member States' competent authorities, to require the production of any information that is relevant to assessing compliance, to issue recommendations for remedial action, to make those recommendations public, and to take measures that are necessary to ensure that the recommendations are effectively implemented;

37. Reiterates its call on the EBA to enforce and enhance the consumer protection framework for banking services in line with its mandate, complementing the SSM's prudential supervision;

Resolution

38. Recalls the need to adhere to state aid rules when dealing with future banking crises, and that the exception of extraordinary public support must be both precautionary and temporary in nature and cannot be used to offset losses that an institution has incurred or is likely to incur in the near future; calls for the definition of efficient procedures between the SRB and the Commission for decision-making in the event of a resolution, especially concerning the timeframe; takes the view that the flexibility embedded within the current framework should be clarified, and recalls that it should be better exploited in order to address specific situations, without hindering genuine resolution of banks which are insolvent, in particular in the case of preventive and alternative measures involving the use of DGS funds provided for in the Deposit Guarantee Schemes Directive (DGSD) Article 11(3) and (6); calls on the Commission, therefore, to reconsider its interpretation of the relevant state aid rules in an effort to guarantee that the preventive and alternative measures provided for by the European legislator in the DGSD can actually be implemented; notes that specific situations have been treated

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differently without clear justification; reminds the Commission that a report assessing the continuing need for allowing precautionary recapitalisations and the conditionality attached to such measures was due by 31 December 2015; calls on the Commission to submit such a report as soon as possible;

39. Invites the Commission to assess, in the light of experience and within the framework of the review of Regulation (EU) No 806/2014, whether the SRB and the national resolution authorities are equipped with sufficient early intervention powers and sufficient early intervention instruments to prevent disruptive outflows of banks' capital and loss-absorbing capacity during a crisis;

40. Underlines the importance of clarifying practical issues which are directly affecting resolution, such as the reliance on service providers which provide critical services, for example in the case of outsourced IT services;

41. Notes the Commission proposals introducing into Pillar 1 a minimum total loss absorbing capacity (TLAC) for global systemically important banks, in line with international standards; takes note of the differences between TLAC and MREL; stresses, however, that both standards share the same objective, namely to make sure that banks have enough regulatory capital and loss-absorbing liabilities to make bail-in an effective instrument in resolution without causing financial instability and without public money being needed, thereby avoiding the socialisation of private risks; concludes, therefore, that a holistic approach to loss absorption can be reached by combining the two, building on TLAC as transposed in the current Commission proposal as the minimum standard, subject to the agreement to be reached by the co-legislators; highlights that due consideration should be given to retaining the two criteria of size and risk-weighted assets, and notes the interconnection between the risk-weighted asset criteria underlying the TLAC standard and the ongoing work in the EU and at the BCBS on internal models and on the finalisation of the Basel III framework; stresses that proper attention should be paid, in calibrating and/or phasing in new MREL requirements, to the need to create a market for MREL-eligible liabilities; highlights the importance of maintaining discretion for the resolution authority when setting MREL, and of making sure that banks hold sufficient subordinated and bail-inable debt; emphasises that market disclosure should be made in an appropriate manner in order to avoid investor misinterpretation of the MREL requirements;

42. Draws attention to the importance of clarifying in legislation the stacking order between MREL-eligible CET1 and capital buffers; stresses the need to adopt legislation with the purpose of clarifying the responsibilities and powers of, respectively, resolution authorities and competent authorities, concerning early intervention measures to be taken in cases of breaches of MREL requirements; notes the Commission proposal for the introduction of the MREL guidance; reiterates that the calibration of MREL should in all cases be closely linked to and justified by the resolution strategy of the bank at issue;

43. Draws attention to the importance of clarifying in legislation that MREL-eligible CET1 is on top of capital buffers, so as to prevent double counting of capital;

44. Stresses that it is crucial to harmonise the hierarchy of claims in bank insolvency across Member States, in order to make the implementation of the BRRD more consistent and effective and to provide certainty to cross-border investors; welcomes, therefore, the Commission's proposal to go further in the harmonisation of the hierarchy of claims; notes that better harmonisation of the regular insolvency regime and of its hierarchy of claims will also be essential, both, in the case of banks, to avoid discrepancies with the bank resolution regime, and, in the case of companies, to provide additional clarity and certainty to cross-border investors and contribute to addressing the issue of NPLs; welcomes the fact that the BRRD has brought an important change in the hierarchy of insolvency, giving priority to insured deposits, so that they rank senior to all capital instruments, loss-absorbing capacity, other senior debt and uninsured deposits; calls on the SRB to present the results of the resolvability assessments for G-SIBs and other banks, including the proposed measures to overcome impediments to resolution;

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45. Notes the range of legal options available to ensure the subordination of TLAC-eligible debt; points out that none is preferred by the FSB; is of the view that the approach adopted should first and foremost strike a balance between flexibility, effectiveness, legal certainty and the ability of the market to absorb any new class of debt;

46. Calls for a reflection on the possible negative impact on the real economy from the revision of the Basel rules, the introduction of MREL requirements, the introduction of TLAC and IFRS 9; calls for any solution aimed at smoothing the impacts;

47. Recalls that the newly introduced resolution regime has resulted in some instruments offered to investors, in particular retail investors, involving a higher risk of loss than under the previous regime; further recalls that bail-inable instruments should only be sold in the first place to appropriate investors who can absorb potential losses without being threatened in their own sound financial standing; therefore urges the Commission to foster the implementation of relevant existing legislation, and calls on the ESAs to contribute strongly to the detection of mis-selling practices;

48. Warns that the BRRD requirement of contractual recognition for bail-in powers on liabilities governed by non-EU legislation is proving cumbersome to implement; considers this issue an immediate concern; notes the right introduced by the proposed amendments to the BRRD for competent authorities to waive this requirement; considers that this approach allows for flexibility and for a case-by-case assessment of the liabilities concerned; calls on the Commission and the resolution authorities to ensure that the conditions for granting exemptions and the subsequent actual decisions on exemptions do not endanger banks' resolvability;

49. Points out that swift and effective exchange of information between supervision and resolution authorities is paramount in order to ensure smooth crisis management; welcomes the conclusion of a memorandum of understanding (MoU) between the ECB and the SRM in respect of cooperation and information exchange; calls on the ECB to specify in the MoU the communication procedures between joint supervisory teams and internal resolution teams; recommends that the attendance of the ECB as a permanent observer at the SRB Plenary and Executive Sessions be made fully reciprocal by allowing a representative of the SRB to attend the Supervisory Board of the ECB, also as a permanent observer;

50. Takes note of the double role of the Board members of the SRB, who are at the same time members of an executive body with decision-making roles and senior managers accountable in that capacity to the Chair of the Board, and considers that an evaluation of this structure should be undertaken before the end of the current mandate;

51. Recalls that the substance of the Intergovernmental Agreement on the Single Resolution Fund (SRF) is to be ultimately incorporated into the Union legal framework; calls on the Commission to reflect on ways of doing so; stresses that the upcoming incorporation of the fiscal compact into EU law could provide a useful template;

52. Calls for the ex ante contributions to the SRF to be calculated in a strongly transparent manner, with efforts to harmonise information on calculation outcomes and improve the understanding of the calculation methodology; calls on the Commission to carry out the review of the calculation of the contributions to the SRF provided for in recital 27 of delegated Regulation (EU) 2015/63 with the utmost care, and in particular to examine the adequacy of the risk factor in order to ensure that the risk profile of less complex institutions is properly taken into account;

53. Takes note of the statement of the Finance Ministers of 8 December 2015 on the system of bridge financing arrangements for the SRF; notes, in this respect, that 15 out of 19 euro area Member States have already signed a harmonised Loan Facility Agreement with the SRB; recalls that these individual credit lines will only be available as a last resort; is of the opinion that this solution is not sufficient to overcome the bank-sovereign vicious circle and end taxpayer-funded bailouts; calls for rapid progress in the work by the Council and the Commission on a common fiscal backstop for the SRF, the ultimate liability for the financing of which should rest with the banking sector and which should be fiscally neutral over the medium term, as agreed within the agreement on the SRF and confirmed by the European Council in June 2016;

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Deposit insurance

54. Reiterates its call for a third pillar in order to complete the Banking Union; recalls that the protection of deposits is a common concern for all EU citizens; is currently debating the proposal on EDIS at committee level;

55. Stresses that the introduction of the EDIS and discussions on this project should not lead to a weakening of the efforts towards improving the implementation of the DGSD; welcomes the work done recently by the EBA to promote convergence in this field; welcomes the fact that all Member States have transposed the BRRD; reminds all Member States of the obligation to apply and correctly implement the BRRD and the DGSD;

56. Recalls that the role of the Commission is to guarantee a level playing field across the EU and that it should avoid any fragmentation within the internal market;

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57. Instructs its President to forward this resolution to the Council, the Commission, the ECB, the SRB, the national parliaments, and the competent authorities as defined in point 40 of Article 4(1) of Regulation (EU) No 575/2013.

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P8_TA(2017)0042

Biological low-risk pesticides

European Parliament resolution of 15 February 2017 on low-risk pesticides of biological origin (2016/2903(RSP))

(2018/C 252/18)

The European Parliament,

- having regard to Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC ⁽¹⁾, in particular Articles 22 and 47, Article 66(2) and Annex II, point 5 thereof,
 - having regard to Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides ⁽²⁾, in particular Articles 12 and 14 thereof,
 - having regard to the draft Commission regulation amending Regulation (EC) No 1107/2009 of the European Parliament and of the Council concerning the placing of plant protection products on the market as regards the criteria for the approval of low-risk active substances (D046260/01,
 - having regard to its resolution of 7 June 2016 on technological solutions for sustainable agriculture in the EU ⁽³⁾,
 - having regard to its resolution of 7 June 2016 on enhancing innovation and economic development in future European farm management ⁽⁴⁾,
 - having regard to the 'Implementation Plan on increasing low-risk plant protection product availability and accelerating integrated pest management implementation in Member States', developed by the Expert Group on Sustainable Plant Protection and endorsed by the Council on 28 June 2016,
 - having regard to the Commission's Action Plan against the rising threats from Antimicrobial Resistance (COM(2011)0748) and to the upcoming Antimicrobial Resistance (AMR) Action Plan to be launched by the Commission in 2017,
 - having regard to the question to the Commission on biological low-risk pesticides (O-000147/2016 — B8-1821/2016),
 - having regard to the motion for a resolution of the Committee on the Environment, Public Health and Food Safety,
 - having regard to Rules 128(5) and 123(2) of its Rules of Procedure,
- A. whereas the use of conventional plant protection products is increasingly subject to public debate, due to the potential risks they pose to human health, animals and the environment;
- B. whereas the number of active substances available on the EU market used for plant protection is decreasing; whereas EU farmers continue to require a variety of crop protection tools;

⁽¹⁾ OJ L 309, 24.11.2009, p. 1.

⁽²⁾ OJ L 309, 24.11.2009, p. 71.

⁽³⁾ Texts adopted, P8_TA(2016)0251.

⁽⁴⁾ Texts adopted, P8_TA(2016)0252.

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- C. whereas it is important to promote the development of alternative procedures or techniques to reduce dependence on conventional pesticides;
- D. whereas preventing food waste is a priority in the EU, and access to appropriate plant protection solutions is essential to preventing damage caused by pests and diseases that results in food waste; whereas, according to the FAO, 20 % of fruit and vegetable production in Europe is lost in the fields ⁽¹⁾;
- E. whereas it is still possible to find undesirable pesticide residues in soil, water and the environment in general, and even a certain percentage of agricultural products of plant or animal origin may contain pesticide residues above the maximum residue levels for pesticides;
- F. whereas Regulation (EC) No 1107/2009 defines criteria to identify low-risk substances that apply independently of the origin of the substance, and whereas low-risk pesticides could be of biological as well as of synthetic origin;
- G. whereas pesticides of biological origin are generally understood to be plant protection products based on microorganisms, botanicals, bio-derived chemicals or semiochemicals (such as pheromones and various essential oils) and their by-products; whereas the present regulatory framework for plant protection products ⁽²⁾ does not legally differentiate between biological and synthetic chemical plant protection products;
- H. whereas recent scientific studies show that sublethal exposure to certain herbicides may cause negative changes in antibiotic susceptibility in bacteria ⁽³⁾ and that a combination of high use of herbicides and antibiotics in proximity to farm animals and insects could drive greater use of antibiotics by possibly compromising the therapeutic effects of the same;
- I. whereas low-risk plant protection products of biological origin may constitute a viable alternative to conventional plant protection products, for both conventional and organic farmers, and contribute to a more sustainable agriculture; whereas some plant protection products of biological origin possess new modes of action, which could be beneficial with a view to evolving resistance to conventional plant protection products, and could limit the impact on non-target organisms; whereas low-risk plant protection products of biological origin should be one of the preferred options for non-professional users and for home gardening, together with other non-chemical control or prevention methods;
- J. whereas, in order to adequately meet food and feed needs, the use of plant protection products is necessary, and whereas the precautionary principle ⁽⁴⁾ is applied in the procedure for authorising such products and their active substances;
- K. whereas the long approval and registration process before commercialisation of low-risk pesticides of biological origin represents an important economic barrier to manufacturers;
- L. whereas Integrated Pest Management implementation is mandatory in the Union in accordance with Directive 2009/128/EC; whereas Member States and local authorities should place more emphasis on the sustainable use of pesticides, including low-risk plant protection alternatives;

⁽¹⁾ FAO (2011) 'Global food losses and food waste'.

⁽²⁾ The concept of 'pesticides' also covers biocidal products to which this resolution does not apply.

⁽³⁾ e.g. Kurenbach, B., Marjoshi, D., Amábile-Cuevas, C.F., Ferguson, G.C., Godsoe, W., Gibson, P. and Heinemann, J.A., 2015, 'Sublethal exposure to commercial formulations of the herbicides dicamba, 2,4-dichlorophenoxyacetic acid, and glyphosate cause changes in antibiotic susceptibility in *Escherichia coli* and *Salmonella enterica* serovar Typhimurium', mBio 6(2):e00009-15. doi:10.1128/mBio.00009-15.

⁽⁴⁾ Article 1(4) of Regulation (EC) No 1107/2009.

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- M. whereas under Regulation (EC) No 1107/2009, active substances are approved at Union level, while the authorisation of plant protection products containing those active substances lies within the remit of the Member States;
- N. whereas Article 22 of Regulation (EC) No 1107/2009 allows active substances to be approved as low-risk active substances where they fulfil the general approval criteria and the specific low-risk criteria specified in Annex II, point 5; whereas Article 47 of Regulation (EC) No 1107/2009 provides that plant protection products that contain only low-risk active substances, that do not contain any substance of concern, that do not require specific risk mitigation measures, and that are sufficiently effective, shall be authorised as low-risk plant protection products;
- O. whereas at present, only seven active substances classified as 'low-risk' — whereof six are active substances of biological origin — are approved in the Union; whereas the Commission prioritises the evaluation of presumed low-risk active substances in its renewal programme;
- P. whereas products containing low-risk active substances of biological origin have been refused authorisation by a certain number of Member States owing to their perceived lower efficacy as compared to synthetic chemical pesticides, without any regard to the ongoing innovation in the sector for low-risk pesticides of biological origin, without considering the resource efficiency benefits for organic farming, and without considering agricultural, health and environmental costs of certain other plant protection products;
- Q. whereas the current regulatory framework provides certain incentives for low-risk active substances and low-risk plant protection products, namely a longer first approval period for low-risk active substances of 15 years in accordance with Article 22 of Regulation (EC) No 1107/2009, and a shorter timeframe of 120 days for the authorisation of low-risk plant protection products in accordance with Article 47 of Regulation (EC) No 1107/2009; whereas, however, these regulatory incentives only apply at the end of the approval procedure, once an active substance is classified as low-risk;
- R. whereas Article 12 of Directive 2009/128/EC provides that the use of pesticides shall be minimised or prohibited in certain specific areas, such as areas used by the general public and protected areas; whereas, in such cases, appropriate risk management measures shall be taken, and the use of low-risk plant protection products and biological control measures shall be considered in the first place; whereas some Member States have, for a long time now, prohibited the use of pesticides in these specific areas;
- S. whereas the Commission has submitted to the Standing Committee on Plants, Animals, Food and Feed (PAFF Committee) a draft regulation amending Regulation (EC) No 1107/2009 as regards the criteria for the approval of low-risk active substances; whereas this draft provides an assumption of low-risk status for active substances that are micro-organisms;

General considerations

1. Stresses the need to increase the availability of low-risk pesticides, including low-risk plant protection products of biological origin in the Union, without further delay;
2. Stresses that farmers need to have a bigger toolbox at hand to protect their crops and to decide which measure will best and most sustainably protect their crops; encourages, therefore, wider use of different tools, including low-risk pesticides of biological origin, following the principles of integrated pest management;
3. Stresses the need to increase the availability of a pest management toolbox for organic farming that complies with the requirements of both organic farming and resource efficiency;
4. Emphasises that consumers' demand for safe food that is both affordable and produced in a sustainable way must be satisfied;

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5. Underlines that, in order to promote the development and use of new low-risk plant protection products of biological origin, the evaluation of their efficacy and risks, and of their capacity to respond to the environmental, health-related and economic needs of agriculture, should be designed in a way to provide farmers with an appropriate level of plant protection;
6. Underlines the importance of a public debate about the availability of alternatives to conventional plant protection products and about making a wider choice of substances available to farmers and growers, including low-risk plant protection products of biological origin and other biological control measures, in order to find the solutions that are most viable in environmental, health and economic terms; stresses the necessity to educate on the need to ensure sustainability of crop protection; encourages further research and innovation on low-risk plant protection products of biological origin;
7. Welcomes the 'Implementation Plan on increasing low-risk plant protection product availability and accelerating integrated pest management implementation in Member States', as endorsed by the Council; calls on the Member States, the Commission and the European and Mediterranean Plant Protection Organisation (EPPO) to follow up on the implementation of this plan;

Immediate action

8. Calls for the swift adoption of the draft regulation amending Regulation (EC) No 1107/2009 as regards the criteria for the approval of low-risk active substances that the Commission has submitted to the PAFF Committee; calls on the Commission continuously to update the criteria in line with the most up-to-date scientific knowledge;
9. Calls on the Commission and the Member States to accelerate the evaluation, authorisation, registration and monitoring of the use of low-risk plant protection products of biological origin while maintaining risk assessment at a high level;
10. Invites the Member States to include the use of low-risk pesticides of biological origin in their national action plans on the protection of the environment and of human health;
11. Encourages the Member States to exchange information and good practices deriving from the results of research into pest control, enabling the provision of alternative solutions that are viable in environmental, health and economic terms;
12. Calls on the Commission to identify low-risk substances already on the market;

Revision of plant protection product legislation

13. Welcomes the 2016 Commission REFIT initiative to carry out an evaluation of Regulation (EC) No 1107/2009; stresses that this REFIT initiative must not lead to the lowering of health, food safety and environmental protection standards; is concerned that the general revision of the entire Regulation (EC) No 1107/2009 in connection with this REFIT initiative could take several years;
14. Stresses the need to revise Regulation (EC) No 1107/2009 in order to foster the development, authorisation and placing on the EU market of low-risk pesticides of biological origin; is concerned that the current authorisation process for placing plant protection products on the market is sub-optimal for low-risk pesticides of biological origin; points out that the current registration process for low-risk basic substances sometimes, in practice, acts as a kind of patent, making it difficult to use a product based on the same substance which is not registered in another Member State;
15. Calls on the Commission to submit, before the end of 2018, a specific legislative proposal amending Regulation (EC) No 1107/2009, outside of the general revision in connection with the REFIT initiative, with a view to establishing a fast-track evaluation, authorisation and registration process for low-risk pesticides of biological origin;

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16. Highlights the need for a definition, in Regulation (EC) No 1107/2009, of 'plant protection product of biological origin' that covers plant protection products the active substance of which is a microorganism or a molecule existing in nature, either obtained from a natural process or synthesised as identical to the natural molecule, as distinct from plant protection products the active substance of which is a synthetic molecule not existing in nature, irrespective of the method of production;

17. Calls on the Commission, in its report on the evaluation of National Action Plans required under Article 4 of Directive 2009/128/EC establishing a framework for Community action to achieve the sustainable use of pesticides, to identify gaps in the implementation of the Directive by Member States and to include robust recommendations to Member States to take immediate action in order to reduce the risk and impact of pesticide use on human health and the environment and to develop and introduce alternative approaches or techniques with the aim of reducing dependency on the use of pesticides;

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18. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.

Thursday 16 February 2017

P8_TA(2017)0043

Situation of human rights and democracy in Nicaragua, the case of Francisca Ramirez**European Parliament resolution of 16 February 2017 on the situation of human rights and democracy in Nicaragua — the case of Francisca Ramirez (2017/2563(RSP))**

(2018/C 252/19)

The European Parliament,

- having regard to its previous resolutions on Nicaragua, in particular those of 18 December 2008 on the attacks on human rights defenders, civil liberties and democracy in Nicaragua ⁽¹⁾ and of 26 November 2009 ⁽²⁾,
- having regard to the statement by the Spokesperson of the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy (VP/HR), Federica Mogherini, of 16 August 2016, on the recent judicial decision in Nicaragua to dismiss Members of Parliament, and the statement by the VP/HR of 19 November 2016 on the final results of the elections in Nicaragua,
- having regard to the report of the EU election observation mission to Nicaragua on its observation of the legislative and presidential elections of 6 November 2011,
- having regard to the statement of the General Secretariat of the Organisation of American States (OAS) of 16 October 2016 on the electoral process in Nicaragua,
- having regard to the report of the General Secretariat of the Organisation of American States and Nicaragua of 20 January 2017,
- having regard to the 2012 Association Agreement between the European Union and the countries of Central America, which entered into force in August 2013, including its human rights clauses,
- having regard to the EU Guidelines on Human Rights Defenders of June 2004,
- having regard to the EU Land Policy Guidelines of 2004 providing guidance for land policy development and programming in developing countries,
- having regard to the UN Declaration on Human Rights Defenders of December 1998,
- having regard to the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP),
- having regard to the 1989 Indigenous and Tribal Peoples Convention (No 169) of the International Labour Organisation (ILO), ratified by Nicaragua,
- having regard to the International Covenant on Civil and Political Rights of 1966,
- having regard to the Universal Declaration of Human Rights of 1948,

⁽¹⁾ OJ C 45 E, 23.2.2010, p. 89.

⁽²⁾ OJ C 285 E, 21.10.2010, p. 74.

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- having regard to Rules 135(5) and 123(4) of its Rules of Procedure,
- A. whereas the development and consolidation of democracy and the rule of law and respect for human rights and fundamental freedoms must be an integral part of the EU's external policies, including the Association Agreement between the European Union and the countries of Central America of 2012;
- B. whereas democracy and the rule of law have deteriorated in Nicaragua in the past years;
- C. whereas in 2013 Nicaragua passed Law 840 which granted a 100-year concession for an inter-oceanic canal through Nicaragua to a private Chinese company, the HK Nicaragua Canal Development Investment Company Ltd (HKND);
- D. whereas this law gave HKND powers to expropriate lands and exempted the company from local tax and commercial regulations; whereas it also guaranteed to HKND that there would be no criminal punishment for breach of contract;
- E. whereas between 27 November and 1 December 2016, demonstrators from all over Nicaragua gathered in the capital to reject the construction of the inter-oceanic canal, a megaproject which could displace thousands of small farmers and indigenous people in the areas surrounding the canal project, and also to denounce the lack of transparency in the presidential election of 6 November 2016; whereas human rights defenders reported the use of tear gas and rubber and lead bullets by police against protestors;
- F. whereas no environmental impact study was conducted and no prior consultation was launched with indigenous peoples, in breach of ILO Convention 169; whereas the canal's proposed route will go through indigenous lands and would displace between 30 000 and 120 000 indigenous people;
- G. whereas scientific organisations have expressed alarm that the canal would cut across Lake Nicaragua, endangering Central America's largest source of fresh water; whereas scientific organisations have asked the Nicaraguan Government to suspend the project until independent studies have been completed and publicly debated;
- H. whereas Francisca Ramirez, Coordinator of the National Council for the Defence of Land, Lake and Sovereignty, presented a formal complaint in December 2016 regarding acts of repression and aggressions experienced in Nueva Guinea; whereas Francisca Ramirez has been intimidated and arbitrarily detained and her family members have been violently attacked in retaliation to her activism;
- I. whereas journalists in Nicaragua face harassment, intimidation and detention, and have received death threats;
- J. whereas in August 2016 the visit of the UN Special Rapporteur on the situation of human rights defenders, Michel Forst, to Nicaragua was cancelled, owing to obstacles imposed by the Nicaraguan Government;
- K. whereas the severe exclusion of opposition candidates demonstrates that conditions for free and fair elections were clearly lacking and that freedom of association, political competition and pluralism are being seriously undermined;
- L. whereas the Special Rapporteur on the independence of judges and lawyers drew attention, under a universal periodic review procedure in 2014, to the appointments of Supreme Court judges, which are heavily influenced by politics; whereas the constitutional changes made in 2013 for the re-election of the President were conducted by bypassing the law in a non-transparent manner; whereas Article 147 of the Nicaraguan Constitution prohibits those related to the President either by blood or affinity from being presidential or vice-presidential candidates;

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M. whereas public sector corruption, including by family members of the President, remains one of the biggest challenges; whereas bribery of public officials, unlawful seizures and arbitrary assessments by customs and tax authorities are very common;

1. Expresses its concern at the steadily deteriorating human rights situation in Nicaragua and deplores the attacks and acts of harassment to which human rights organisations and their members and independent journalists have been subjected by individuals, political forces and bodies linked to the State;

2. Urges the government to refrain from harassing and using acts of reprisal against Francisca Ramirez and other human rights defenders for carrying out their legitimate work; calls on the Nicaraguan authorities to end the impunity of perpetrators of crimes against human rights defenders; supports the right of environmental and human rights defenders to express their protest without retaliation; calls on Nicaragua to effectively launch an independent environmental impact assessment before engaging in further steps and to make the whole process public;

3. Calls on the Nicaraguan Government to respect its international human rights obligations, in particular the UN Declaration on the Rights of Indigenous People, signed in 2008, and ILO Convention 169;

4. Calls on the Nicaraguan Government to protect indigenous peoples' lands from the impact of development megaprojects that affect the life-supporting capacity of their territories, placing indigenous communities in conflict scenarios and exposing them to the practice of violence;

5. Is extremely concerned about the dismissal of the opposition Members from the National Assembly of Nicaragua and the ruling which changed the leadership structure of the opposition party;

6. Calls on Nicaragua to fully respect democratic values, including separation of powers, and to restore the position of all political opposition parties by allowing critical voices within the political system and society in general; recalls that the full participation of the opposition, the depolarisation of the judiciary, the end of impunity, and an independent civil society are essential factors for the success of any democracy;

7. Recalls the illegal steps taken in violation of the judicial system that resulted in constitutional changes to remove presidential term limits, allowing Daniel Ortega to stay in power for years;

8. Points out that the elections in 2011 and 2016 were highly criticised for their irregularities by the EU institutions and the OAS; notes that there is a dialogue process currently underway with the OAS and that the Memorandum of Understanding should be signed by 28 February 2017, which could improve the situation;

9. Reaffirms that freedom of the press and media are vital elements for democracy and an open society; calls on the Nicaraguan authorities to restore the plurality of media;

10. Points out that, in the light of the Association Agreement between the European Union and the countries of Central America, Nicaragua must be reminded of the need to respect the principles of the rule of law, democracy and human rights, as upheld and promoted by the EU; urges the EU to monitor the situation and, if necessary, to assess the potential measures to be taken;

11. Instructs its President to forward this resolution to the Council, the Commission, the governments and parliaments of the Member States, the Secretary-General of the Organisation of American States, the Euro-Latin American Parliamentary Assembly, the Central American Parliament, and the Government and Parliament of the Republic of Nicaragua.

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P8_TA(2017)0044

Executions in Kuwait and Bahrain

European Parliament resolution of 16 February 2017 on executions in Kuwait and Bahrain (2017/2564(RSP))

(2018/C 252/20)

The European Parliament,

- having regard to its previous resolutions on Bahrain, in particular those of 4 February 2016 on the case of Mohammed Ramadan ⁽¹⁾ and of 7 July 2016 on Bahrain ⁽²⁾, and that of 8 October 2015 on the death penalty ⁽³⁾,
- having regard to the statement of 15 January 2017 by the spokesperson of Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy (VP/HR) Federica Mogherini on the executions carried out in Bahrain, and that of 25 January 2017 on the recent executions in the State of Kuwait,
- having regard to the joint statement of 10 October 2015 by VP/HR Federica Mogherini, on behalf of the EU, and the Secretary-General of the Council of Europe, Thorbjørn Jagland, on the European and World Day against the Death Penalty,
- having regard to the statement of 25 January 2017 by the UN Special Rapporteurs on Extrajudicial, Summary or Arbitrary Executions, Agnes Callamard, and on Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, Nils Melzer, urgently calling for the Government of Bahrain to stop new executions, and the statement of 17 January 2017 by the spokesperson of the United Nations High Commissioner for Human Rights, Rupert Colville, on Bahrain,
- having regard to the EU Guidelines on the Death Penalty, on Torture, on Freedom of Expression and on Human Rights Defenders,
- having regard to the new EU Strategic Framework and Action Plan on Human Rights, which aims to place the protection and surveillance of human rights at the heart of all EU policies,
- having regard to Article 2 of the European Convention on Human Rights and to Protocols 6 and 13 thereto,
- having regard to Articles 1 and 2 of the Charter of Fundamental Rights of the European Union,
- having regard to the Cooperation Agreement between the European Union, its Member States and countries of the Cooperation Council for Arab States of the Gulf (GCC) of 1988,
- having regard to the conclusions of the 25th EU-GCC Joint Council and Ministerial Meeting of 18 July 2016,
- having regard to the UN General Assembly resolutions on the moratorium on the use of the death penalty, in particular that of 18 December 2014 and the most recent one, of 19 December 2016,
- having regard to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment, the Convention on the Rights of the Child and the Arab Charter on Human Rights, to all of which Kuwait and Bahrain are parties,

⁽¹⁾ Texts adopted, P8_TA(2016)0044.

⁽²⁾ Texts adopted, P8_TA(2016)0315.

⁽³⁾ Texts adopted, P8_TA(2015)0348.

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- having regard to the safeguards guaranteeing protection of the rights of those facing the death penalty, approved by Economic and Social Council resolution 1984/50 of 25 May 1984,
 - having regard to the concluding observations on the third periodic report of Kuwait of the UN Human Rights Committee of 11 August 2016,
 - having regard to the Universal Declaration of Human Rights of 1948, in particular Article 15 thereof,
 - having regard to the International Covenant on Civil and Political Rights (ICCPR), in particular Article 18 thereof and the second optional protocol thereto on the death penalty, and to the International Covenant on Economic, Social and Cultural Rights,
 - having regard to the UN Conventions of 1954 relating to the Status of Stateless Persons and of 1961 on the Reduction of Statelessness,
 - having regard to Rules 135(5) and 123(4) of its Rules of Procedure,
- A. whereas, according to the Office of the UN High Commissioner for Human Rights (OHCHR), more than 160 UN members states, with a variety of legal systems, traditions, cultures and religious backgrounds, have either abolished the death penalty or do not practise it;
- B. whereas on 25 January 2017 Kuwait's authorities executed seven people, including a member of the royal family: Mohammad Shahed Mohammad Sanwar Hussain, Jakatia Midon Pawa, Amakeel Ooko Mikunin, Nasra Youseff Mohammad al-Anzi, Sayed Radhi Jumaa, Sameer Taha Abdulmajed Abduljaleel and Faisal Abdullah Jaber Al Sabah, most of whom were convicted of murder; whereas five of the prisoners were foreign nationals: two Egyptians, one Bangladeshi, one Filipino and one Ethiopian, and three of them women; whereas the executions were the first in the country since 2013, when Kuwaiti authorities executed five people after a six-year moratorium;
- C. whereas the Gulf Centre for Human Rights and other human rights organisations have documented violations of due process in Kuwait's criminal justice system that made it difficult for defendants to receive a fair trial; whereas foreign domestic workers are particularly vulnerable since they lack social and legal protection;
- D. whereas on 15 January 2017 Bahrain executed Ali Al-Singace, Abbas Al-Samea and Sami Mushaima by firing squad, ending a six-year moratorium;
- E. whereas, according to the OHCHR, the executions took place in serious violation of fair trial standards; whereas the three men were accused of a bombing in Manama in 2014 which killed several people, including three police officers; whereas, however, all three were reportedly tortured into confessions which were then used as primary evidence for their convictions; whereas they were stripped of their nationality, refused access to a lawyer and executed less than a week after the verdict, with no prior information given to their families and no chance to apply for pardon;
- F. whereas the UN Special Rapporteur on Extrajudicial, Summary or Arbitrary Executions declared these executions to be 'extrajudicial killings' on the basis that all three men were not afforded the fair trial rights enshrined in Article 14 of the ICCPR;
- G. whereas the OHCHR said it was 'appalled' by the executions and that there were 'serious doubts' that the men received a fair trial;
- H. whereas two other men, Mohammad Ramadan and Hussein Moussa, also face the death penalty in Bahrain; whereas both men allege they were tortured into falsely confessing to capital crimes and may be executed at any moment;

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- I. whereas Bahraini-Danish citizen Abdulhadi al-Khawaja, a founding director of the Gulf Center for Human Rights, as well as Khalil Al Halwachi, a mathematics teacher formerly living in Sweden, remain in prison for charges related to the peaceful expression of their opinion;
 1. Deeply deplores the decision of Kuwait and Bahrain to return to the practice of capital punishment; reiterates its condemnation of the use of the death penalty, and strongly supports the introduction of a moratorium on the death penalty as a step towards its abolition;
 2. Calls on His Majesty Sheikh Hamad bin Isa Al Khalifa of Bahrain to halt the executions of Mohamed Ramadan and Hussein Moosa, and on the Bahraini authorities to ensure a re-trial in compliance with international standards; recalls that all allegations of human rights violations committed during the proceedings must be duly investigated;
 3. Stresses that the Convention on the Rights of the Child and the International Covenant on Civil and Political Rights expressly prohibit the death penalty for offences committed by persons under 18 years of age;
 4. Calls on the Governments of Kuwait and Bahrain to issue an immediate and open invitation to the UN Special Rapporteur on Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment to conduct a country visit, and to allow unfettered access to detainees and to all places of detention;
 5. Recalls that the EU opposes capital punishment and considers it to be a cruel and inhuman punishment which fails to act as a deterrent to criminal behaviour and is irreversible in the event of error;
 6. Calls on Kuwait and Bahrain to sign and ratify the Second Optional Protocol to the International Covenant on Civil and Political Rights aimed at the abolition of the death penalty;
 7. Urges the European External Action Service (EEAS) and the Member States to continue to fight against the use of the death penalty; strongly urges Bahrain and Kuwait to comply with international minimum standards, and to reduce the scope and use of the death penalty; urges the EEAS to remain vigilant with regard to developments in these two countries and in the Gulf region in general, and to use all means of influence at its disposal;
 8. Reiterates that the activities of European companies present in third countries must be entirely consistent with international human rights standards; strongly condemns the agreements on trade in arms and in technologies used to violate human rights;
 9. Urges the EEAS and the Member States to intervene with the Bahraini Government in order to appeal for the release of Nabeel Rajab and of all those held solely on the basis of their peaceful exercise of freedom of expression and assembly, and to urge the Bahraini Government to stop the excessive use of force against demonstrators or the practice of arbitrary revocation of citizenship;
 10. Calls for the release of Abdulhadi al-Khawaja and Khalil Al Halwachi;
 11. Calls on the Bahraini Government to fully implement the recommendations of the Bahrain Independent Commission of Inquiry (BICI) report, the Universal Periodic Review and the National Institute for Human Rights; further encourages reform efforts in Kuwait;
 12. Calls on the Bahraini authorities to pursue the national consensus dialogue with a view to finding lasting and inclusive national reconciliation and sustainable political solutions to the crisis; notes that in a sustainable political process legitimate and peaceful criticisms should be able to be expressed freely;
 13. Takes note of the protests taking place in Bahrain marking the sixth anniversary of the 2011 uprising; calls on the Bahraini authorities to ensure that the security forces fully respect the rights of peaceful protesters and refrain from the excessive use of force, arbitrary detention, torture and other acts violating human rights;
 14. Encourages dialogue and bilateral and multilateral initiatives between the European Union, its Member States and Gulf countries including Kuwait and Bahrain on issues relating to human rights, as well as in other areas of mutual interest; calls on the EEAS and VP/HR Federica Mogherini to insist on the establishment of a formal human rights dialogue with the Kuwaiti and Bahraini authorities, in accordance with the EU Guidelines on Human Rights Dialogues;

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15. Instructs its President to forward this resolution to the Council, the Commission, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, the governments and parliaments of the Member States, the Government and Parliament of the Kingdom of Bahrain, the Government and Parliament of the State of Kuwait and the members of the Gulf Cooperation Council.

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P8_TA(2017)0045

Guatemala, notably the situation of human rights defenders

European Parliament resolution of 16 February 2017 on Guatemala, notably the situation of human rights defenders (2017/2565(RSP))

(2018/C 252/21)

The European Parliament,

- having regard to the Universal Declaration of Human Rights and to the UN human rights conventions and the optional protocols thereto,
- having regard to the European Convention on Human Rights, the European Social Charter and the EU Charter of Fundamental Rights,
- having regard to the European Consensus on Development of December 2005,
- having regard to its previous resolutions on the violation of human rights, including its resolutions on debates on cases of breaches of human rights, democracy and the rule of law,
- having regard to its resolutions of 15 March 2007 on Guatemala ⁽¹⁾ and of 11 December 2012 ⁽²⁾ on the EU-Central America Association Agreement,
- having regard to its Subcommittee on Human Rights visit to Mexico and Guatemala of February 2016 and its final report,
- having regard to the Delegation for relations with the countries of Central America report on its visit to Guatemala and Honduras on 16-20 February 2015,
- having regard to its resolution of 21 January 2016 on the EU's priorities for the UNHRC sessions in 2016 ⁽³⁾,
- having regard to the United Nations Special Rapporteur's report on the global threats facing human rights defenders, and on the situation of women human rights defenders,
- having regard to the Annual Report 2016 of the United Nations High Commissioner for Human Rights on the activities of his office in Guatemala,
- having regard to the recent visit by the EU Special Representative on Human Rights to Guatemala,
- having regard to the UN Covenant on Civil and Political Rights of 1966,
- having regard to the EU Action Plan on Human Rights and Democracy (2015-2019),
- having regard to the 2014-2017 EU Roadmap for Engagement with Civil Society in Partner Countries,
- having regard to the EU Guidelines for the Protection of Human Rights Defenders and to the Strategic Framework on Human Rights, which commits to engage on human rights defenders,

⁽¹⁾ OJ C 301 E, 13.12.2007, p. 257.

⁽²⁾ OJ C 434, 23.12.2015, p. 181.

⁽³⁾ Texts adopted, P8_TA(2016)0020.

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- having regard to UN Human Rights Council Resolution 26/9 of 26 June 2014, in which the UNHRC decided to establish an open-ended intergovernmental working group with the aim of drawing up an international legally binding instrument on transnational corporations and other business enterprises with respect to human rights,
 - having regard to the 1989 International Labour Organisation Convention concerning Indigenous and Tribal Peoples in Independent Countries (ILO Convention 169),
 - having regard to the human rights clauses of the EU-Central America Association Agreement and the EU-Central America Partnership and Cooperation Agreement (PCA), in force since 2013,
 - having regard to the Multiannual Indicative Programme for Guatemala 2014-2020, and its engagement to contribute to the resolution of conflicts, to peace and to security,
 - having regard to the European Union support programmes for the justice sector in Guatemala, particularly SEJUST,
 - having regard to the 2014 judgment of the Inter-American Court of Human Rights in the case of *Human rights defenders et al. v. Guatemala*, and the Inter-American Commission on Human Rights report on the situation of human rights in Guatemala (OEA/Ser.L/V/II. Doc. 43/15) of 31 December 2015,
 - having regard to Article 25 of the Rules of Procedure on the mechanism for precautionary measures of the Inter-American Commission on Human Rights,
 - having regard to the 2009 Council Conclusions on Democracy Support in the EU's External Relations,
 - having regard to the 2009 Council Guidelines on Human Rights and International Humanitarian Law,
 - having regard to the Declaration of 9 December 2016 by the High Representative Federica Mogherini on behalf of the European Union on Human Rights Day, 10 December 2016,
 - having regard to the statement of 17 August 2016 by the EEAS Spokesperson on Human Rights Defenders in Guatemala,
 - having regard to the Santo Domingo Declaration of the EU-CELAC Ministerial Meeting of 25-26 October 2016,
 - having regard to the Statement of 1 February 2017 of the Group of Thirteen on the strengthening of the rule of law and the fight against corruption and impunity,
 - having regard to Articles 2, 3(5), 18, 21, 27 and 47 of the Treaty on European Union, and to Article 208 of the Treaty on the Functioning of the European Union,
 - having regard to Rules 135 of its Rules of Procedure,
- A. whereas Guatemala is EU's third-largest recipient of bilateral development assistance in Central America, with this assistance amounting to EUR 187 million for the 2014-2020 period and focusing on food security, conflict resolution, peace, security and competitiveness;
- B. whereas Guatemala is strategically located on the drug supply and illegal migration route between Central America and the United States; whereas Guatemalans remain the second largest group of deportees from the US; whereas decades of internal conflict, high poverty rates and a deep-rooted culture of impunity have led to sustained levels of violence and security threats in Guatemala; whereas the whole of society is affected by high criminality rates, but most specifically human rights defenders, NGOs and local authorities;

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- C. whereas 2017 marks the 20th anniversary of the Peace Agreements for Guatemala; whereas the fight against impunity, including the serious crimes committed under the former non-democratic regimes, is essential; whereas the Guatemalan authorities need to send a clear message to the physical and intellectual perpetrators of violence against human rights defenders that such actions will not go unpunished;
- D. whereas fourteen murders and seven attempted murders of human rights defenders in Guatemala were registered between January and November 2016 by the Unit for the Protection of Human Rights Defenders of Guatemala (UDEFEGUA); whereas, according to the same sources, in 2016 there were 223 aggressions overall against human rights defenders, including 68 new legal cases launched against human rights defenders; whereas environmental and land rights defenders and those working on justice and impunity were the most frequently targeted categories of human rights defenders;
- E. whereas 2017 has already seen the killing of human rights defenders Laura Leonor Vásquez Pineda and Sebastián Alonzo Juan, in addition to the journalists reported to have been killed in 2016 — Victor Valdés Cardona, Diego Esteban Gaspar, Roberto Salazar Barahona and Winston Leonardo Túnchez Cano;
- F. whereas the human rights situation remains very serious; whereas the situation of women and indigenous people, especially those defending human rights, and that of migrants, is a matter of serious concern, as are other issues such as access to justice, prison conditions, police conduct and allegations of torture, compounded by widespread corruption, collusion and impunity;
- G. whereas Guatemala has ratified ILO Conventions 169 concerning Indigenous and Tribal Peoples and Convention 87 on the Freedom of Association and Protection of the Right to Organise; whereas there are some positive signs such as the creation of the Mesa Sindical del Ministerio Público; whereas Guatemalan legislation does not include an obligation to conduct prior, free and informed consultation with indigenous communities, as stated in ILO Convention 169;
- H. whereas the Inter-American Court of Human Rights issued a binding sentence in 2014 calling for a public policy for the protection of human rights defenders; whereas an EU-funded consultation process for the creation of the abovementioned policy is underway;
- I. whereas the UN Guiding Principles on Business and Human Rights apply to all states and to all business enterprises, whether transnational or other, regardless of their size, sector, location, ownership and structure, although effective control and sanction mechanisms remain a challenge in the worldwide implementation of the UNGPs; whereas the human rights situation in Guatemala will be reviewed in November 2017 under the Universal Periodic Review (UPR) Mechanism for the Human Rights Council (HRC);
- J. whereas the Guatemalan Human Rights Ombudsman, the Public Ministry and the judiciary have taken important steps against impunity and for the recognition of human rights;
- K. whereas Guatemala has taken some positive steps, such the extension of the CICIG (International Commission against impunity in Guatemala) mandate to 2019; whereas in October 2016, a proposal for constitutional reform of the justice sector based, *inter alia*, on round-table discussions with civil society was presented to Congress by the Presidents of the Executive, of the Congress and of the justice system of Guatemala, and seeks to strengthen the justice system based on principles such as judicial career, legal pluralism and judicial independence;

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- L. whereas a targeted campaign of harassment has impeded a number of emblematic cases involving corruption and transitional justice, with human rights defenders working in this context, including judges and lawyers, facing intimidation and trumped-up legal complaints; whereas Iván Velasquez, Director of the internationally recognised International Commission against Impunity in Guatemala (CICIG), is also facing charges and is subject to an ongoing smear campaign; whereas emblematic cases in the field of transitional justice are moving forward, such as those involving Molina Theissen and CREOMPAZ, or those on corruption in the La Linea y Coparacha cases, among others;
- M. whereas some EU Member States have not yet ratified the EU-Central America Association Agreement and the 'Political Dialogue' pillar has therefore not yet entered into force; whereas human rights and the rule of law are at the heart of the EU's external action policy, in addition to sustainable economic and social development;
1. Condemns in the strongest terms the recent murders of Laura Leonor Vásquez Pineda, Sebastian Alonzo Juan and the journalists Victor Valdés Cardona, Diego Esteban Gaspar, Roberto Salazar Barahona and Winston Leonardo Túnchez Cano, as well as each of the 14 assassinations of other human rights defenders in Guatemala carried out in 2016; extends its sincere condolences to the families and friends of all of those human rights defenders;
 2. Stresses its concern that the continuous acts of violence and lack of security have a negative impact on human rights defenders being able to fully and freely carry out their activities; pays tribute to all human rights defenders in Guatemala and calls for an immediate, independent, objective and thorough investigation into the abovementioned and previous murders; emphasises that a vibrant civil society is essential in order to make the state at all levels more accountable, responsive, inclusive, effective and hence more legitimate;
 3. Welcomes Guatemala's efforts in its fight against organised crime, asks that these be stepped up and recognises the enormous difficulty it faces in providing security and freedom to all its citizens in a structural violence situation such as that generated by narcotics; calls on the EU institutions and EU Member States to provide technical and budgetary means to Guatemala to assist its fight against corruption and organised crime, and to prioritise such efforts in bilateral cooperation programmes;
 4. Recalls the need to develop a public policy for the protection of human rights defenders, as stated by the Inter-American Court of Human Rights (IACHR) in 2014; takes note of the recently launched National Dialogue, calls on the Guatemalan authorities to ensure that the public policy is developed through a wide participative process and addresses the structural causes that increase the vulnerability of human rights defenders, and invites the business community to support these efforts;
 5. Welcomes the decision by the EU Delegation in Guatemala to contribute financially to the discussion and consultation process on such a programme and encourages the EU Delegation to continue its support for human rights defenders; calls on the competent authorities to draw up and implement a public policy to protect human rights defenders in close cooperation with a wide range of stakeholders, and to continue on the path of reforms towards an independent judiciary, the fight against impunity and the consolidation of the rule of law;
 6. Calls for the urgent and mandatory implementation of the precautionary measures recommended by the IACHR and calls on the authorities to reverse the decision that unilaterally removes national precautionary measures benefitting human rights defenders;
 7. Recalls the results of the 93 communitarian consultations undertaken in good faith in 2014 and 2015; recalls that a participatory process is currently ongoing and calls on the Guatemalan authorities to accelerate the procedures to ensure the establishment of a national mechanism for free and informed prior consultations, as foreseen under ILO 169; calls on the Guatemalan Government to launch wider social consultations concerning the hydroelectric plants, mining projects and oil companies, and calls on the EU institutions to ensure that no European assistance or support promotes or permits development projects without meeting the obligation for prior, free and informed consultation with indigenous communities;

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8. Welcomes the initiative on a reform of the justice system presented by the executive, judiciary and legislative powers to the Congress in order to further develop a professional democratic justice system based on effective judicial independence; calls for joint efforts by the Guatemalan Congress in order to conclude the judicial reform in its entirety and full integrity in 2017; to that end, calls on the Guatemalan authorities to allocate sufficient funding and human resources to the judiciary and in particular to the Attorney General's office; supports the important work of the International Commission against Impunity in Guatemala (CICIG);
 9. Welcomes the ruling of the First Chamber of the Court of Appeals whereby it reaffirmed the non-applicability of statutory limitations to the crime of genocide and crimes against humanity in the trial of former dictator Mr Rios Montt as a milestone in the fight against impunity;
 10. Calls on the Guatemalan state to cooperate with the Universal Periodic Review mechanism and to take all appropriate steps to implement its recommendations;
 11. Asks the European Union to support the Attorney General's Office; strongly rejects any kind of pressure, intimidation and influence that jeopardises independence, legal pluralism and objectivity; encourages the Guatemalan authorities to continue fostering cooperation between the Ministry of the Interior's Unit for the Analysis of Attacks against human rights defenders and the Human Rights Section of the Attorney General's Office;
 12. Calls on the EU institutions to work towards the conclusion of internationally binding agreements that will strengthen human rights compliance, specifically in the case of EU-based companies operating in third countries;
 13. Calls on those EU Member States that have not done so to swiftly ratify the EU-Central America Association Agreement; asks the European Union and its Member States to make use of the mechanisms laid down in the Association and Political Dialogue Agreement to strongly encourage Guatemala to pursue an ambitious human rights agenda and the fight against impunity; calls on the EU institutions and Member States to earmark sufficient funds and technical aid for this task;
 14. Instructs its President to forward this resolution to the Council, the Commission, the European External Action Service, the EU Special Representative for Human Rights, the Organisation of American States, the Euro Latin Parliamentary Assembly, the governments and parliaments of the Member States, the President, Government and Parliament of the Republic of Guatemala, SIECA and Parlacen.
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P8_TA(2017)0048

Possible evolutions of and adjustments to the current institutional set-up of the European Union**European Parliament resolution of 16 February 2017 on possible evolutions of and adjustments to the current institutional set-up of the European Union (2014/2248(INI))**

(2018/C 252/22)

The European Parliament,

- having regard in particular to Articles 1, 2, 3, 6, 9, 10, 14, 15, 16, 17, 48 and 50 of the Treaty on European Union (TEU), and to Articles 119, 120-126, 127-133, 136-138, 139-144, 194 and 352 of the Treaty on the Functioning of the European Union (TFEU), and the Protocols thereto,
- having regard to the Charter of Fundamental Rights of the European Union,
- having regard to the report of 22 June 2015 of the President of the European Commission in close cooperation with the Presidents of the European Council, the European Parliament, the European Central Bank and the Eurogroup entitled ‘Completing Europe’s Economic and Monetary Union’ (the ‘Five Presidents’ Report’) ⁽¹⁾,
- having regard to its legislative resolution of 19 November 2013 on the draft Council regulation laying down the multiannual financial framework (MFF) for the years 2014-2020 ⁽²⁾, and to its decision of 19 November 2013 on conclusion of an interinstitutional agreement between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management ⁽³⁾,
- having regard to the MFF ⁽⁴⁾ and the interinstitutional agreement ⁽⁵⁾ as adopted on 2 December 2013,
- having regard to the final report and recommendations of the High Level Group on Own Resources of December 2016 ⁽⁶⁾,
- having regard to the European Council conclusions of 18-19 February 2016 concerning a new settlement for the United Kingdom within the European Union, which has been rendered void by the UK’s decision to leave the Union,
- having regard to the vote in the UK referendum on EU membership to leave the EU,
- having regard to Standard Eurobarometer 84 of Autumn 2015 entitled ‘Public opinion in the European Union’ and to the Special Barometer of the European Parliament of June 2016 entitled ‘Europeans in 2016: Perceptions and expectations, fight against terrorism and radicalisation’,
- having regard to Opinion 2/13 of the Court of Justice of the European Union on the draft agreement providing for the accession of the EU to the Convention for the Protection of Human Rights and Fundamental Freedoms (‘European Convention on Human Rights’ — ECHR) ⁽⁷⁾,

⁽¹⁾ https://ec.europa.eu/commission/sites/beta-political/files/5-presidents-report_en.pdf

⁽²⁾ OJ C 436, 24.11.2016, p. 49.

⁽³⁾ OJ C 436, 24.11.2016, p. 47.

⁽⁴⁾ OJ L 347, 20.12.2013, p. 884.

⁽⁵⁾ OJ C 373, 20.12.2013, p. 1.

⁽⁶⁾ http://ec.europa.eu/budget/mff/hlgor/library/reports-communication/hlgor-report_20170104.pdf

⁽⁷⁾ ECJ Opinion 2/13 of 18 December 2014.

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- having regard to the European Council decision of 28 June 2013 establishing the composition of the European Parliament ⁽¹⁾,
- having regard to its resolution of 12 December 2013 on constitutional problems of a multitier governance in the European Union ⁽²⁾,
- having regard to its resolution of 15 April 2014 on negotiations on the MFF 2014-2020: lessons to be learned and the way forward ⁽³⁾,
- having regard to its resolutions of 22 November 2012 on elections to the European Parliament in 2014 ⁽⁴⁾, and of 4 July 2013 on improving the practical arrangements for the holding of the European elections in 2014 ⁽⁵⁾,
- having regard to its resolution of 20 November 2013 on the location of the seats of the European Union's institutions ⁽⁶⁾,
- having regard to its resolution of 28 October 2015 on the European Citizens' Initiative ⁽⁷⁾,
- having regard to its resolution of 11 November 2015 on the reform of the electoral law of the European Union ⁽⁸⁾, and to its proposal for amending the Act concerning the election of the members of the European Parliament by direct universal suffrage,
- having regard to its resolution of 28 June 2016 on the decision to leave the EU resulting from the UK referendum ⁽⁹⁾,
- having regard to its resolution of 16 February 2017 on improving the functioning of the European Union building on the potential of the Lisbon Treaty ⁽¹⁰⁾,
- having regard to its resolution of 16 February 2017 on budgetary capacity for the Eurozone ⁽¹¹⁾,
- having regard to its resolution of 25 October 2016 with recommendations to the Commission on the establishment of an EU mechanism on democracy, the rule of law and fundamental rights ⁽¹²⁾,
- having regard to Regulation (EU) 2016/1624 of the European Parliament and of the Council of 14 September 2016 on the European Border and Coast Guard ⁽¹³⁾,
- having regard to the opinions of the European Economic and Social Committee of 16 September 2015 ⁽¹⁴⁾ and of the Committee of the Regions of 8 July 2015 ⁽¹⁵⁾,
- having regard to the Declaration 'Greater European Integration: The Way Forward' by the Presidents of the Camera dei Deputati of Italy, the Assemblée nationale of France, the Bundestag of Germany and the Chambre des Députés of Luxembourg, signed on 14 September 2015 and currently endorsed by several national parliamentary chambers in the EU,

⁽¹⁾ OJ L 181, 29.6.2013, p. 57.

⁽²⁾ OJ C 468, 15.12.2016, p. 176.

⁽³⁾ Texts adopted, P7_TA(2014)0378.

⁽⁴⁾ OJ C 419, 16.12.2015, p. 185.

⁽⁵⁾ OJ C 75, 26.2.2016, p. 109.

⁽⁶⁾ OJ C 436, 24.11.2016, p. 2.

⁽⁷⁾ Texts adopted, P8_TA(2015)0382.

⁽⁸⁾ Texts adopted, P8_TA(2015)0395.

⁽⁹⁾ Texts adopted, P8_TA(2016)0294.

⁽¹⁰⁾ Texts adopted, P8_TA(2017)0049.

⁽¹¹⁾ Texts adopted, P8_TA(2017)0050.

⁽¹²⁾ Texts adopted, P8_TA(2016)0409.

⁽¹³⁾ OJ L 251, 16.9.2016, p. 1.

⁽¹⁴⁾ OJ C 13, 15.1.2016, p. 183.

⁽¹⁵⁾ OJ C 313, 22.9.2015, p. 9.

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- having regard to the opinion of the Committee of the Regions of 31 January 2013 on ‘Strengthening EU citizenship: promotion of EU citizens’ electoral rights’ ⁽¹⁾,
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on Constitutional Affairs and the opinions of the Committee on Budgets and the Committee on Budgetary Control (A8-0390/2016),
- A. whereas this resolution is aimed at providing solutions which cannot be reached using the tools currently provided for in the Treaties and which are therefore only feasible through a future Treaty change when the preconditions are met;
- B. whereas the inability of the EU institutions to cope with the deep and multiple crises currently faced by the Union, the so-called ‘polycrisis’ including its financial, economic, social and migratory consequences and the rise of populist parties and nationalist movements have all led to increased dissatisfaction among a growing section of the population regarding the functioning of the current European Union;
- C. whereas these significant European challenges cannot be handled by single Member States, but only by a joint response from the European Union;
- D. whereas progress towards a Union that can really deliver on and achieve its goals are impaired by a failure of governance owing to a continuous and systematic search for unanimity in the Council (which is still based on the so-called Luxembourg Compromise) and the lack of a credible single executive authority enjoying full democratic legitimacy and competence to take effective action across a wide spectrum of policies; whereas recent examples such as the inadequate management of refugee flows, the slow clean-up of our banks after the outbreak of the financial crisis and the lack of an immediate common response to the internal and external threat of terrorism have aptly demonstrated the Union’s inability to respond effectively and quickly;
- E. whereas the EU cannot fulfil the expectations of European citizens, because the current Treaties are not being fully exploited and do not provide all the necessary instruments, competences and decision-making procedures to effectively tackle these common objectives;
- F. whereas this problem, coupled with a lack of a common vision on the part of the Member States as regards the future of our continent, has given rise to unprecedented levels of ‘euroscepticism’ which is leading to a return to nationalism and risks undermining the Union and possibly even its disintegration;
- G. whereas, instead of fostering the Union, the system whereby Member States resort to ‘à la carte’ solutions, further reinforced in the Lisbon Treaty, has increased the complexity of the Union and accentuated differentiation within it; whereas, despite the flexibility offered by the Treaties, numerous primary-law opt-outs have been granted to several Member States, and this has created an opaque system of intersecting circles of cooperation and impeded democratic control and accountability;
- H. whereas the Treaties offer forms of flexible and differentiated integration at secondary law level through the instruments of enhanced and structured cooperation which should only be applied to a limited number of policies while being inclusive in order to allow all Member States to participate; whereas, twenty years after its introduction, the impact of enhanced cooperation remains limited; whereas enhanced cooperation has been granted in three instances, namely with regard to common rules on the applicable law for divorces of international couples, the European patent with unitary effect and the introduction of a Financial Transaction Tax (FTT); whereas enhanced cooperation must be used as a first step towards further integration of policies such as the Common Security and Defence Policy (CSDP) and not as a way to facilitate ‘à la carte’ solutions;
- I. whereas the Community method must be preserved and not undermined by intergovernmental solutions, even in areas where not all Member States fulfil the conditions for participation;

⁽¹⁾ OJ C 62, 2.3.2013, p. 26.

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- J. whereas, however, the euro is the currency of the Union (Article 3(4) of the TEU), the United Kingdom obtained a derogation from joining (Protocol No 15), Denmark has a constitutional exemption (Protocol No 16), Sweden has ceased to follow the euro convergence criteria and the possibility of Greece leaving the single currency has been openly discussed in the European Council; whereas, all Member States have the obligation to join the currency once they meet all the requisite criteria, while no timetable has been set for Member States joining the euro after its creation;
- K. whereas, as regards Schengen, the free movement of people and the resulting abolition of internal border controls, all formally integrated into the Treaties, 'opt-outs' were given to the UK and Ireland; whereas four other Member States are also not taking part, but have the obligation to do so, while 'opt-ins' were accorded to three countries outside the European Union; whereas this fragmentation not only prevents the total abolition of some remaining internal borders, but also poses difficulties for the establishment of a true internal market and of a fully integrated area of freedom, security and justice; recalls that integration into the Schengen zone must remain the objective for all EU Member States;
- L. whereas opt-outs for individual Member States endanger the uniform application of EU law, lead to excessive complexity in terms of governance, jeopardise the cohesion of the Union and undermine solidarity among its citizens;
- M. whereas, since the Treaty of Lisbon, further accelerated by the economic, financial, migration and security crises, the European Council has widened its role to include day-to-day management through the adoption of intergovernmental instruments outside the framework of the EU, despite the fact that its role is not to exercise legislative functions but to provide the Union with the necessary impetus for its development and to define general political direction and priorities (Article 15(1) of the TEU);
- N. whereas the reliance on unanimity in the European Council and its incapacity to achieve such unanimity has led to the adoption of intergovernmental instruments outside the EU legal framework such as the European Stability Mechanism (ESM), the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union (TSCG or the 'Fiscal Compact'); whereas the same applies to the deal with Turkey on the Syrian refugee crisis;
- O. whereas, while Article 16 of the TSCG provides that within five years of the date of entry into force (before 1 January 2018) the necessary steps must have been taken to incorporate the Fiscal Compact into the legal framework of the Union and while similar provisions are included in the Intergovernmental Agreement on the transfer and mutualisation of contributions to the Single Resolution Fund, it is clear that the resilience of the euro area, including the completion of the banking union, cannot be achieved without further fiscal deepening steps together with the establishment of a more reliable, effective and democratic form of governance;
- P. whereas this new system of governance implies that the Commission is to become a genuine government, accountable to Parliament and equipped to formulate and implement the common fiscal and macro-economic policies that the euro area needs, and must be endowed with a treasury and budget commensurate with the scale of the tasks at hand; whereas this requires, in addition to measures within the existing primary law, a reform of the Lisbon Treaty;
- Q. whereas this is also the case for the necessary reform and modernisation of the financial resources of the whole European Union; whereas the agreement on the current multiannual financial framework (MFF) was only reached after long and strenuous negotiations and was accompanied by the decision to establish a high-level group to review the Union's revenue system of 'own resources', due to report in 2016; whereas the current MFF severely limits the financial and political autonomy of the Union, as most of the revenue consists of national contributions by the Member States and a large part of the expenditure is already preordained by means of returns to these same Member States; whereas GNP/GNI-based national contributions have become by far the largest source of revenue;

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- R. whereas the current MFF is inferior in nominal terms compared to the previous one while the circumstances require major budgetary efforts to assist refugees and stimulate economic growth, social cohesion and financial stability;
- S. whereas the unanimity requirement for tax policy stands in the way of tackling the existence of tax havens within the European Union and harmful tax policies of Member States; whereas many of these practices distort the functioning of the internal market, endanger the Member States' revenue, and ultimately shift the burden towards citizens and SMEs;
- T. whereas the European Union is a constitutional system based on the rule of law; whereas the Treaties must be changed to give the Court of Justice of the European Union (ECJ) jurisdiction over all aspects of EU law, in accordance with the principle of separation of powers;
- U. whereas the EU is also founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities; whereas the EU's existing instruments for assessing and sanctioning breaches of these principles by Member States have proven insufficient; whereas infringement procedures launched against specific legal acts or actions by a Member State violating EU law are inadequate for addressing systemic breaches of the EU's fundamental values; whereas under Article 7(1) of the TEU the Council is required to act by a majority of four fifths of its members when determining a clear risk of a serious breach of fundamental values, and under Article 7(2) of the TEU the European Council is required to act by unanimity when determining the existence of a serious and persistent breach; whereas as a consequence neither the preventive measure under Article 7(1) of the TEU nor the sanctioning mechanisms under Article 7(2) and (3) have been invoked;
- V. whereas the EU seems to be more able to influence policies on fundamental rights, the rule of law and corruption when countries are still candidates for membership of the Union; whereas the rule of law mechanism should be applied with equal strength to all Member States;
- W. whereas a review is also needed to rebalance and fundamentally renovate the functioning of the Union, with the aim of less bureaucratic regulation and more effective policymaking, closer to the needs of citizens; whereas the Union requires the necessary competences to make progress towards some of its stated objectives such as the completion of the single market including the energy union, social cohesion and aiming at full employment, fair and common migration and asylum management, as well as an internal and external security policy;
- X. whereas building systematic dialogue with civil society organisations and strengthening social dialogue, at all levels in accordance with the principle laid down in Article 11 of the TFEU, are key to overcoming Euro scepticism and to reasserting the importance of Europe's solidarity based dimension, social cohesion and the construction of a participatory and inclusive democracy, as a supplement to representative democracy;
- Y. whereas over the past decade the security situation in Europe has deteriorated markedly, especially in our neighbourhood: no longer can a single Member State guarantee its internal and external security alone;
- Z. whereas the decline of Europe's defence capabilities has limited its ability to project stability beyond our immediate borders; whereas this goes hand in hand with the reluctance of our US allies to intervene if Europe is not ready to take its fair share of responsibility; whereas EU defence policy should be strengthened and a comprehensive EU-NATO partnership should be established, while enabling the Union to act autonomously in operations abroad, mainly with a view to stabilising its neighbourhood; whereas this means that more intense cooperation is needed among the Member States as well as the integration of some of their defence capacities into a European defence community, both in line with a new European security strategy;

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- AA. whereas none of the ‘passerelle clauses’ provided for in the Lisbon Treaty with a view to streamlining the Union’s governance have been deployed, and are unlikely to be so in the present circumstances; whereas, on the contrary, due to the European Council decision of 18-19 June 2009 concerning the reduction in the number of Commission members as envisaged in the Lisbon Treaty, the let-out clause was used instantly;
- AB. whereas, the 2014 European parliamentary elections led for the first time directly to the nomination of the candidate for President of the Commission; whereas, however, citizens were unfortunately not able to vote for the candidates directly; whereas the supranational character of the European elections should be further reinforced by introducing a clear legal basis to ensure that this new system is preserved and developed; whereas, moreover, citizens can barely comprehend the interrelationship of the Presidents of the Commission and the European Council;
- AC. whereas, the urgency for reform of the Union has been dramatically increased by the United Kingdom’s referendum vote to leave the European Union; whereas the negotiations to set out the arrangements for the UK’s withdrawal also need to take account of the framework for its future relationship with the Union; whereas this agreement must be negotiated in accordance with Article 218(3) of the TFEU and be concluded on behalf of the Union by the Council, acting by a qualified majority, after obtaining the consent of the European Parliament; whereas Parliament should therefore be fully involved throughout the negotiation process;
- AD. whereas the UK’s departure would create an opportunity to reduce the complexity of the Union and to clarify what membership of the Union really means; whereas a clear framework is required in the future for the EU’s relationship with non-members in its neighbourhood (the United Kingdom, Norway, Switzerland, Turkey, Ukraine, etc.); whereas the founding fathers of the Union had already envisaged a type of ‘associate status’;
- AE. whereas in this important exercise the Treaties confer on the European Parliament six specific prerogatives, namely: the right to propose amendments to the Treaties (Article 48(2) of the TEU), the right to be consulted by the European Council on amending the Treaties (first subparagraph of Article 48(3) of the TEU), the right to insist on calling a Convention against the wishes of the European Council (second subparagraph of Article 48(3) of the TEU), the right to be consulted on a decision by the European Council to amend all or part of the provisions of Part III of the TFEU (second subparagraph of Article 48(6) of the TEU), the right to initiate a reapportionment of seats in Parliament before the next election (Article 14(2) of the TEU) and the right to propose a uniform electoral procedure (Article 223(1) of the TFEU);
- AF. whereas the roles of the European Economic and Social Committee (EESC) and the Committee of the Regions (CoR) must be safeguarded as institutional representatives of civil society organisations and regional and local actors, given that their opinions contribute to increasing the democratic legitimacy of policy-shaping and legislative processes;
- AG. whereas a clear majority of the Union’s regional and local governments have consistently expressed their view, through the Committee of the Regions, in favour of a more integrated EU with effective governance;
1. Considers that the time of crisis management by means of ad hoc and incremental decisions has passed, as it only leads to measures that are often too little, too late; is convinced that it is now time for a profound reflection on how to address the shortcomings of the governance of the European Union by undertaking a comprehensive, in-depth review of the Lisbon Treaty; considers that short and medium term solutions can be realised by exploiting the existing Treaties to their full potential in the meantime;
 2. Notes that the direction of the Union’s reform should lead towards its modernisation by establishing new instruments, new effective European capacities, and by making decision-making processes more democratic, rather than its renationalisation by means of greater intergovernmentalism;

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3. Underlines that recent Eurobarometer polling demonstrates that, contrary to popular belief, EU citizens are still fully aware of the importance of, and in support of, genuine European solutions ⁽¹⁾, inter alia in the fields of security, defence and migration;
4. Observes with great concern the proliferation of subsets of Member States undermining the unity of the Union by causing a lack of transparency, as well as diminishing the trust of the people; considers that the suitable format for conducting the discussion regarding the Union's future is EU-27; emphasises that the fragmentation of the discussion into various formats or groups of Member States would be counterproductive;
5. Stresses that a comprehensive democratic reform of the Treaties must be achieved through a reflection on the future of the EU and an agreement on a vision for present and future generations of European citizens, leading to a Convention that guarantees inclusiveness through its composition of representatives of national parliaments, governments of all the Member States, the Commission, the European Parliament and EU consultative bodies such as the Committee of the Regions and the European Economic and Social Committee, and also provides the proper platform for such reflection and engagement with European citizens and civil society;

Ending 'Europe à la carte'

6. Deplores the fact that every time the European Council decides to apply intergovernmental methods and to bypass the 'Community or Union method' as defined in the Treaties, this not only leads to less effective policy-making but also contributes to a growing lack of transparency, democratic accountability and control; considers that a differentiated path is conceivable only as a temporary step on the way towards more effective and integrated EU policy making;
7. Considers that the 'Union method' is the only democratic method for legislating which ensures that all interests, especially the common European interest, are taken into account; understands by 'Union method' the legislative procedure in which the Commission, as part of its competence as the executive, initiates legislation, Parliament and the Council representing respectively citizens and the states decide in codecision by majority voting while unanimity obligations in the latter become the absolute exceptions, and the Court of Justice oversees and provides ultimate judicial control; insists that even in cases of urgency the 'Union method' should be respected;
8. Considers it essential in these circumstances to reaffirm the mission of an 'ever-closer union among the peoples of Europe' (Article 1 of the TEU) in order to mitigate any tendency towards disintegration and to clarify once more the moral, political and historical purpose, as well as the constitutional nature, of the EU;
9. Suggests that the requirements for establishing enhanced and structured cooperation should be made less restrictive, inter alia by lowering the minimum number of participating Member States;
10. Proposes that the next revision of the Treaties should rationalise the current disorderly differentiation by ending, or at least drastically reducing, the practice of opt-outs, opt-ins and exceptions for individual Member States at EU primary-law level;
11. Recommends that a partnership be defined and developed in order to set up a ring of partners around the EU for states which cannot or will not join the Union, but nevertheless want a close relationship with the EU; considers that this relationship should be accompanied by obligations corresponding to the respective rights, such as a financial contribution and more importantly respect for the Union's fundamental values and the rule of law;
12. Believes that the single institutional framework should be preserved in order to achieve the Union's common objectives and to guarantee the principle of equality of all citizens and Member States;

The UK's withdrawal from the European Union

13. Notes that this new form of partnership could be one of the possible outcomes to respect the will of the majority of the citizens of the United Kingdom to leave the EU; stresses that the withdrawal of the UK, as one of the larger Member States, and as the largest non-euro-area member, affects the strength and the institutional balance of the Union;

⁽¹⁾ Standard Eurobarometer 84 — Autumn 2015, and Special Eurobarometer EP — June 2016.

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14. Reaffirms that constitutional elements of the Union, in particular the integrity of the single market and the fact that this cannot be separated from the four fundamental freedoms of the Union (free movement of capital, people, goods and services), are essential, indivisible pillars of the Union, as is the existence of a state of law, guaranteed by the European Court of Justice; reaffirms that this constitutional unity cannot be undone during the negotiations on the UK's exit from the Union;

15. Calls for the headquarters of the European Banking Authority and the European Medicines Agency, both currently in London, to be moved to another Member State, given the choice made by the citizens of the United Kingdom to leave the EU;

New economic governance for economic growth, social cohesion and financial stability

16. Is greatly concerned by growing economic and social divergences and the lack of economic reform and financial stability in the Economic and Monetary Union (EMU), as well as the loss of competitiveness of the economies of many of its Member States; which is due, in particular, to the absence of a common fiscal and economic policy; considers, therefore, that the common fiscal and economic policy should become a shared competence of the Union and the Member States;

17. Considers that in their current form the Stability and Growth Pact and the 'no bail-out' clause (Article 125 of the TFEU) unfortunately do not achieve the intended objectives; believes that the EU must reject the attempts to return to protectionist national politics, and should continue to be an open economy in the future; warns that this cannot be achieved by dismantling the social model;

18. Notes additionally that the current system does not sufficiently ensure national ownership of Country-Specific Recommendations; is interested in this regard in the potential offered by the Advisory European Fiscal Board and its future mission of advising the Commission on a fiscal stance that would be appropriate for the euro area as a whole;

19. Is aware of the need to review the efficacy of the many recent crisis-management measures taken by the EU, and to codify in primary law certain decision-making procedures as well as the need to entrench the legal bases of the new regulatory framework for the financial sector; agrees with the Five Presidents' Report that the 'open method of coordination' as the basis for Europe's economic strategy has not functioned;

20. Proposes therefore, in addition to the Stability and Growth Pact, the adoption of a 'convergence code' as a legal act under the ordinary legislative procedure, setting converging targets (taxation, the labour market, investment, productivity, social cohesion, public administrative and good governance capacities); insists that, within the economic governance framework, compliance with the convergence code should be the condition for full participation in the fiscal capacity of the euro area and requires each Member State to come forward with proposals on how to meet the criteria of the convergence code; stresses that the standards and the fiscal incentives are determined in its resolution on budgetary capacity for the Eurozone;

21. Considers a strong social dimension indispensable for a comprehensive EMU and that Article 9 of the TFEU in its current form is not sufficient to guarantee a proper equilibrium between social rights and economic freedoms; calls therefore for these rights to be equally ranked and for dialogue between social partners to be safeguarded;

22. Calls for the integration of the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union (the 'Fiscal Compact') into the EU legal framework as well as the incorporation of the ESM and the Single Resolution Fund into EU law, on the basis of a comprehensive assessment of their implementation and with corresponding democratic oversight by Parliament to ensure that control and accountability are the responsibility of those contributing to them; also calls for the further development of the inter-parliamentary conference foreseen in Article 13 of the Fiscal Compact, to allow substantial and timely discussions between the EP and the national parliaments where needed;

23. Is of the opinion that, in order to increase financial stability, mitigate cross-border asymmetric and symmetric shocks, reduce the effects of recession, and ensure a proper level of investment, the euro area needs a fiscal capacity based on genuine own resources and a European treasury equipped with the ability to borrow; notes that this treasury should be based in the Commission and be subject to democratic scrutiny and accountability through Parliament and the Council;

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24. Points out that, because compliance is crucial to the functioning of the Economic and Monetary Union, stronger governmental functions are required than those currently provided by the Commission and/or the Eurogroup, as well as full democratic checks and balances through the involvement of the European Parliament on all EMU aspects; believes that in parallel, to improve ownership, accountability must be ensured at the level where decisions are taken or implemented, with national parliaments scrutinising national governments and the European Parliament scrutinising the European executive;
25. Calls, therefore, for the executive authority to be concentrated in the Commission in the role of an EU Finance Minister, by endowing the Commission with the capacity to formulate and give effect to a common EU economic policy combining macro-economic, fiscal and monetary instruments, backed up by a Eurozone budgetary capacity; the Finance Minister should be responsible for the operation of the ESM and other mutualised instruments, including the budgetary capacity, and be the single external representative of the euro area in international organisations, especially in the financial sector;
26. Considers it necessary to endow the Finance Minister with proportionate powers to intervene in order to monitor the convergence code, and the power to use the fiscal incentives described above;
27. Considers it necessary, without prejudice to the tasks of the European System of Central Banks, to enable the European Stability Mechanism to act as first lender of last resort for financial institutions directly under the European Central Bank's supervision or oversight; considers it necessary, furthermore, for the European Central Bank to enjoy the full powers of a federal reserve, while maintaining its independence;
28. Calls, finally, for the banking union and the capital markets union to be completed step by step, but as soon as possible on the basis of a fast-track timetable;
29. Considers it necessary to lift the unanimity for certain tax practices to allow the EU to safeguard the fair and smooth functioning of the internal market and to avoid harmful tax policies on the part of Member States; calls for the fight against tax fraud, tax avoidance and tax havens to be made a fundamental objective of the European Union;

New challenges

30. Recognises the geopolitical, economic and environmental need for the creation of a genuine European energy union; underlines that climate change is one of the key global challenges facing the EU; stresses, in addition to the need for the full ratification and implementation of the Paris Agreement and the adaptation of binding EU climate targets and actions, that the constraint that EU policy must not affect a state's right to determine the conditions for exploiting its energy sources, its choice between different energy sources and the general structure of its energy supply (Article 194(2) TFEU) needs to be amended in order to ensure successful implementation of common clean and renewable energy policies;
31. Stresses that the development of new and renewable energy resources should be incorporated into the Treaties as a prime objective for both the Union and the Member States;
32. Notes that the Treaties provide ample means to set up a humane, well-functioning migration management and asylum system, including a European Border and Coast Guard, and welcomes the progress made in this regard; believes, however, that the Treaties, particularly Article 79(5) TFEU, are too restrictive regarding other aspects of migration, especially on the establishment of a genuine European legal migration system; underlines that the future EU migration system must synergise with its foreign aid and its foreign policy, and unify national criteria for granting asylum and access to the labour market; insists that democratic scrutiny by Parliament is needed on the implementation of border control, agreements with third countries, including cooperation on readmission and return, asylum and migration policies, and that the safeguarding of national security cannot be used as a pretext for circumventing European action;
33. Considers it necessary, in view of the intensity of the terrorist threat, to upgrade the EU's capacities in the fight against terrorism and international organised crime; stresses that, beyond strengthening coordination between the competent authorities and agencies in the Member States, Europol and Eurojust should receive genuine investigation and prosecution competences and capabilities, possibly by a transformation into a true European Bureau of Investigation and Counter-Terrorism, with due parliamentary scrutiny;

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34. Concludes that the various terrorist attacks perpetrated on European soil have demonstrated that security would be better ensured if it were not an exclusive competence of the Member States; proposes therefore that it be made a shared competence in order to facilitate the establishment of a European investigation and intelligence capacity within Europol under the control of the judiciary; stipulates that in the meantime, in accordance with Article 73 TFEU, there is nothing to prevent the Member States from creating this type of cooperation between their services;

Strengthening our foreign policy

35. Regrets, as stated in its resolution of 16 February 2017 on improving the functioning of the European Union building on the potential of the Lisbon Treaty, that the EU has not made more progress in developing its capacity to agree and to implement a common foreign and security policy (CFSP); notes that its efforts in initiating a common security and defence policy have not been particularly successful, especially with regard to the sharing of costs and responsibilities;

36. Notes that only by enhancing the Common Foreign and Security Policy can the EU provide credible answers to the new security threats and challenges, and thus fight terrorism and bring peace, stability and order to its neighbourhood;

37. Is of the opinion, while reiterating that more progress could and should be made under the terms of the Lisbon Treaty, including use of the provisions to act by qualified majority voting, that the Vice-President / High Representative should be named EU Foreign Minister and be supported in her efforts to become the main external representative of the European Union in international fora, not least at the level of the UN; considers that the Foreign Minister should be able to appoint political deputies; proposes a review of the functionality of the current European External Action Service, including the need for appropriate budgetary resources;

38. Stresses the need for the swift establishment of a European Defence Union to strengthen the defence of the EU's territory, which, in strategic partnership with NATO, would enable the Union to act autonomously in operations abroad, mainly with a view to stabilising its neighbourhood and thus improve the EU's role as guarantor of its own defence and security provider, in accordance with the principles of the Charter of the United Nations; draws attention to the Franco-German initiative of September 2016, as well as the Italian initiative of August 2016, which provide useful contributions to this issue; stresses that the European Parliament needs to be fully involved in all steps of the creation of the EDU and must have the right of consent in the event of operations abroad; in view of its relevance, the Treaties should provide specifically for the possibility of establishing a European Defence Union; furthermore, in addition to the European External Action Service, a Directorate-General for Defence (DG Defence) responsible for the internal aspects of the Common Security and Defence Policy should be established;

39. Emphasises the need to increase the resources earmarked for the Common Foreign and Security Policy, in order to ensure that the cost of military operations carried out in the framework of the Common Security and Defence Policy or the European Defence Union is shared more fairly;

40. Proposes that a European Intelligence Office be set up to support the CFSP;

Safeguarding Fundamental Rights

41. Reiterates that the Commission is the guardian of the Treaties and of the Union's values, as referred to in Article 2 TEU; concludes, in the light of various possible breaches of the values of the Union in a number of Member States, that the current procedure under Article 7 TEU is deficient and cumbersome;

42. Underlines that respect for and the safeguarding of the EU's fundamental values are the cornerstone of the European Union as a community based on values and that they bind the Member States together;

43. Proposes amending Article 258 TFEU in order to explicitly allow the Commission to take 'systemic infringement action' against Member States that violate fundamental values; understands 'systemic infringement action' as the bundling of a group of related individual infringement actions suggesting a serious and persistent violation of Article 2 TEU by a Member State;

44. Proposes extending the right of natural and legal persons who are directly and individually affected by an action to bring a case before the ECJ for alleged violations of the Charter of Fundamental Rights either by EU institutions or by a Member State, by amending Articles 258 and 259 TFEU;

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45. Recommends the abolition of Article 51 of the Charter of Fundamental Rights, and the conversion of the Charter into a Bill of Rights of the Union;

46. Believes, moreover, that citizens should be endowed with more instruments of participatory democracy at Union level; proposes, therefore, that the introduction, in the Treaties, of provision for a referendum at EU level on matters relevant to the Union's actions and policies be evaluated;

More democracy, transparency and accountability

47. Proposes transforming the Commission into the principle executive authority or government of the Union with the aim of strengthening the 'Union method', increasing transparency and improving the efficiency and effectiveness of action taken at the level of the European Union;

48. Reiterates its call for the size of the renewed Commission to be reduced substantially and for its vice-presidents to be reduced to two: the Finance Minister and the Foreign Minister; suggests that the same reduction be applied to the Court of Auditors;

49. Welcomes the successful new procedure whereby European political parties promote their lead candidates for the President of the European executive, elected by the European Parliament on a proposal by the European Council, but believes that they should be able to stand as official candidates at the next elections in all Member States;

50. Emphasises that involving citizens in the political process of their country of residence helps to build European democracy, and calls for the electoral rights of citizens residing in a Member State of which they are not nationals, as set out in Article 22 TFEU, to be extended to include all remaining elections;

51. Supports the European Council Decision of 28 June 2013 to establish a system which will make it possible, before each election to the European Parliament, to reallocate the seats among Member States in an objective, fair, durable and transparent way, respecting the principle of degressive proportionality, while taking account of any change in the number of Member States and demographic trends;

52. Recalls the numerous pronouncements in favour of a single seat for the European Parliament, given the symbolic value of such a move and the actual savings it would achieve;

53. Reiterates its call for a single seat for the European Parliament and its commitment to initiating an ordinary treaty revision procedure under Article 48 TEU with a view to proposing the changes to Article 341 TFEU and Protocol No 6 necessary to allow Parliament to decide on the location of its seat and its internal organisation;

54. Proposes that all Council configurations and the European Council be transformed into a Council of States whereby the European Council's principal responsibility would be to provide direction and coherence to the other configurations;

55. Considers that the Council and its specialised configurations, as the second chamber of the EU legislature, should, in the interest of specialism, professionalism and continuity, replace the practice of the rotating six-month presidency with a system of permanent chairs chosen from their midst; suggests that Council decisions should be taken by one single legislative Council, while the existing specialised legislative Council configurations should be turned into preparatory bodies, similar to committees in the Parliament;

56. Suggests that Member States should be able to determine the composition of their national representation in the specialised Council configurations, whether consisting of representatives of their respective national parliaments, governments or a combination of both;

57. Stresses that, following the creation of the role of EU Finance Minister, the Eurogroup should be considered as a formal specialised configuration of the Council with legislative and control functions;

58. Calls for a further reduction of the voting procedures in the Council from unanimity, wherever it is still applied, for example in foreign and defence matters, fiscal affairs and social policy, to qualified majority, for the existing special legislative procedures to be converted into ordinary legislative procedures, and for the full replacement of the consultation procedure by codecision between Parliament and Council;

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59. Believes that, in strengthening the governance of the euro area, due respect should be paid to the interests of Member States that are not yet part of the euro (the 'pre-ins');

60. Recognises the significant role played by national parliaments in the current institutional order of the European Union, and in particular their role in transposing EU legislation into national law and the role they would play in both ex-ante and ex-post control of legislative decisions and policy choices made by their members of the Council, including its specialised configurations; suggests therefore complementing and enhancing the powers of national parliaments by introducing a 'green card' procedure whereby national parliaments could submit legislative proposals to the Council for its consideration;

61. While respecting the role of national parliaments and the principle of subsidiarity, acknowledges the EU's exclusive competences on the Common Commercial Policy; calls for a clear delimitation of competences between the Union and the Member States in this respect; notes that this delimitation would have positive effects on jobs and growth both in the EU and in its trading partners;

62. Proposes, moreover, that in line with the common practice in a number of Member States, both chambers of the EU legislature, the Council and, in particular, the Parliament, as the only institution directly elected by citizens, should be given the right of legislative initiative, without prejudice to the basic legislative prerogative of the Commission;

63. Is of the opinion that under Articles 245 and 247 TFEU, not only the Council and the Commission, but also the European Parliament should have the right to bring an action before the European Court of Justice if a member or former member of the European Commission breaches his obligations under the Treaties, is guilty of serious misconduct or no longer fulfils the conditions required for the performance of his duties;

64. Insists that Parliament's right of inquiry should be reinforced and that it should be granted specific, genuine and clearly delimited powers which are more in line with its political stature and competences, including the right to summon witnesses, to have full access to documents, to conduct on-the-spot investigations and to impose sanctions for non-compliance;

65. Is convinced that the EU budget needs to be endowed with a system of genuine own resources, with simplicity, fairness and transparency as guiding principles; supports the recommendations of the High Level Group on Own Resources as regards diversifying the revenue of the EU budget, including new own resources, in order to reduce the share of GNI contributions to the EU budget with a view to abandoning the 'juste retour' approach of Member States; insists, in this context, on the phasing-out of all forms of rebates;

66. Proposes in this regard that the decision-making procedures for both own resources and the MFF should be shifted from unanimity to qualified majority voting, thereby inducing real codecision between the Council and Parliament on all budgetary matters; repeats its call, furthermore, to make the MFF coterminous with the mandates of Parliament and the European executive, and insists that the finances of all Union agencies should become an integral part of the EU budget;

67. Stresses the need to apply the ordinary legislative procedure for the adoption of the MFF Regulation, in order to align it with the decision-making procedure of virtually all EU multiannual programmes, including their respective financial allocations, as well as the EU budget; believes that the consent procedure deprives Parliament of the decision-making power that it exercises over the adoption of the annual budgets, while the unanimity rule in the Council means that the agreement represents the lowest common denominator, based on the need to avoid the veto of a single Member State;

68. Notes the fact that the list of institutions defined in Article 13 of the TEU differs from that stated in Article 2 of the Financial Regulation; considers that the Financial Regulation already reflects current practice;

69. Finds that there are a few instances where the letter of the TFEU diverges from the practice and the spirit of the Treaty; is of the opinion that these incoherencies need to be corrected in line with the principles of democracy and transparency;

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70. Recalls that each of the institutions, as defined in Article 2(b) of the Financial Regulation, has the autonomy to implement its own section of the budget pursuant to Article 55 of the Financial Regulation; points out that such autonomy also entails a substantial level of responsibility regarding use of the funding allocated;

71. Points out that effective supervision of the institutions' and bodies' implementation of the EU budget requires bona fide and more effective cooperation with Parliament and full transparency regarding the use of funding, as well as an annual follow-up document from all the institutions on the discharge recommendations of Parliament; regrets that the Council is not adhering to this procedure and considers that this long-standing state of affairs is unjustifiable and undermines the reputation of the whole Union;

72. Notes that the procedure of giving discharge separately to the individual EU institutions and bodies is a long-standing practice developed to guarantee transparency and democratic accountability towards EU taxpayers and is a means of verifying the relevance and transparency of the use of EU funding; underlines that this effectively guarantees Parliament's right and duty to scrutinise the whole of the EU budget; recalls the Commission's view, expressed in January 2014, that all institutions without exception are fully part of the follow-up process to the observations made by Parliament in the discharge exercise and should unfailingly cooperate to ensure the smooth functioning of the discharge procedure;

73. In order to enable Parliament to take an informed decision on granting discharge, requires the institutions to provide Parliament directly with their annual activity reports and to give Parliament full information in answer to its questions during the discharge process;

74. Is of the opinion that the TFEU needs to ensure Parliament's right of scrutiny of the whole EU budget and not only the part managed by the Commission; urges, therefore, that Chapter 4 of Title II — Financial provisions — of the TFEU be updated accordingly in order to include all the institutions and bodies within the rights and obligations foreseen in that chapter and in coherence with the Financial Regulation;

75. Stresses that all Member States should be obliged to provide an annual declaration to account for their use of EU funds;

76. Acknowledges the crucial role of the Court of Auditors in ensuring better and smarter spending of the EU budget, in detecting cases of fraud, corruption and the unlawful use of EU funds, and in giving a professional opinion on how to better manage EU funding; recalls the importance of the Court's role as a European public auditing authority;

77. Considers that in view of the important role played by the European Court of Auditors in auditing the collection and utilisation of EU funds, it is absolutely essential that the institutions take full account of its recommendations;

78. Notes that the Court's composition and its appointment procedure are laid down in Articles 285 and 286 TFEU; considers that Parliament and the Council should be on an equal footing when appointing Members of the Court of Auditors, in order to ensure democratic legitimacy, transparency and the complete independence of those Members; calls for the Council to accept in full the decisions taken by Parliament subsequent to hearings of candidates nominated as Members of the Court of Auditors;

79. Deplores the fact that certain appointment procedures have resulted in conflicts between Parliament and the Council on candidates; stresses that it is, as stipulated in the Treaty, Parliament's duty to evaluate the nominees; emphasises that these conflicts might harm the good working relations of the Court with the aforementioned institutions and could possibly have serious negative consequences for the credibility, and hence the effectiveness, of the Court; is of the opinion that the Council should, in the spirit of good cooperation among the EU institutions, accept the decisions taken by Parliament subsequent to the hearings;

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80. Calls for the introduction of a legal basis with a view to establishing Union agencies that may carry out specific executive and implementing functions conferred upon them by the European Parliament and the Council in accordance with the ordinary legislative procedure;

81. Points out that, in accordance with the Treaties, Parliament gives discharge to the Commission in respect of implementation of the budget; takes the view that, as all the EU institutions and bodies manage their budgets independently, Parliament should be given the explicit competence to grant discharge to all EU institutions and bodies, and that the latter should be obliged to cooperate fully with Parliament;

82. Believes, finally, that the current Treaty ratification procedure is too rigid to befit such a supranational polity as the European Union; proposes allowing amendments to the Treaties to come into force if not by an EU-wide referendum then after being ratified by a qualified majority of four-fifths of the Member States, having obtained the consent of Parliament;

83. Calls for the ECJ to gain full jurisdiction over all EU policies regarding questions of a legal nature, as is appropriate in a democratic system based on the rule of law and the separation of powers;

Constituent process

84. Commits itself to playing a leading part in these important constitutional developments, and is determined to make its own proposals for Treaty amendment in a timely fashion;

85. Is of the opinion that the 60th anniversary of the Treaty of Rome would be an appropriate moment to start a reflection on the future of the European Union and agree on a vision for the current and future generations of European citizens leading to a Convention with the purpose of making the European Union ready for the decades ahead;

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86. Instructs its President to forward this resolution to the European Council, the Council, the Commission, the Court of Justice of the European Union, the European Central Bank, the Court of Auditors, the Committee of the Regions, the European Economic and Social Committee and the parliaments and governments of the Member States.

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P8_TA(2017)0049

Improving the functioning of the European Union building on the potential of the Lisbon Treaty**European Parliament resolution of 16 February 2017 on improving the functioning of the European Union building on the potential of the Lisbon Treaty (2014/2249(INI))**

(2018/C 252/23)

The European Parliament,

- having regard to the Treaty of Lisbon amending the Treaty on European Union and the Treaty establishing the European Community, signed on 13 December 2007,
- having regard to the Declaration of 9 May 1950, which stated that the creation of the European Coal and Steel Community represented the ‘first step in the federation of Europe’,
- having regard to the Charter of Fundamental Rights of the European Union,
- having regard to its resolution of 20 February 2008 on the Treaty of Lisbon ⁽¹⁾,
- having regard to its resolution of 7 May 2009 on the impact of the Lisbon Treaty on the development of the institutional balance of the European Union ⁽²⁾,
- having regard to its resolution of 13 March 2014 on the implementation of the Treaty of Lisbon with respect to the European Parliament ⁽³⁾,
- having regard to the opinion of the European Economic and Social Committee of 16 September 2015 ⁽⁴⁾,
- having regard to the resolution of the Committee of the Regions of 8 July 2015 ⁽⁵⁾,
- having regard to the report to the European Council by the Reflection Group on the Future of the EU 2030,
- having regard to the report of the five Presidents (Commission, Council, Eurogroup, Parliament and European Central Bank (ECB)) on completing the Economic and Monetary Union,
- having regard to its resolution of 12 April 2016 on the annual reports 2012-2013 on subsidiarity and proportionality ⁽⁶⁾, and to the opinion on that report of the Committee on Constitutional Affairs,
- having regard to its resolution of 19 January 2017 on a European Pillar of Social Rights ⁽⁷⁾,
- having regard to Rule 52 of its Rules of Procedure,
- having regard to the report of the Committee on Constitutional Affairs and the opinions of the Committee on Budgets and the Committee on Budgetary Control (A8-0386/2016),

⁽¹⁾ OJ C 184 E, 6.8.2009, p. 25.

⁽²⁾ OJ C 212 E, 5.8.2010, p. 82.

⁽³⁾ Texts adopted, P7_TA(2014)0249.

⁽⁴⁾ OJ C 13, 15.1.2016, p. 183.

⁽⁵⁾ OJ C 313, 22.9.2015, p. 9.

⁽⁶⁾ Texts adopted, P8_TA(2016)0103.

⁽⁷⁾ Texts adopted, P8_TA(2017)0010.

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- A. whereas the European Union and its Member States are facing major challenges, which no Member State can tackle on its own;
- B. whereas, owing inter alia to the economic, financial and social crisis, the EU is also facing disillusion of its citizens with the European project, as illustrated also by the continuing low turnout in European elections and the rise of Eurosceptic or openly anti-European political forces;
- C. whereas certain proposals seeking to address the challenges facing the Union and to strengthen its integration with a view to improving its functioning to the benefit of its citizens can only be fully realised by Treaty change; whereas provision should be made for a two-step approach to EU reform (within and beyond the Treaties); whereas the provisions of the Lisbon Treaty and its protocols have not yet been exploited to their full potential, and this resolution aims only to provide an assessment of the legal possibilities in the Treaties for improving the functioning of the EU;
- D. whereas the dominant role of the European Council amounts to a continuing rejection of the Community method with its dual legitimacy concept;
- E. whereas the Community method must be preserved and not weakened by recourse to intergovernmental decisions, including in areas where not all Member States fulfil the conditions for participation; whereas the Commission's role should be strengthened so that it can play its part as the engine of the Community method fully and effectively;
- F. whereas the internal market, facilitating the free movement of goods, persons, services and capital, is a cornerstone of the EU;
- G. whereas the European Parliament, democratically elected by direct universal suffrage, and as such at the heart of democracy at the Union level is the parliament of the whole Union, and plays an essential role in ensuring the legitimacy and accountability of EU decisions, including the democratic accountability of eurozone-specific actions and decisions;
- H. whereas according to Article 10(2) of the Treaty on European Union (TEU) the European Parliament represents the Union's citizens, independently of their nationality, and the Council represents the nationals of the Member States via the national governments;
- I. whereas political dialogue between national parliaments and the European Parliament should be enhanced and practical possibilities for the use of the 'yellow card' and 'orange card' improved;
- J. whereas the European Council's working methods should be rendered more transparent vis-à-vis Parliament and its tasks should be carried out within the limits of the Treaty provisions;
- K. whereas in order to create a genuine bicameral legislative system which is democratic and transparent in its decision-making Council decisions should be taken by one single legislative Council, while the existing specialised legislative Council configurations should be turned into preparatory bodies, similar to committees in the Parliament;
- L. whereas the unity of liability and control is a key prerequisite for the stability of any institutional set-up, and in particular with regard to economic, fiscal and monetary matters; whereas EU economic policy is built on strong national ownership by Member States, including the 'no bailout' principle of Article 125 of the Treaty on the Functioning of the European Union (TFEU); whereas the increase of powers conferred to the European level implies an agreement on the decrease of national sovereignty of Member States;

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- M. whereas the EU should promote the highest level of protection of human rights and fundamental freedoms, and it must be guaranteed that the EU, its institutions and the Member States respect and foster those rights and freedoms;
- N. whereas the Commission's role as the executive should be strengthened in the field of economic and fiscal policy;
- O. whereas Article 2 of Protocol No 14 on the Eurogroup does not specify that the President of the Eurogroup must be elected from amongst its members;
- P. whereas to enhance the political legitimacy of the Commission as regards implementing economic governance and fiscal rules, it is fundamental that the President of the Commission is chosen through a clear and well-understood procedure in the European elections;
- Q. whereas the Treaty of Lisbon reaffirmed the legal framework for the Court of Auditors to promote public accountability and assist Parliament and the Council in overseeing the implementation of the EU budget, thereby contributing to the protection of citizens' financial interests; whereas Article 318 TFEU provides for additional dialogue between Parliament and the Commission and should stimulate a culture of performance in the execution of the EU budget;
- R. whereas the European institutions and bodies, notably the Committee of the Regions (CoR), the European Economic and Social Committee (EESC), and, especially, the European Parliament, should, in their daily work, monitor respect for the principle of horizontal and vertical subsidiarity in the European Union; whereas the European institutions should take account of the role played by the CoR and EESC in the legislative framework and the importance of taking their opinions into consideration;
- S. whereas Article 137 TFEU and Protocol No 14 establish the Eurogroup as an informal body;
- T. whereas the new tasks conferred upon the Eurogroup by the 'Six Pack' and 'Two Pack' regulations, in conjunction with the identity of those forming the Eurogroup and the European Stability Mechanism (ESM) Board of Governors and the identity of the President of the Eurogroup and the Chairperson of the ESM Board of Governors, grant the Eurogroup a de facto crucial role in the economic governance of the euro area;
- U. whereas the macroeconomic imbalances procedure is not currently sufficiently used; whereas if used to its full capacity it could help to correct economic imbalances at an early stage, provide an accurate overview of the situation in each Member State and the Union as a whole, prevent crises, and contribute to improving competitiveness; whereas there is a need for greater structural convergence among members, since this will help contribute to sustainable growth and social cohesion; whereas, therefore, the completion of the Economic and Monetary Union (EMU) is urgently needed, together with efforts to render its institutional structure more legitimate and democratically accountable;
- V. whereas the institutional structure of the EMU should be made more effective and democratic, with Parliament and Council acting as equal co-legislators, the Commission fulfilling the role of the executive, national parliaments better scrutinising national governments' actions at European level, the European Parliament scrutinising the EU level of decision-making, and a stronger role for the Court of Justice;
- W. whereas the Union needs proper application and enforcement of the existing economic policy framework, as well as new legal provisions on economic policy and crucial structural reforms in the areas of competitiveness, growth and social cohesion;
- X. whereas the European Semester process should be simplified and rendered more focused and democratic, by enhancing Parliament's scrutiny role over it and by investing it with a more substantial role in the various cycles of negotiations;

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- Y. whereas the TFEU has put Parliament on an equal footing with the Council as regards the annual budget procedure; whereas the Lisbon Treaty has been only partially implemented in the budgetary field, mainly owing to the absence of genuine own resources;
- Z. whereas the use of the Union budget should be more streamlined, its revenue should originate from genuine own resources and not predominantly from Gross National Income (GNI) contributions, and the procedure for adoption of the Multiannual Financial Framework (MFF) could under the Treaties be switched from unanimity to qualified majority voting;
- AA. whereas, according to Article 21 of Regulation (EU, Euratom) No 966/2012 (the 'Financial Regulation'), the principle of the universality of the budget does not prevent a group of Member States from assigning a financial contribution to the EU budget or a specific revenue to a specific item of expenditure, as is already happening, for instance, in the case of the high flux reactor under Decision 2012/709/Euratom;
- AB. whereas assigned revenue in terms of Article 21 of the Financial Regulation is, according to recital 8 of the Multiannual Financial Framework Regulation (EU, Euratom) No 1311/2013, not part of the MFF and thus not covered by the MFF ceilings;
- AC. whereas the system of own resources does not prohibit own resources financed only by a subset of Member States;
- AD. whereas the Union should be endowed with increased investment capacity by ensuring optimum use of the existing Structural Funds and by using the European Strategic Investment Fund, as well as by increasing the capacities of the European Investment Bank (EIB), European Investment Fund (EIF) and European Fund for Strategic Investments (EFSI);
- AE. whereas the establishment of a fiscal capacity within the euro area and its outline, funding, modes of intervention and conditions of integration in the Union budget are under consideration;
- AF. whereas the growth potential of the internal market should be further exploited in the areas of services, the Digital Single Market, the Energy Union, the Banking Union and the Capital Markets Union;
- AG. whereas, according to the Treaties, the Union shall combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men and solidarity between generations;
- AH. whereas strengthening the single market should be accompanied by improved taxation coordination;
- AI. whereas the right of free movement and the rights of workers should be guaranteed and sustained by fully exploiting the potential of the Lisbon Treaty;
- AJ. whereas the Union legislator may adopt measures in the field of social security that are necessary for workers who exercise their free movement rights under Article 48 TFEU; whereas it may adopt measures for the protection of social rights of workers independently of the use of free movement rights under Article 153 TFEU;
- AK. whereas on the basis of Article 153(1)(a) to (i) TFEU the Union legislator may adopt minimum harmonisation measures in the area of social policy; whereas such legislation may not affect the right of Member States to define the fundamental principles of their social security systems; whereas such legislation may not significantly affect the financial equilibrium of national social security systems; whereas these limits for social policy harmonisation still give some unused leeway to the Union legislator to adopt measures in the area of social policy;

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- AL. whereas the principle of equal pay for male and female workers for equal work or work of equal value, as laid down in Article 157 TFEU, has still not been realised;
- AM. whereas there are deficiencies in relation to the functioning and implementation of the instrument of the European Citizens' Initiative, and there is therefore a need for improvement in order for it to function effectively and be a true instrument for participative democracy and active citizenship;
- AN. whereas freedom of movement, in particular that of workers, is a right that is enshrined in the Treaties (Article 45 TFEU) and constitutes a fundamental driving force for the completion of the single market;
- AO. whereas the Union needs to increase the effectiveness, coherence and accountability of the Common Foreign and Security Policy (CFSP), which can be done by using the existing Treaty provisions to switch from unanimity to qualified majority voting (QMV) for more and more areas of external policies, as well as by implementing the provisions for flexibility and enhanced cooperation when needed;
- AP. whereas recent security challenges, some in the immediate vicinity of the EU's borders, have revealed the need to move progressively towards the establishment of a common defence policy, and eventually a common defence; whereas the Treaty already contains clear provisions as to how this could be done, notably in Articles 41, 42, 44 and 46 TEU;
- AQ. whereas external representation has to be ensured in the Union interest where exclusive Union competences and shared Union competences that were already exercised by the Union are concerned; whereas in areas where the Union has not yet used its shared competence, Member States are under the duty to sincerely cooperate with the Union and to abstain from any measures that could undermine the Union interest;
- AR. whereas there is a need for a coordinated and structured position of the Union and of the Member States in international organisations and international fora in order to enhance the influence of the Union and of its Member States in those organisations and fora;
- AS. whereas entering into international obligations by the Union or by the Member States cannot reduce the role of national parliaments and of the European Parliament to mere rubber-stamping;
- AT. whereas the refugee crisis has exposed the need for a common asylum and immigration policy, which should provide as well for a fair distribution of asylum seekers across the EU;
- AU. whereas discrimination based on any grounds, such as sex, race, colour, ethnic or social origin, genetic features, language, religion or belief (political or otherwise), membership of a national minority, property, birth, disability, age, gender identity or sexual orientation, still remains a problem in every Member State;
- AV. whereas the recent crises have revealed that the approximation of legal provision is not sufficient for ensuring the functioning of the internal market or the area of freedom, security and justice because of differences in implementation of harmonised legal provisions;
- AW. whereas the Union legislator may not confer discretionary powers upon Union agencies that require political choices;
- AX. whereas the Union legislator has to ensure sufficient political control over the decisions and activities of Union agencies;
- AY. whereas Member States' failure to comply with agreements adopted at European summits and European Councils seriously undermines the credibility of the European institutions, and their implementation should therefore be more effectively guaranteed;

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1. Notes that the European Union and its Member States are facing unprecedented challenges, such as the refugee crisis, the foreign policy challenges in the immediate neighbourhood and the fight against terrorism, as well as globalisation, climate change, demographic developments, unemployment, the causes and consequences of the financial and debt crisis, the lack of competitiveness and the social consequences in several Member States, and the need to reinforce the EU internal market, all of which need to be more adequately addressed;
2. Underlines that these challenges cannot be adequately tackled individually by the Member States but need a collective response from the Union, based on respect for the principle of multi-tier governance;
3. Recalls that the internal market, facilitating the free movement of goods, persons, services and capital is a cornerstone of the EU; also recalls that exceptions to the internal market create distortions of competition within the Union and destroy the level playing field;
4. Stresses that the Union needs to restore the lost confidence and trust of its citizens by enhancing the transparency of its decision-making and the accountability of its institutions, agencies and informal bodies (such as the Eurogroup), by strengthening cooperation among institutions, and by improving its capacity to act;
5. Points out that not all of the provisions of the Lisbon Treaty have yet been exploited to their full potential even though they contain some necessary tools that could have been applied to prevent some of the crises with which the Union is confronted, or could be used to cope with the current challenges without having to initiate a Treaty revision in the short term;
6. Stresses that the Community method is best suited for the functioning of the Union and has a number of advantages over the intergovernmental method, as it is the only one that allows for greater transparency, efficiency, QMV in Council, and the equal right of co-legislation by the European Parliament and Council, as well as preventing a fragmentation of institutional responsibilities and the development of competing institutions;
7. Is of the opinion that intergovernmental solutions should only be an instrument of *ultima ratio*, subject to strict conditions, notably respect for Union law, the objective of deepening European integration, and openness for accession by non-participating Member States, and believes that they should be replaced by Union procedures as soon as possible, even in areas where not all the Member States fulfil the conditions for participation, so as to enable the Union to carry out its tasks within a single institutional framework; opposes in this context the creation of new institutions outside the Union framework, and continues to strive for incorporation into Union law of the ESM provided that there is appropriate democratic accountability, as well as the relevant provisions of the Fiscal Compact, as intended in the Treaty on Stability, Coordination and Governance (TSCG) itself, on the basis of an assessment of the experience with its implementation, insists that actual decision-making and fiscal liabilities must not be separated from each other;
8. Underlines that the directly elected European Parliament plays an essential role in ensuring the legitimacy of the Union and makes the Union's decision-making system accountable to citizens by ensuring proper parliamentary scrutiny over the executive at the Union level and by the legislative codecision procedure, whose scope should be extended;
9. Recalls that the European Parliament is the parliament of the whole Union, and considers that proper democratic accountability must be ensured also in the areas in which not all Member States participate, including euro area-specific actions and decisions;
10. Considers that political dialogue between national parliaments and the European Parliament should be intensified and made more meaningful and substantial, without overstepping the limits of their respective constitutional competences; points out, in this regard, that national parliaments are best placed to mandate and scrutinise at national level the action of their respective governments in European affairs, while the European Parliament should ensure the democratic accountability and legitimacy of the European executive;

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11. Considers it vital to strengthen institutional transparency and openness in the EU as well as the way in which political decision-making in the EU is communicated; urges that efforts be stepped up with a view to the revision of Regulation (EC) No 1049/2001 regarding public access to European Parliament, Council and Commission documents, and of Directive 93/109/EC, laying down detailed arrangements for the exercise of the right to vote and stand as a candidate in elections to the European Parliament for citizens of the Union residing in a Member State of which they are not nationals;

12. Recalls that it is possible to strengthen Parliament's right of inquiry and the European Citizens' Initiative (ECI) through Union secondary law, and repeats its call on the Commission to propose a revision of the ECI Regulation;

13. Considers it necessary that the Commission reforms the ECI as a functioning tool for democratic engagement, taking into account its resolution of 28 October 2015 ⁽¹⁾, and calls on the Commission, inter alia, to raise public awareness and give the ECI a high profile; make its software for the online collection of signatures more user-friendly, making it accessible to people with disabilities; provide appropriate and comprehensive legal and practical guidance; consider setting up a dedicated ECI office at its representations in each Member State; explain in detail the reasons for rejecting an ECI, and explore ways of referring proposals contained in initiatives that may fall outside the scope of the Commission's competences to more appropriate authorities;

14. Takes the view that European voluntary service plays an integral part in building a European citizenship, and consequently recommends that the Commission look into how it might be made easier for young people to take part;

Institutional set-up, democracy and accountability

Parliaments

15. Insists that Parliament's legislative powers and control rights must be guaranteed, consolidated and strengthened, including by interinstitutional agreements and through the use of the corresponding legal base by the Commission;

16. Considers it necessary for the European Parliament to reform its working methods in order to cope with the challenges ahead, by strengthening the exercise of its functions of political control over the Commission, including in relation to the implementation and application of the *acquis* in the Member States, by limiting first-reading agreements to exceptional cases of urgency and where a considered and explicit decision has been taken, and, in these cases, to improve the transparency of the procedure leading to the adoption of such agreements; also recalls in this context Parliament's proposals to further harmonise its own electoral procedure, contained in its resolution of 11 November 2015 on the reform of the electoral law of the European Union ⁽²⁾;

17. Expresses its intention to make more use of legislative initiative reports under Article 225 TFEU;

18. Takes the view that Parliament should set up an entry register at its headquarters and in all the delegations in the Member States allowing citizens to hand over documents in person, with certification of content;

19. Takes the view that an electronic Official Journal of the European Parliament should be introduced to authenticate all resolutions and reports approved by it;

20. Encourages political dialogue with national parliaments on the contents of legislative proposals, when relevant; emphasises, however, that decisions must be taken at the level of constitutional competences and that there is a clear delineation of the respective decision-making competences of the national parliaments and the European Parliament, where the former must exercise their European function on the basis of their national constitutions, in particular via the control of their national governments as members of the European Council and the Council, since this is the level where they are best placed to directly influence the content of and exercise scrutiny over the European legislative process; is therefore against the creation of new joint parliamentary bodies with decision-making powers;

⁽¹⁾ Texts adopted, P8_TA(2015)0382.

⁽²⁾ Texts adopted, P8_TA(2015)0395.

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21. Stresses the importance of cooperation between the European Parliament and national parliaments in joint bodies such as the Conference of Parliamentary Committees for Union Affairs of Parliaments of the European Union (COSAC) and the Interparliamentary Conference on Common Foreign and Security Policy (CFSP-IPC), and in the framework of Article 13 of the TSCG in the Economic and Monetary Union, on the basis of the principles of consensus, information-sharing and consultation, in order to exercise control over their respective administrations; calls on the Commission and the Council to participate at a high political level in the interparliamentary meetings; underlines the need for closer cooperation between the committees of the European Parliament and their national equivalents within these joint bodies, by strengthening coherence, transparency and the mutual exchange of information;

22. Encourages the exchange of best practices in parliamentary scrutiny between national parliaments, such as the holding of regular debates between the respective ministers and the specialised committees in national parliaments before and after Council meetings, and with Commissioners in an appropriate timeframe, as well as meetings with national parliaments for exchanges with MEPs; encourages the establishment of exchanges of officials of institutions and political groups between the administrations of the European Parliament and national parliaments;

23. Takes the view that care needs to be taken to prevent any 'gold-plating' of EU legislation by Member States and that national parliaments have a key role to play here;

European Council

24. Regrets that the Council, by not using QMV, has too often referred legislative matters to the European Council; considers that the European Council's practise of 'tasking the Council' goes beyond the strategic guidelines role attributed to it by the Treaties, and thus goes against the letter and the spirit of the Treaties, as described in Article 15(1) TEU, which stipulates that the European Council shall define the general political directions and priorities of the Union but shall not exercise legislative functions; considers it necessary to improve the working relations between the European Council and Parliament;

25. Recalls that the Commission President will be elected by the European Parliament on a proposal by the European Council, taking into account the elections to the European Parliament and after appropriate consultations have been held, and that therefore, as was the case in 2014, European political parties have to come up with lead candidates in order to give the people the choice whom to elect as Commission President; welcomes the proposal of the President of the Commission to amend the framework agreement on relations between the European Parliament and the European Commission regarding the participation of Commissioners as candidates for elections to the European Parliament;

26. Recalls furthermore that, although not in the interest of the European Parliament, it is possible to merge the function of President of the European Council with that of President of the Commission;

27. Calls on the European Council to make use of the 'passerelle clause' (Article 48(7) TEU) authorising the Council to switch from unanimity to QMV in applicable cases where the Treaties currently require unanimity;

28. Calls on the President of the European Parliament to inform the Conference of Presidents in advance of the views he intends to uphold in his speech to the European Council;

Council

29. Proposes that the Council be transformed into a true legislative chamber by reducing the number of Council configurations by means of a European Council decision, thus creating a genuinely bicameral legislative system involving the Council and Parliament, with the Commission acting as the executive; suggests involving the currently active specialised legislative Council configurations as preparatory bodies for a single legislative Council meeting in public, similarly to the functioning of the committees in the European Parliament;

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30. Insists on the importance of guaranteeing the transparency of Council legislative decision-making in general, whilst also improving the exchange of documents and information between Parliament and the Council and allowing access for representatives of Parliament as observers to meetings of the Council and its bodies, in particular in cases of legislation;
31. Believes it is possible to merge the position of President of the Eurogroup and Commissioner for Economic and Financial Affairs, and would in such case propose that the President of the Commission appoints this Commissioner as Vice-President of the Commission; considers that this Commissioner could, once a fiscal capacity and a European Monetary Fund are established, be granted all necessary means and capacities to apply and enforce the existing economic governance framework, and to optimise the development of the euro area in cooperation with the ministers of finance of the euro-area Member States, as detailed in its resolution of 16 February 2017 on a budgetary capacity for the Eurozone ⁽¹⁾;
32. Demands that, within the current Treaty framework, the President and the members of the Eurogroup be subject to appropriate mechanisms of democratic accountability towards the European Parliament, notably that its President reply to parliamentary questions; calls furthermore for the adoption of internal rules of procedure and the publication of results;
33. Demands that the Council switch completely to QMV wherever this is possible under the Treaties, and that it abandon the practice of transferring contentious legislative fields to the European Council, as this goes against the letter and the spirit of the Treaty, which stipulates that the European Council can only decide unanimously, and should only do so on broad political goals, not on legislation;
34. Is determined to implement fully the Treaty provisions on enhanced cooperation by committing not to give its consent to any new enhanced cooperation proposals unless the participating Member States commit to activate the special 'passerelle clause' enshrined in Article 333 TFEU to switch from unanimity to QMV, and from a special to the ordinary legislative procedure;
35. Stresses the importance of taking full advantage of the enhanced cooperation procedure enshrined in Article 20 TEU, especially among euro area Member States, so that those Member States wishing to establish enhanced cooperation among themselves as part of the non-exclusive competences of the Union are able, through this mechanism, to promote the attainment of the objectives of the Union and strengthen their integration process subject to the limits of and in accordance with the arrangements laid down in Articles 326 to 334 TFEU;

Commission

36. Is determined to strengthen the role of Parliament in the election of the Commission President by reinforcing the formal consultations of its political groups with the European Council President, as foreseen in Declaration 11 annexed to the Final Act of the Intergovernmental Conference which adopted the Treaty of Lisbon, in order to ensure that the European Council takes full account of the election results when presenting a candidate for Parliament to elect, as was the case in the 2014 European elections;
37. Reiterates the need for all Commission proposals to be fully justified and accompanied by a detailed impact assessment, including a human rights assessment;
38. Takes the view that the independence of the President of the Commission could be increased if every Member State were to designate at least three candidates of both genders who could be considered by the elected President of the Commission for the purpose of constituting his or her Commission;
39. Insists on ensuring better coordination and, where possible, representation of the EU/euro area within international financial institutions, and points out that article 138(2) TFEU provides a legal basis for the adoption of measures to ensure unified representation of the EU/euro area within the international institutions and conferences;
40. Calls for the establishment of a formalised and regular 'dialogue', to be organised in the European Parliament on matters concerning the external representation of the Union;

⁽¹⁾ Texts adopted, P8_TA(2017)0050.

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41. Recalls that the Commission, the Member States and Parliament and Council must, each within the limits of their competences, help ensure a much better application and implementation of European Union law and of the Charter of Fundamental Rights;

Court of Auditors

42. Acknowledges the crucial role of the European Court of Auditors in ensuring better and smarter spending of European funds; recalls that in addition to its important duty to provide information on the reliability of accounts and the legality and regularity of underlying transactions, the Court is in a pre-eminent position to provide Parliament with the information necessary for it to carry out its task and mandate of democratic scrutiny of the European budget and to offer information on the results and outcomes achieved by Union-financed activities and policies, with a view to improving the economy, efficiency and effectiveness thereof; recommends, therefore, that the Court of Auditors be strengthened; expects the Court to remain committed to independence, integrity, impartiality and professionalism, while building strong working relationships with its stakeholders;

43. Considers that the sustained lack of cooperation by the Council makes it impossible for Parliament to take an informed decision on granting a discharge, which as a result, has a lasting negative effect on citizens' perceptions of the credibility of the EU institutions and of transparency in the use of EU funds; believes this lack of cooperation also has an adverse impact on the functioning of the institutions and discredits the procedure for political scrutiny of budget management laid down in the Treaties;

44. Stresses that the Court's composition and its appointment procedure are laid down in Articles 285 and 286 TFEU; considers that Parliament and the Council should be on an equal footing when appointing Members of the Court of Auditors, in order to ensure democratic legitimacy, transparency and the complete independence of those Members; calls for the Council to respect decisions taken by Parliament subsequent to hearings of candidates nominated as Members of the Court of Auditors;

Committee of the Regions and European Economic and Social Committee

45. Calls on the European Parliament, the Council and the Commission to improve cooperation modalities with the CoR and the EESC, including at the pre-legislative stage during the conduct of impact assessments, in order to ensure that their opinions and assessments can be taken into account throughout the legislative process;

Agencies

46. Stresses that any conferral of implementing powers on Union agencies requires a sufficient degree of control over the decisions and actions of Union agencies by the Union legislator; recalls that effective supervision covers, inter alia, appointment and dismissal of the managing staff of the Union agency, participation in the supervisory board of the Union agency, veto rights in relation to certain Union agency decisions, information obligations and transparency rules, and budgetary rights in relation to the Union agency's budget;

47. Considers the adoption of a framework regulation for Union agencies that may exercise implementing powers covering the required political control mechanism by the Union legislator and including amongst others the right of the European Parliament to appoint and to dismiss the managing staff of the Union agency, to participate in the supervisory board of the Union agency, veto rights of the European Parliament in relation to certain Union agency decisions, information obligations and transparency rules and budgetary rights of the European Parliament in relation to the Union agency's budget;

Respect for the principles of subsidiarity and proportionality

48. Stresses the importance of the subsidiarity principle as laid down in Article 5 TEU, which is binding on all Union institutions and bodies, and of the instruments contained in Protocol No 2 on the application of the principles of subsidiarity and proportionality; recalls in this context the respective roles assigned to the national parliaments and the CoR; suggests flexibility regarding the date of transmission of draft legislative acts enshrined in the Protocol, and calls on the Commission to improve the quality of its responses to reasoned opinions;

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49. Reminds national parliaments of their key role in monitoring application of the subsidiarity principle; points out that the formal possibilities for national parliaments to ensure the principles of subsidiarity and proportionality offer ample opportunities in this respect, but that practical cooperation between national parliaments needs to be strengthened, *inter alia* to enable them, in close cooperation among themselves, to reach the necessary quorum under Article 7(3) of Protocol No 2 on the application of the principles of subsidiarity and proportionality in case of an alleged breach;

50. Stresses the importance of Article 9 TFEU for ensuring that the social consequences of legal and policy measures of the EU are taken into account;

Extending and deepening the Economic and Monetary Union

51. Recalls that the further development of the EMU must be based on, and build on, existing legislation and its implementation, and must also be linked to a deepening of the social dimension;

52. Calls for further institutional reforms in order to make the EMU more effective and democratic with improved capacities to be integrated within the institutional framework of the Union, whereby the Commission acts as the executive and Parliament and the Council as co-legislators;

New legal act on economic policy

53. Recalls its resolution of 12 December 2013 on constitutional problems of a multitier governance in the European Union ⁽¹⁾, which vented the idea of a Convergence Code adopted under the ordinary legislative procedure with a view to creating a more effective framework for economic policy coordination (with a number of convergence criteria, which are to be determined), open to all Member States and supported by an incentive-based mechanism;

54. Believes that a limited number of crucial areas for structural reforms that increase competitiveness, growth potential, real economic convergence and social cohesion over a five-year period to strengthen the European social market economy, as outlined in Article 3(3) TEU, should be laid down;

55. Underlines the importance of a clear division of competences between the EU institutions and the Member States increasing the Member States' ownership of, and the national parliaments' role in, implementation programmes;

56. Calls for better use of available instruments in conjunction with Article 136 TFEU to facilitate the adoption and implementation of new measures in the euro area;

A simplified, more focused and more democratic European Semester process

57. Points out the need for fewer and more targeted Country Specific Recommendations (CSR), based on the policy framework set out in the Convergence Code and the Annual Growth Survey (AGS), and on the concrete proposals presented by each Member State, in line with their respective key reform objectives, from a broad range of structural reforms, fostering competitiveness, real economic convergence and social cohesion;

58. Underlines the importance of demographic trends for the European semester, and calls for this indicator to be afforded greater significance;

59. Recalls that economic dialogue mechanisms already exist, notably through the creation of the 'economic dialogue' within the framework of the '6-pack' and '2-pack' legislation; considers that this is an effective tool to enable Parliament to be vested with a more substantial role within the framework of the European Semester in order to enhance dialogue between Parliament, the Council, the Commission and the Eurogroup, and proposes formalising Parliament's scrutiny role in the European Semester through an interinstitutional agreement (IIA), as Parliament has called for on several occasions; furthermore welcomes and encourages involvement of national parliaments at the national level and cooperation between national parliaments and the European Parliament in the framework of the European semester and economic governance more in general, e.g. through the 'European Parliamentary Week' and the 'Article 13 Conference'; considers moreover that

⁽¹⁾ OJ C 468, 15.12.2016, p. 176.

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the involvement of social partners in the European Semester could be improved;

60. Calls for the integration of the relevant provisions of the fiscal compact into the EU legal framework, on the basis of a comprehensive assessment of its implementation and to the extent that it is not yet covered by existing secondary legislation;

The role of the EU budget in the EMU

61. Points to the possibility to switch from unanimity to QMV for the adoption of the MFF Regulation, by using the provisions of Article 312(2) TFEU when adopting the forthcoming MFF Regulation; highlights the importance of establishing a link between the duration of Parliament's legislative term, the Commission's mandate and the duration of the MFF, which can be reduced to five years under the provisions of Article 312(1) TFEU; calls for the alignment of future MFFs with the next parliamentary term; calls on the Council to subscribe to this democratic requirement;

62. Welcomes the report of the High Level Group on Own Resources; wishes to return to the letter and spirit of the Treaties and to change the current system based on GNI contributions to one based on real own resources for the EU and, eventually, a euro area budget, for which a whole range of ideas exists;

63. Points out that under Article 24 of Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 all expenditure and revenue of the Union and Euratom must be included in the general budget of the Union in accordance with Article 7 of the Financial Regulation;

An increased EU investment capacity

64. Calls for optimised use of the existing Structural Funds in the direction of fostering the EU's competitiveness and cohesion, and for an increase in EU investment capacity through the exploitation of innovative approaches such as, e.g., EFSI, which includes specific facilities to finance and guarantee infrastructure projects in the interest of the Union;

65. Insists on the full implementation of the '6-pack' and '2-pack' framework and the European Semester and on the need in particular to address macroeconomic imbalances and secure long-term control over the deficit and the still extremely high levels of debt by growth-friendly fiscal consolidation and by improving spending efficiency, prioritising productive investments, providing incentives for fair and sustainable structural reforms, and taking account of business cycle conditions;

Establish a fiscal capacity within the euro area through part of the EU budget

66. Recalls that the euro is the currency of the Union and that the EU budget is intended to fulfil the objectives for the Union laid down in Article 3 TEU, and to fund common policies, assist weak regions by applying the principle of solidarity, complete the internal market, promote European synergies, respond to existing and emerging challenges that call for a pan-European approach, as such also contributing towards helping less developed Member States catch up and become able to join the euro area;

67. Takes note of different proposals for the establishment of a budgetary capacity within the euro area; points out that these proposals assign different functions to such capacity and may have different designs; recalls that Parliament has insisted that such capacity should be developed within the EU framework;

68. Points out that, whilst it will depend on the design, function and size of a new budgetary capacity whether such capacity can be established within the current Treaty framework, it is possible under the Treaties to raise the own resources ceilings, to establish new categories of own resources (even if such own resources would come only from a number of Member States), and to assign certain revenue to finance specific items of expenditure; points out furthermore that the EU budget already provides guarantees for specific lending operations and that several flexibility instruments exist for which funding can be mobilised over and above the MFF expenditure ceilings;

69. Reiterates that it is in favour of integrating the European Stability Mechanism into the Union legal framework provided that there is appropriate democratic accountability;

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70. Believes that the establishment of a European fiscal capacity and the European Monetary Fund may be steps in the process of creating a European Treasury, which should be accountable to the European Parliament;

71. Calls for due consideration to be given to the main findings of the Expert Group created by the Commission with a view to constituting a Redemption Fund;

Single market and financial integration

72. Believes that the single market is one of the cornerstones of the EU and is fundamental for prosperity, growth and employment in the Union; points out that the single market, which offers tangible benefits to both companies and consumers, contains a growth potential that has not yet been fully exploited, particularly with reference to the Digital Single Market, financial services, energy, the banking union and the capital markets union; calls, therefore, for closer control of the correct application and better enforcement of the existing acquis in these domains;

73. Calls for the rapid but step-by-step completion of a banking union, based on a single supervision mechanism (SSM), a single resolution mechanism (SRM) and a European deposit insurance scheme (EDIS), and sustained by an adequate and fiscally neutral backstop; appreciates the agreement on a bridge financing mechanism until the Single Resolution Fund becomes operational, and calls for a European Insolvency Scheme;

74. Recalls that the European Supervisory Authorities should act with a view to improving the functioning of the internal market, in particular by ensuring a high quality, effective and consistent level of regulation and supervision taking account of the varying interests of all Member States and the differing nature of financial market participants; considers that issues that affect all Member States should be raised, discussed and decided by all Member States, and that to strengthen the level playing field inside the single market a single rulebook, applicable to all financial market participants in the EU, is essential in order to avoid fragmentation of the single market in financial services and unfair competition through lack of a level playing field;

75. Calls for the establishment of a true capital markets union;

76. Supports the creation of a system of competitiveness authorities tasked with bringing together the national bodies responsible for tracking progress in the area of competitiveness in each Member State, and proposes that tracking of progress of such a system should be under the supervision of the Commission;

77. Considers it necessary to improve the automatic information exchange between national tax authorities in order to avoid tax fraud and tax evasion, tax planning, base erosion and profit shifting, as well as to promote coordinated actions to fight tax havens; calls for the adoption of a Common Consolidated Corporate Tax Base directive establishing a minimum rate and spelling out common objectives for progressive convergence; deems it necessary to embark on a comprehensive review of the existing VAT legislation, addressing inter alia the introduction of the country of origin principle;

A more democratic institutional set-up for the EMU

78. Recalls the need for proper democratic legitimacy and accountability to be ensured at the level of decision-making, with national parliaments scrutinising national governments and with an enhanced scrutiny role for the European Parliament at EU level, including a central role, together with the Council, in the adoption of the Convergence Code following the ordinary legislative procedure;

79. Advocates the general use of the 'passerelle clause' enshrined in Article 48(7) TEU; recalls that the Commission, in its blueprint for a deep and genuine EMU ⁽¹⁾, suggested the establishment of a Convergence and Competitiveness Instrument based on Article 136 TFEU or on Article 352 TFEU, if necessary by enhanced cooperation; points out that in case of enhanced cooperation the use of Article 333(2) TFEU, providing for the use of the ordinary legislative procedure, would strengthen the democratic legitimacy and effectiveness of EU governance and Parliament's role therein;

⁽¹⁾ COM(2012)0777, 28 November 2012.

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80. Reiterates that interparliamentary cooperation should not lead to the establishment of a new parliamentary body or a new institution, because the euro is the currency of the EU and the European Parliament is the parliament of the EU; recalls that the EMU is established by the Union, whose citizens are directly represented at Union level by Parliament, which has to find and be able to implement ways to guarantee the parliamentary democratic accountability of euro area-specific decisions;

81. Insists that the Commission be endowed with powers to implement and enforce any future or existing instruments adopted in the area of EMU;

82. Considers it necessary to address the weaknesses in the existing institutional structure of the EMU, particularly its democratic deficit, taking into account also that certain parts of the Treaty may be overseen by the Court of Justice while others are excluded from such scrutiny; considers that stronger parliamentary scrutiny is needed for the detailed implementation of Article 121(3) and (4) TFEU, concerning closer coordination of economic policies;

83. Is of the opinion that differentiated integration should remain open to all Member States;

84. Recalls that priority should be given to the ordinary legislative and budgetary procedures at EU level by making use when necessary of derogations and the establishment of dedicated budget lines; recalls that any other provisions, such as euro area or enhanced cooperation provisions, should only be used when the aforementioned procedures are not legally or politically possible;

Completion of the internal market as the first generator of growth

85. Is convinced that the deepening of the EMU should go hand in hand with the completion of the internal market by removing all remaining internal barriers, especially as concerns the Energy Union, the common digital market and the market in services;

86. Calls for full enforcement of existing internal energy market legislation according to Article 194 TFEU, in order to establish an Energy Union;

87. Supports the strengthening in duties and competences of the European Agency for the Cooperation of Energy Regulators (ACER) towards, in the end, the creation of a European Energy Agency under Article 54 of the Euratom Treaty, as well as the integration of energy markets, the establishment of a European strategic reserve based on combining national reserves and of a joint negotiating centre with suppliers, with a view to completing the institutional structure of the Energy Union;

88. Encourages the use of 'project bonds', in close cooperation with the EIB, for financing infrastructure and energy projects;

89. Calls on the Commission to use Article 116 TFEU, which provides the necessary legal basis for Parliament and the Council to act according to the ordinary legislative procedure in order to eliminate practices that result in a distortion of competition in the internal market through harmful tax policies;

The social dimension

90. Stresses that the workers' rights, particularly when they exercise their right of mobility, should be guaranteed along with their social rights, making full use of the relevant legal instruments provided for in Titles IV, IX and X of Part Three of the TFEU and according to the EU Charter of Fundamental Rights, in order to ensure a stable social basis for the Union; points in this context in particular to the rights derived from Directive 2004/38/EC on the right of citizens of the Union and their family members to move and reside freely within the territory of the Member States and Regulation (EU) No 492/2011 on freedom of movement for workers within the Union;

91. Stresses the importance of establishing a social Europe, so that the European integration project continues to have the support of workers;

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92. Points out the importance of promoting the idea of a minimum wage determined by each Member State, observes that exploring options for a minimum unemployment benefit scheme would necessitate the existence of common rules and conditions for an EU labour market, and suggests that, under current Treaty provisions, a legislative proposal could be adopted to reduce still-existing barriers for employees;

93. Points out the facilities provided by the Union and the need to actively include young workers in the labour market and further encourage the exchange of young workers, in accordance with Article 47 TFEU;

94. Calls on the Commission to include employment criteria in the evaluation of Member States' macro-economic performance, and for recommending and supporting structural reforms also with a view to ensure better use of regional and social funds;

95. Calls on the Commission to properly assess the need for EU action and the potential economic, social and environmental impacts of alternative policy options before it proposes a new initiative (e.g. legislative proposals, non-legislative initiatives, implementing and delegated acts), in keeping with the Interinstitutional Agreement of 13 April 2016 on Better Law-Making;

96. Calls for the establishment of a new social pact (which could take the form of a social protocol) aimed at fostering Europe's social market economy and reducing inequalities, ensuring that all citizens' fundamental rights are respected, including inter alia the right to collective bargaining and freedom of movement; points out that such a pact could enhance the coordination of the social policies of the Member States;

97. Calls on the Commission to revitalise the EU social dialogue through binding agreements among the social partners in accordance with Articles 151 to 161 TFEU;

External action

Increasing the effectiveness, coherence and accountability of the Common Foreign and Security Policy (CFSP)

98. Takes the view that the European Union's comprehensive approach to external conflicts and crises should be reinforced by bringing together more closely the different actors and instruments in all phases of the conflict cycle;

99. Insists on using the provisions of Article 22 TEU to set up an overall strategic framework for, and take decisions on, strategic interests and objectives laid down in Article 21 TEU, that can extend beyond the CFSP to other areas of external action, and which requires consistency with other policies such as trade, agriculture and development assistance; recalls that decisions taken on the basis of such a strategy could be implemented by QMV; points out that the democratic legitimacy of such decisions could be enhanced if the Council and Parliament would adopt joint strategic documents on the basis of proposals by the Vice-President of the European Commission/High Representative of the Union for Foreign Affairs and Security Policy (VP/HR);

100. Calls for parliamentary oversight of EU external action to be strengthened, including by continuing the regular consultations with the VP/HR, the European External Action Service (EEAS) and the Commission, and for negotiations on replacing the 2002 Interinstitutional Agreement on access to sensitive information of the Council in the field of CFSP to be concluded;

101. Considers it necessary that the EU Special Representatives be integrated into the EEAS, including by transferring their budget from the CFSP lines to the EEAS lines, as this would increase the coherence of EU efforts;

102. Calls for the use of Article 31(2) TEU, which allows the Council to take certain decisions on CFSP matters by QMV, and the 'passerelle clause' contained in Article 31(3) TEU to switch progressively to QMV for decisions in the area of the CFSP that do not have military or defence implications; recalls that Article 20(2) TEU, which lays down the provisions for enhanced cooperation, provides additional possibilities for Member States to move forward with the CFSP and should therefore be used;

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103. Believes that there is a need to increase the flexibility of the financial rules for external action in order to avoid delays in the operational disbursement of EU funds and thereby increase the EU's ability to respond to crises in a speedy and effective way; considers it necessary, in this regard, to set up a fast-track procedure for humanitarian assistance to ensure that aid is disbursed in the most efficient and effective way possible;

104. Urges the Council, the EEAS and the Commission to uphold their respective obligations to immediately and fully inform Parliament at all stages of the negotiating and concluding processes of international agreements, as stipulated in Article 218(10) TFEU and as detailed in interinstitutional agreements with the Commission and the Council;

105. Points out that the Court of Justice of the European Union (CJUE) has confirmed that Parliament has the right under Article 218(10) TFEU to be fully and immediately informed at all stages of the procedure for negotiating and concluding international agreements — also where it concerns the CFSP — to enable it to exercise its powers with full knowledge of the European Union's action as a whole; expects therefore that the interinstitutional negotiations that are to take place on improved practical arrangements for cooperation and information-sharing in the context of the negotiation and conclusion of international agreements will take proper account of the case law of the CJUE;

Towards a common defence policy

106. Calls for progressive steps to be taken towards a common defence policy (Article 42(2) TEU) and, eventually, a common defence, which can be set up by unanimous decision of the European Council while also strengthening civilian and civil society on the basis of conflict prevention and resolution approaches based on non-violence, notably through an increase in financial, administrative and human resources aimed at dealing with mediation, dialogue, reconciliation and civil society organisation-based immediate crisis response;

107. Suggests, as a first step in this direction, that the provisions of Article 46 TEU regarding the establishment of Permanent Structured Cooperation (PESCO) through a QMV vote in Council be implemented, as this instrument would allow more ambitious Member States to cooperate more closely in a coordinated way in the area of defence under the umbrella of the EU, and empower them to use the EU's institutions, instruments and budget;

108. Recommends setting up a permanent Council of Defence Ministers, to be chaired by the VP/HR with a view to coordinating the Member States' defence policies, particularly with regard to cybersecurity and anti-terrorism, and jointly developing the EU's defence strategy and priorities;

109. Insists on the establishment of an EU white book on security and defence on the basis of the EU global strategy for foreign and security policy presented by the VP/HR as well as the Bratislava agenda, as such a document would further define how the EU's strategic objectives in the field of security and defence, and identify the existing and required capabilities; calls on the Commission to base its ongoing preparatory work on a European defence action plan on the results of the future EU white book on security and defence, which should also address the question of how and under what circumstances the use of military force is appropriate and legitimate;

110. Underlines the need to define common European capabilities and armaments policy (Article 42(3) TEU), which would encompass the joint planning, development and procurement of military capabilities and which should also include proposals to react to cyber, hybrid and asymmetrical threats; encourages the Commission to work on an ambitious European Defence Action Plan, as announced in the 2016 Work Programme;

111. Stresses the great potential of the European Defence Agency (EDA) in helping develop a single defence market that is competitive, efficient, underpinned by intensive R&D&I and focused on creating specialised jobs, and advocates, to that end, looking into possible public-private partnerships; reiterates the urgent need to strengthen the EDA by providing it with needed resources and political backing, thereby allowing it to play a leading and coordinating role in capability development, research and procurement; repeats its view that this would be best done by financing the Agency's staffing and running costs from the Union budget;

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112. Recalls the existence of Article 44 TEU, which provides additional flexibility provisions and introduces the possibility of entrusting the implementation of crisis management tasks to a group of Member States, which would carry out such tasks in the name of the EU and under the political control and strategic guidance of the Political and Security Committee (PSC) and the EEAS;

113. Suggests that Article 41(3) TEU be used to establish a start-up fund consisting of Member States' contributions to finance preparatory activities pertaining to the Common Security and Defence Policy (CSDP) activities not charged to the Union budget;

114. Stresses the importance of extending common financing in the area of military CSDP, including through the Athena mechanism, as this would reduce financial disincentives on the part of Member States to contributing to military CSDP missions and operations and, thereby, improve the EU's ability to react to crises;

115. Calls for the creation of a permanent civilian and military headquarters, with Military Planning and conduct capability (MPCC) and Civilian Planning and Conduct Capability (CPCC); calls for the institutionalisation of the various European military structures (among others the different battlegroups, Euroforces, France-UK defence cooperation and Benelux air defence cooperation) into the EU framework, and for an increase in the usability of EU battlegroups, inter alia by extending common financing and by considering, by default, their deployment as an initial entry force in future crisis management scenarios;

116. Notes that this permanent headquarters could engage in permanent contingency planning and play a major coordinating role in future applications of Article 42(7) TEU; is of the view that the 'mutual defence clause', as laid down in that article and invoked by France during the Foreign Affairs Council on 17 November 2015, can constitute a catalyst for further development of the EU's security and defence policy, leading to stronger commitment by all Member States;

117. Considers that there is a need to enhance EU-NATO cooperation at all levels in areas such as capability development and contingency planning for hybrid threats, and to intensify efforts to remove the remaining political obstacles; urges a comprehensive EU-NATO political and military partnership;

118. Calls for decisive action to ensure policy coherence for development (PCD), under Article 208 TFEU, and demands the improvement of the PCD impact assessment system and the establishment of an arbitration mechanism to remedy any discrepancies in the EU's various policies, giving the President of the Commission political responsibility for its broad guidelines and settling matters in accordance with the EU's commitments on PCD;

Justice and home affairs (JHA)

119. Underlines that, whilst upholding fundamental rights and freedoms and insisting on the need for democratic and judicial oversight over counterterrorism policies, in the light of the recent attacks and the increase of the terrorist threat, a systematic, mandatory and structured exchange of information and data between national law enforcement authorities and intelligence services, and with Europol, Frontex and Eurojust, is absolutely essential and must be put in place as soon as possible;

120. Points out that, as with previous attacks, the perpetrators of the Paris attacks were already known to security authorities and had been the subject of investigations and supervision measures; expresses its concern that existing data on such individuals were not exchanged between Member States, despite the requirements of Article 88 TFEU; calls on the Council to adopt, on the basis of Article 352 TFEU, a mandatory exchange of data between Member States; takes the view that the potential of enhanced cooperation should be exploited if unanimity cannot be reached;

121. Calls on the Commission and the Council to conduct a comprehensive evaluation of the EU's counterterrorism and related measures in particular as regards their implementation in law and in practice in the Member States, the degree to which there is cooperation with the EU's agencies in the area, notably Europol and Eurojust, and a corresponding assessment of remaining gaps, as well as their compliance with the EU's fundamental rights obligations, making use of the procedure provided for in Article 70 TFEU;

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122. Recalls, in this context, that Article 222 TFEU provides for a solidarity clause that can and should be activated when a Member State is the object of a terrorist attack or the victim of a natural or man-made disaster;

123. Regrets that the Temporary Protection Directive has not been activated in light of the refugee crisis, despite having been established to deal with a mass influx of third-country nationals;

124. Highlights the need to establish a fair and effective EU common asylum and immigration policy, based on the principles of solidarity, non-discrimination, non-refoulement and sincere cooperation among all Member States, which should provide as well for the fair redistribution of asylum seekers within the EU; takes the view that such a policy should involve all Member States; reminds Member States of their existing obligations in this regard, and stresses that a new asylum and migration framework should be based on the fundamental rights of the migrant;

125. Points out that further steps are necessary to ensure that the Common European Asylum System becomes a truly uniform system; calls on Member States to harmonise their legislation and practices with regard to the criteria as to who qualifies as a beneficiary of international protection, and with regard to guarantees regarding international protection procedures and reception conditions, following the jurisprudence of the European Court of Human Rights and CJUE and established best practices in fellow Member States;

126. Welcomes the adoption of Regulation (EU) 2016/1624 expanding the tasks and powers of Frontex and renaming it the European Border and Coast Guards Agency; considers that the agency could be supported, when necessary, by military instruments such as a European Maritime Force (Euromarfor) and an upgraded European Corps (Eurocorps), together with the resources pooled through Permanent Structured Cooperation; stresses that the regulation insists that Member States should, in their own interest and in the interest of other Member States, enter data into the European databases; suggests that interoperability of the databases of border agencies such as Eurodac and interoperability with the databases of Europol should also be envisaged;

127. Calls for an urgent review of the Dublin Regulation by establishing a permanent EU-wide and legally binding system of distribution of asylum seekers between the Member States, based on fair and compulsory allocation;

128. Points out that, given the unprecedented flows of migrants that have reached and continue to reach the Union's external borders, and the steady increase in the number of people asking for international protection, the Union needs a binding and mandatory legislative approach to resettlement, as set out in the Commission's Agenda for Migration;

129. Calls for the signature of agreements with safe third countries in order to control and reduce migration flows before migrants arrive at the EU border; insists, at the same time, on strict procedures for returning applicants with unfounded claims;

130. Calls the Commission and Member States to increase spending on training asylum specialists and enhancing the efficiency of asylum-seeking procedures;

131. Considers that the external dimension should focus on cooperation with third countries in tackling the root causes of, and addressing, flows of irregular migrants to Europe; takes the view that partnerships and cooperation with key countries of origin, transit and destination should continue to be a focus; recommends that cooperation with third countries should involve assessing those countries' asylum systems, their support for refugees, and their ability and willingness to tackle the trafficking and smuggling of human beings into and through those countries; acknowledges that there is a need to improve the effectiveness of the Union's return system, but believes that the return of migrants should only be carried out in conditions of safety, in full compliance with the fundamental and procedural rights of the migrants in question;

132. Welcomes the fact that the new Regulation (EU) 2016/1624 on the European Border and Coast Guard Agency foresees that should control of the external border be rendered ineffective to such an extent that it risks jeopardising the functioning of the Schengen area, either because a Member State does not take the necessary measures or because it has not requested sufficient support from Frontex or is not implementing such support, the Commission can propose to the Council a decision identifying the measures to be implemented by the Agency and requiring the Member State concerned to

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cooperate with the Agency in the implementation of those measures; points out furthermore that the regulation also contains stipulations with regard to civil and criminal liability of team members and a complaints mechanism for monitoring and ensuring respect for fundamental rights in all the activities of the Agency;

133. Believes that an upgrade of the human and financial capabilities of the European Asylum Support Office (EASO) would be needed if it were called upon to coordinate all EU asylum applications as well as being deployed to support Member States under particular migratory pressure in the processing of asylum requests, including in its mandate for the deployment of joint operations, pilot projects and rapid interventions similar to those added by Regulation (EU) No 1168/2011 to the mandate of Frontex;

134. Underscores the importance of improved coordination between EASO, Frontex and the office of the European Ombudsman in order to allow for smoother adoption of Early Alert Reports in the event of particular migratory pressure, which is likely to put at risk respect for the fundamental freedoms of asylum seekers; considers it possible for the Commission to use these Early Alert Reports as a basis to trigger the contingency measures provided for in Article 78(3) TFEU;

135. Finds it imperative to strengthen the role of Parliament as co-legislator, on an equal footing with the Council, through the use of Article 81(3) TFEU, which makes it possible to switch decision-making in the field of family law with cross-border implications to the ordinary legislative procedure if the Council decides so unanimously, after having consulted Parliament; calls for a switch in decision-making on all other policies in the field of JHA to the ordinary legislative procedure, using the 'passerelle clause' in Article 48(7) TEU;

136. Calls on the Commission, on the basis of Article 83 TFEU, to propose minimum rules concerning definitions and sanctions related to the fight against terrorism, trafficking in human beings and sexual exploitation of women and children, illicit drug trafficking, illicit arms trafficking, money laundering, corruption, counterfeiting of means of payment, computer crime and organised crime;

137. Insists on putting into practice the principles enshrined in the Lisbon Treaty, namely solidarity and the sharing of responsibility between Member States, the principle of mutual recognition in the implementation of JHA policies (Article 70 TFEU), and the provisions of the EU Charter of Fundamental Rights;

138. Considers that the EU must guarantee the protection of human rights and fundamental freedoms and continuing respect for the Copenhagen criteria, and ensure that all Member States respect the common values enshrined in Article 2 TEU;

139. Stresses the importance of completing the 'package of procedural guarantees', particularly by drafting legislation on administrative detention and the detention of minors, areas in which the rules of many Member States are not fully compatible with human rights and other international standards;

140. Stresses the importance of making further progress in developing European criminal law, particularly concerning the mutual recognition and enforcement of criminal law rulings;

141. Stresses the importance of developing a European judicial culture, as a key prerequisite for making the area of freedom, security and justice a reality for citizens and ensuring better application of EU law;

142. Takes the view that a European Public Prosecutor needs to be appointed in order to combat organised crime, fraud and corruption, protect the financial interests of the Union and remedy the fragmentation of the European law enforcement area;

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143. Stresses that, according to Article 86 TFEU, a European Public Prosecutor's Office (EPPO) can be established to combat crimes affecting the financial interests of the EU ('PIF crimes') only with the consent of the European Parliament; therefore reiterates the recommendations made in its resolutions of 12 March 2014 ⁽¹⁾ and 29 April 2015 ⁽²⁾ on the precise organisation of the EPPO, and underlines that the EPPO Regulation should be adopted without delay so that the EPPO may have the power to investigate all PIF crimes, including VAT fraud, and prosecute suspected offenders;

144. Recalls the obligation for the accession of the Union to the Convention for the Protection of Human Rights and Fundamental Freedoms, in line with Article 6(2) TEU, and urges the swift relaunch of negotiations with the Council of Europe to this effect, taking into account the opinion of the CJUE of 18 December 2014; reminds the Commission, in its role as chief negotiator, that such accession will improve the human rights protection of all European citizens;

145. Reiterates that this resolution aims only to provide an assessment of the legal possibilities in the Treaties and should be the basis for improving the functioning of the European Union in the short term; recalls that further fundamental reform in the future would require a revision of the Treaties;

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146. Instructs its President to forward this resolution to the European Council, the Council, the Commission, the Court of Auditors, the ECB, the Committee of the Regions, the European Economic and Social Committee, and the parliaments and governments of the Member States.

⁽¹⁾ Texts adopted, P7_TA(2014)0234.

⁽²⁾ Texts adopted, P8_TA(2015)0173.

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P8_TA(2017)0050

Budgetary capacity for the euro area**European Parliament resolution of 16 February 2017 on budgetary capacity for the euro area (2015/2344(INI))**

(2018/C 252/24)

The European Parliament,

- having regard to Rule 52 of its Rules of Procedure,
 - having regard to the joint deliberations of the Committee on Budgets and the Committee on Economic and Monetary Affairs under Rule 55 of the Rules of Procedure,
 - having regard to the report of the Committee on Budgets and the Committee on Economic and Monetary Affairs and the opinions of the Committee on Constitutional Affairs and the Committee on Budgetary Control (A8-0038/2017),
- A. whereas the current political climate and the existing economic and political challenges in a globalised world require consequent and determined decisions and actions from the EU in certain areas such as internal and external security, border protection and migrant policy, stabilisation of our neighbourhood, growth and jobs, in particular combating youth unemployment, and implementation of the agreements of the 2015 United Nations Climate Change Conference;
- B. whereas, after a successful start for the euro, the euro area has showed a lack of convergence, political cooperation and ownership;
- C. whereas the various crises and global challenges require the euro area to make, as soon as possible, a qualitative leap in integration;
- D. whereas membership in a common currency area requires common tools and solidarity at European level and obligations and responsibilities on the part of each participating Member State;
- E. whereas trust inside the euro area needs to be restored;
- F. whereas a well-defined roadmap reflecting a comprehensive approach is needed to realise the full benefits of the common currency while ensuring its sustainability and achieving the goals of stability and full employment;
- G. whereas this includes the agreed completion of the Banking Union, a strengthened fiscal framework with a capacity to absorb shocks and incentives for growth-friendly structural reforms to complement current monetary policy measures;
- H. whereas a fiscal capacity and the related convergence code are vital elements in this enterprise, which can be successful only if responsibility and solidarity are closely linked;
- I. whereas the settlement of a fiscal capacity for the euro area is only one piece of the puzzle, which needs to go hand in hand with a clear European spirit of refoundation among its members and the ones yet to join the euro area;
1. Adopts the following roadmap:

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i. General principles

The transfer of sovereignty over monetary policy requires alternative adjustment mechanisms such as the implementation of growth-enhancing structural reforms, the single market, the Banking Union, the Capital Markets Union, to create a safer financial sector, and a fiscal capacity to cope with macroeconomic shocks and increase the competitiveness and stability of Member States' economies, in order to make the euro area an optimal currency area.

Convergence, good governance and conditionality enforced through institutions being held democratically accountable at euro-area and/or national level are key, notably in preventing permanent transfers, moral hazard and unsustainable public risk sharing.

As the magnitude and credibility of the fiscal capacity increase, it will contribute to restoring the trust of the financial market in the sustainability of public finances in the euro area, making it possible, in principle, to better protect tax payers and reduce public and private risk.

The fiscal capacity shall include the European Stability Mechanism (ESM) and a specific additional budgetary capacity for the euro area. The budgetary capacity shall be created in addition to and without any prejudice to the ESM.

As a first step, the specific euro-area budgetary capacity should be part of the Union budget, over and above the current ceilings of the multiannual financial framework, and should be financed by euro-area and other participating members via a source of revenue to be agreed between participating Member States and considered to be assigned revenue and guarantees; once in a steady state, the fiscal capacity could be financed through own resources, following the recommendations of the Monti report on the future financing of the EU.

The ESM, while fulfilling its ongoing tasks, should be further developed and turned into a European Monetary Fund (EMF) with adequate lending and borrowing capacities and a clearly defined mandate, to absorb asymmetric and symmetric shocks.

ii. Three pillars of the fiscal capacity for convergence and stabilisation of the euro area

The fiscal capacity should fulfil three different functions:

- first, economic and social convergence within the euro area should be incentivised to foster structural reforms, modernise economies and improve the competitiveness of each Member State and the resilience of the euro area, thereby also contributing to Member States' capacity to absorb asymmetric and symmetric shocks;
- second, differences in the business cycles of euro-area Member States stemming from structural differences or a general economic vulnerability create a need to address asymmetric shocks (situations whereby an economic event affects one economy more than another, for instance when demand collapses in one specific Member State and not in the others following an external shock beyond the influence of a Member State);
- third, symmetric shocks (situations whereby an economic event affects all the economies in the same way, for example variation in oil prices for euro-area countries) should be addressed to increase the resilience of the euro area as a whole.

In view of these objectives, it will be necessary to consider which functions can be achieved within the existing legal framework of the Union and which will require Treaty adjustment or change.

Pillar 1: the convergence code

The current economic situation requires an investment strategy in parallel to fiscal consolidation and responsibility through compliance with the economic governance framework.

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Beside the Stability and Growth Pact, the convergence code, adopted under the ordinary legislative procedure and taking into account the country-specific recommendations, should focus for a five-year period on convergence criteria regarding taxation, labour market, investment, productivity, social cohesion, and public administrative and good governance capacities within the existing Treaties.

Within the economic governance framework, compliance with the convergence code should be a condition for full participation in the fiscal capacity, and each Member State should come forward with proposals on how to reach the criteria of the convergence code.

A euro-area fiscal capacity should be complemented by a long-term strategy for debt sustainability and debt reduction and enhancing growth and investment in euro-area countries, which would bring down overall refinancing costs and debt/GDP ratios.

Pillar 2: absorption of asymmetric shocks

Given the strong integration of the euro-area Member States, asymmetric shocks with an impact on the stability of the euro area as a whole cannot be ruled out completely, despite all efforts on Member-State policy coordination, convergence and sustainable structural reforms.

Stabilisation provided through the ESM/EMF should be complemented by automatic shock absorption mechanisms.

Stabilisation must incentivise good practices and avoid moral hazard.

Such a system must include clear rules on timeframe-possible payments and repayments, and must clearly be defined in terms of size and funding mechanisms, while being budgetary neutral over a longer cycle.

Pillar 3: absorption of symmetric shocks

Future symmetric shocks could destabilise the euro area as a whole since the currency area is not yet endowed with the instruments necessary to cope with another crisis of the same extent as the previous one.

In the case of symmetric shocks brought about by a lack of internal demand, monetary policy alone cannot reignite growth, particularly in a context of zero lower bound. The euro-area budget should be of sufficient size to address these symmetric shocks by funding investment aimed at aggregating demand and full employment in line with Article 3 TEU.

iii. Governance, democratic accountability and control

The Community method should prevail in economic governance for the euro area.

The European Parliament and national parliaments should exercise a strengthened role in the renewed economic governance framework in order to reinforce democratic accountability. This includes increased national ownership on the European semester and a reform of the interparliamentary conference provided for in Article 13 of the Fiscal Compact to give it more substance, in order to develop a stronger parliamentary and public opinion. To improve ownership, national parliaments should scrutinise national governments, just as the European Parliament should scrutinise the European executives.

The positions of President of the Eurogroup and Commissioner for Economic and Financial Affairs could be merged, and in such case the President of the Commission should appoint this Commissioner as Vice-President of the Commission.

A finance minister and treasury within the Commission should be fully democratically accountable and equipped with all necessary means and capacities to apply and enforce the existing economic governance framework and to optimise the development of the euro area in cooperation with the ministers of finance of the euro-area Member States.

The European Parliament should review its rules and organisation to ensure the full democratic accountability of the fiscal capacity to MEPs from participating Member States;

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2. Calls on:

- the European Council to set guidelines, as described above, by no later than the EU meeting in Rome (March 2017), including a framework for the long-term sustainable stabilisation of the euro area;
- the Commission to come forward with a White Paper with an ambitious core chapter on the euro area and the respective legislative proposals in 2017 by using all means within the existing Treaties, including the convergence code, the euro-area budget and automatic stabilisers, and to set a precise timeframe for the implementation of these measures;

3. Declares its readiness to finalise all legislative measures that do not require Treaty changes by the end of the current mandate of the Commission and the European Parliament and to set the stage for the necessary Treaty changes required in the medium and long term to make a sustainable euro area possible;

4. Instructs its President to forward this resolution to the President of the European Council, the Commission, the Council, the Eurogroup, the European Central Bank, the Managing Director of the European Stability Mechanism and the parliaments of the Member States.

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P8_TA(2017)0051

Civil Law Rules on Robotics**European Parliament resolution of 16 February 2017 with recommendations to the Commission on Civil Law Rules on Robotics (2015/2103(INL))**

(2018/C 252/25)

The European Parliament,

- having regard to Article 225 of the Treaty on the Functioning of the European Union,
- having regard to Council Directive 85/374/EEC ⁽¹⁾,
- having regard to the study on Ethical Aspects of Cyber-Physical Systems carried out on behalf of the Parliament's Science and Technology Options Assessment (STOA) Panel and managed by the Scientific Foresight Unit (STOA), European Parliamentary Research Service;
- having regard to Rules 46 and 52 of its Rules of Procedure,
- having regard to the report of the Committee on Legal Affairs and the opinions of the Committee on Transport and Tourism, the Committee on Civil Liberties, Justice and Home Affairs, the Committee on Employment and Social Affairs, the Committee on the Environment, Public Health and Food Safety, the Committee on Industry, Research and Energy and the Committee on the Internal Market and Consumer Protection (A8-0005/2017),

Introduction

- A. whereas from Mary Shelley's *Frankenstein's Monster* to the classical myth of *Pygmalion*, through the story of Prague's *Golem* to the robot of Karel Čapek, who coined the word, people have fantasised about the possibility of building intelligent machines, more often than not androids with human features;
- B. whereas now that humankind stands on the threshold of an era when ever more sophisticated robots, bots, androids and other manifestations of artificial intelligence ('AI') seem to be poised to unleash a new industrial revolution, which is likely to leave no stratum of society untouched, it is vitally important for the legislature to consider its legal and ethical implications and effects, without stifling innovation;
- C. whereas there is a need to create a generally accepted definition of robot and AI that is flexible and is not hindering innovation;
- D. whereas between 2010 and 2014 the average increase in sales of robots stood at 17 % per year and in 2014 sales rose by 29 %, the highest year-on-year increase ever, with automotive parts suppliers and the electrical/electronics industry being the main drivers of the growth; whereas annual patent filings for robotics technology have tripled over the last decade;
- E. whereas, over the past 200 years employment figures had persistently increased due to the technological development; whereas the development of robotics and AI may have the potential to transform lives and work practices, raise efficiency, savings, and safety levels, provide enhanced level of services; whereas in the short to medium term robotics and AI promise to bring benefits of efficiency and savings, not only in production and commerce, but also in areas such as transport, medical care, rescue, education and farming, while making it possible to avoid exposing humans to dangerous conditions, such as those faced when cleaning up toxically polluted sites;

⁽¹⁾ Council Directive 85/374/EEC of 25 July 1985 on the approximation of the laws, regulations and administrative provisions of the Member States concerning liability for defective products (OJ L 210, 7.8.1985, p. 29).

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- F. whereas ageing is the result of an increased life expectancy due to progress in living conditions and in modern medicine, and is one of the greatest political, social, and economic challenges of the 21st century for European societies; whereas by 2025 more than 20 % of Europeans will be 65 or older, with a particularly rapid increase in numbers of people who are in their 80s or older, which will lead to a fundamentally different balance between generations within our societies, and whereas it is in the interest of society that older people remain healthy and active for as long as possible;
- G. whereas in the long-term, the current trend leans towards developing smart and autonomous machines, with the capacity to be trained and make decisions independently, holds not only economic advantages but also a variety of concerns regarding their direct and indirect effects on society as a whole;
- H. whereas machine learning offers enormous economic and innovative benefits for society by vastly improving the ability to analyse data, while also raising challenges to ensure non-discrimination, due process, transparency and understandability in decision-making processes;
- I. whereas similarly, assessments of economic shifts and the impact on employment as a result of robotics and machine learning need to be assessed; whereas, despite the undeniable advantages afforded by robotics, its implementation may entail a transformation of the labour market and a need to reflect on the future of education, employment, and social policies accordingly;
- J. whereas the widespread use of robots might not automatically lead to job replacement, but lower skilled jobs in labour-intensive sectors are likely to be more vulnerable to automation; whereas this trend could bring production processes back to the EU; whereas research has demonstrated that employment grows significantly faster in occupations that use computers more; whereas the automation of jobs has the potential to liberate people from manual monotone labour allowing them to shift direction towards more creative and meaningful tasks; whereas automation requires governments to invest in education and other reforms in order to improve reallocation of the types of skills that the workers of tomorrow will need;
- K. whereas in the face of increasing divisions in society, with a shrinking middle class, it is important to bear in mind that developing robotics may lead to a high concentration of wealth and influence in the hands of a minority;
- L. whereas the development of robotics and AI will definitely influence the landscape of the workplace what may create new liability concerns and eliminate others; whereas the legal responsibility need to be clarified from both business sight model, as well as the workers design pattern, in case emergencies or problems occur;
- M. whereas the trend towards automation requires that those involved in the development and commercialisation of AI applications build in security and ethics at the outset, thereby recognizing that they must be prepared to accept legal liability for the quality of the technology they produce;
- N. whereas Regulation (EU) 2016/679 of the European Parliament and of the Council ⁽¹⁾ (the General Data Protection Regulation) sets out a legal framework to protect personal data; whereas further aspects of data access and the protection of personal data and privacy might still need to be addressed, given that privacy concerns might still arise from applications and appliances communicating with each other and with databases without human intervention;
- O. whereas the developments in robotics and AI can and should be designed in such a way that they preserve the dignity, autonomy and self-determination of the individual, especially in the fields of human care and companionship, and in the context of medical appliances, 'repairing' or enhancing human beings;

⁽¹⁾ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1).

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- P. whereas ultimately there is a possibility that in the long-term, AI could surpass human intellectual capacity;
- Q. whereas further development and increased use of automated and algorithmic decision-making undoubtedly has an impact on the choices that a private person (such as a business or an internet user) and an administrative, judicial or other public authority take in rendering their final decision of a consumer, business or authoritative nature; whereas safeguards and the possibility of human control and verification need to be built into the process of automated and algorithmic decision-making;
- R. whereas several foreign jurisdictions, such as the US, Japan, China and South Korea, are considering, and to a certain extent have already taken, regulatory action with respect to robotics and AI, and whereas some Member States have also started to reflect on possibly drawing up legal standards or carrying out legislative changes in order to take account of emerging applications of such technologies;
- S. whereas the European industry could benefit from an efficient, coherent and transparent approach to regulation at Union level, providing predictable and sufficiently clear conditions under which enterprises could develop applications and plan their business models on a European scale while ensuring that the Union and its Member States maintain control over the regulatory standards to be set, so as not to be forced to adopt and live with standards set by others, that is to say the third countries which are also at the forefront of the development of robotics and AI;

General principles

- T. whereas Asimov's Laws ⁽¹⁾ must be regarded as being directed at the designers, producers and operators of robots, including robots assigned with built-in autonomy and self-learning, since those laws cannot be converted into machine code;
- U. whereas a series of rules, governing in particular liability, transparency and accountability, are useful, reflecting the intrinsically European and universal humanistic values that characterise Europe's contribution to society, are necessary; whereas those rules must not affect the process of research, innovation and development in robotics;
- V. whereas the Union could play an essential role in establishing basic ethical principles to be respected in the development, programming and use of robots and AI and in the incorporation of such principles into Union regulations and codes of conduct, with the aim of shaping the technological revolution so that it serves humanity and so that the benefits of advanced robotics and AI are broadly shared, while as far as possible avoiding potential pitfalls;
- W. Whereas a Charter on Robotics is annexed to this resolution, drawn up with the assistance of the Scientific Foresight Unit (STOA), European Parliamentary Research Service, which proposes a code of ethical conduct for robotics engineers, a code for research ethics committees, a 'licence' for designers and a 'license' for users;
- X. whereas a gradualist, pragmatic and cautious approach of the type advocated by Jean Monnet ⁽²⁾ should be adopted for the Union with regard to future initiatives on robotics and AI so as to ensure that we do not stifle innovation;
- Y. whereas it is appropriate, in view of the stage reached in the development of robotics and AI, to start with civil liability issues;

⁽¹⁾ (1) A robot may not injure a human being or, through inaction, allow a human being to come to harm. (2) A robot must obey the orders given it by human beings except where such orders would conflict with the First Law. (3) A robot must protect its own existence as long as such protection does not conflict with the First or Second Laws (See: I.Asimov, Runaround, 1943) and (0) A robot may not harm humanity, or, by inaction, allow humanity to come to harm.

⁽²⁾ Cf. the Schuman Declaration (1950): 'Europe will not be made all at once, or according to a single plan. It will be built through concrete achievements which first create a de facto solidarity.'

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Liability

- Z. whereas, thanks to the impressive technological advances of the last decade, not only are today's robots able to perform activities which used to be typically and exclusively human, but the development of certain autonomous and cognitive features — e.g. the ability to learn from experience and take quasi-independent decisions — has made them more and more similar to agents that interact with their environment and are able to alter it significantly; whereas, in such a context, the legal responsibility arising through a robot's harmful action becomes a crucial issue;
- AA. whereas a robot's autonomy can be defined as the ability to take decisions and implement them in the outside world, independently of external control or influence; whereas this autonomy is of a purely technological nature and its degree depends on how sophisticated a robot's interaction with its environment has been designed to be;
- AB. whereas the more autonomous robots are, the less they can be considered to be simple tools in the hands of other actors (such as the manufacturer, the operator, the owner, the user, etc.); whereas this, in turn, questions whether the ordinary rules on liability are sufficient or whether it calls for new principles and rules to provide clarity on the legal liability of various actors concerning responsibility for the acts and omissions of robots where the cause cannot be traced back to a specific human actor and whether the acts or omissions of robots which have caused harm could have been avoided;
- AC. whereas, ultimately, the autonomy of robots raises the question of their nature in the light of the existing legal categories or whether a new category should be created, with its own specific features and implications;
- AD. whereas under the current legal framework robots cannot be held liable per se for acts or omissions that cause damage to third parties; whereas the existing rules on liability cover cases where the cause of the robot's act or omission can be traced back to a specific human agent such as the manufacturer, the operator, the owner or the user and where that agent could have foreseen and avoided the robot's harmful behaviour; whereas, in addition, manufacturers, operators, owners or users could be held strictly liable for acts or omissions of a robot;
- AE. whereas according to the current legal framework for product liability — where the producer of a product is liable for a malfunction- and rules governing liability for harmful actions -where the user of a product is liable for a behaviour that leads to harm- apply to damages caused by robots or AI;
- AF. whereas in the scenario where a robot can take autonomous decisions, the traditional rules will not suffice to give rise to legal liability for damage caused by a robot, since they would not make it possible to identify the party responsible for providing compensation and to require that party to make good the damage it has caused;
- AG. whereas the shortcomings of the current legal framework are also apparent in the area of contractual liability insofar as machines designed to choose their counterparts, negotiate contractual terms, conclude contracts and decide whether and how to implement them, make the traditional rules inapplicable; whereas this highlights the need for new, efficient and up-to-date ones, which should comply with technological developments and innovations that have recently arisen and are used on the market;
- AH. whereas, as regards non-contractual liability, Directive 85/374/EEC can cover only damage caused by a robot's manufacturing defects and on condition that the injured person is able to prove the actual damage, the defect in the product and the causal relationship between damage and defect, therefore strict liability or liability without fault framework may not be sufficient;

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- AI. whereas, notwithstanding the scope of Directive 85/374/EEC, the current legal framework would not be sufficient to cover the damage caused by the new generation of robots, insofar as they can be equipped with adaptive and learning abilities entailing a certain degree of unpredictability in their behaviour, since those robots would autonomously learn from their own variable experience and interact with their environment in a unique and unforeseeable manner;

General principles concerning the development of robotics and artificial intelligence for civil use

1. Calls on the Commission to propose common Union definitions of cyber physical systems, autonomous systems, smart autonomous robots and their subcategories by taking into consideration the following characteristics of a smart robot:

- the acquisition of autonomy through sensors and/or by exchanging data with its environment (inter-connectivity) and the trading and analysing of those data;
- self-learning from experience and by interaction (optional criterion);
- at least a minor physical support;
- the adaptation of its behaviour and actions to the environment;
- absence of life in the biological sense;

2. Considers that a comprehensive Union system of registration of advanced robots should be introduced within the Union's internal market where relevant and necessary for specific categories of robots, and calls on the Commission to establish criteria for the classification of robots that would need to be registered; in this context, calls on the Commission to investigate whether it would be desirable for the registration system and the register to be managed by a designated EU Agency for Robotics and Artificial Intelligence;

3. Stresses that the development of robot technology should focus on complementing human capabilities and not on replacing them; considers it essential, in the development of robotics and AI, to guarantee that humans have control over intelligent machines at all times; considers that special attention should be paid to the possible development of an emotional connection between humans and robots — particularly in vulnerable groups (children, the elderly and people with disabilities) — and highlights the issues raised by the serious emotional or physical impact that this emotional attachment could have on humans;

4. Emphasises that a Union-level approach can facilitate development by avoiding fragmentation in the internal market and at the same time underlines the importance of the principle of mutual recognition in the cross-border use of robots and robotic systems; recalls that testing, certification and market approval should only be required in a single Member State; stresses that this approach should be accompanied by effective market surveillance;

5. Stresses the importance of measures to help small and medium-sized enterprises and start-ups in the robotics sector that create new market segments in this sector or make use of robots;

Research and innovation

6. Underlines that many robotic applications are still in an experimental phase; welcomes the fact that more and more research projects are being funded by the Member States and the Union; considers it to be essential that the Union, together with the Member States by virtue of public funding, remains a leader in research in robotics and AI; calls on the Commission and the Member States to strengthen financial instruments for research projects in robotics and ICT, including public-private partnerships, and to implement in their research policies the principles of open science and responsible ethical innovation; emphasises that sufficient resources need to be devoted to the search for solutions to the social, ethical, legal and economic challenges that the technological development and its applications raise;

7. Calls on the Commission and the Member States to foster research programmes, to stimulate research into the possible long-term risks and opportunities of robotics and AI technologies and to encourage the initiation of a structured public dialogue on the consequences of developing those technologies as soon as possible; calls on the Commission to increase its support in the mid-term review of the Multiannual Financial Framework for the Horizon 2020 funded SPARC

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programme; calls on the Commission and the Member States to combine their efforts in order to carefully monitor and guarantee a smoother transition for these technologies from research to commercialisation and use on the market after appropriate safety evaluations in compliance with the precautionary principle;

8. Stresses that innovation in robotics and AI and the integration of robotics and AI technology within the economy and the society require digital infrastructure that provides ubiquitous connectivity; calls on the Commission to set a framework that will meet the connectivity requirements for the Union's digital future and to ensure that access to broadband and 5G networks is fully in line with the net neutrality principle;

9. Strongly believes that interoperability between systems, devices and cloud services, based on security and privacy by design is essential for real time data flows enabling robots and AI to become more flexible and autonomous; asks the Commission to promote an open environment, from open standards and innovative licensing models, to open platforms and transparency, in order to avoid lock-in in proprietary systems that restrain interoperability;

Ethical principles

10. Notes that the potential for empowerment through the use of robotics is nuanced by a set of tensions or risks and should be seriously assessed from the point of view of human safety, health and security; freedom, privacy, integrity and dignity; self-determination and non-discrimination, and personal data protection;

11. Considers that the existing Union legal framework should be updated and complemented, where appropriate, by guiding ethical principles in line with the complexity of robotics and its many social, medical and bioethical implications; is of the view that a clear, strict and efficient guiding ethical framework for the development, design, production, use and modification of robots is needed to complement the legal recommendations of the report and the existing national and Union *acquis*; proposes, in the annex to the resolution, a framework in the form of a charter consisting of a code of conduct for robotics engineers, of a code for research ethics committees when reviewing robotics protocols and of model licences for designers and users;

12. Highlights the principle of transparency, namely that it should always be possible to supply the rationale behind any decision taken with the aid of AI that can have a substantive impact on one or more persons' lives; considers that it must always be possible to reduce the AI system's computations to a form comprehensible by humans; considers that advanced robots should be equipped with a 'black box' which records data on every transaction carried out by the machine, including the logic that contributed to its decisions;

13. Points out that the guiding ethical framework should be based on the principles of beneficence, non-maleficence, autonomy and justice, on the principles and values enshrined in Article 2 of the Treaty on European Union and in the Charter of Fundamental Rights, such as human dignity, equality, justice and equity, non-discrimination, informed consent, private and family life and data protection, as well as on other underlying principles and values of the Union law, such as non-stigmatisation, transparency, autonomy, individual responsibility and social responsibility, and on existing ethical practices and codes;

14. Considers that special attention should be paid to robots that represent a significant threat to confidentiality owing to their placement in traditionally protected and private spheres and because they are able to extract and send personal and sensitive data;

A European Agency

15. Believes that enhanced cooperation between the Member States and the Commission is necessary in order to guarantee coherent cross-border rules in the Union which encourage the collaboration between European industries and allow the deployment in the whole Union of robots which are consistent with the required levels of safety and security, as well as the ethical principles enshrined in Union law;

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16. Asks the Commission to consider the designation of a European Agency for Robotics and Artificial Intelligence in order to provide the technical, ethical and regulatory expertise needed to support the relevant public actors, at both Union and Member State level, in their efforts to ensure a timely, ethical and well-informed response to the new opportunities and challenges, in particular those of a cross-border nature, arising from technological developments in robotics, such as in the transport sector;

17. Considers that the potential of and the problems linked to robotics use and the present investment dynamics justify providing the European Agency with a proper budget and staffing it with regulators and external technical and ethical experts dedicated to the cross-sectorial and multidisciplinary monitoring of robotics-based applications, identifying standards for best practice, and, where appropriate, recommending regulatory measures, defining new principles and addressing potential consumer protection issues and systematic challenges; asks the Commission (and the European Agency, if created) to report to the European Parliament on the latest developments in robotics and on any actions that need to be taken on an annual basis;

Intellectual property rights and the flow of data

18. Notes that there are no legal provisions that specifically apply to robotics, but that existing legal regimes and doctrines can be readily applied to robotics, although some aspects appear to call for specific consideration; calls on the Commission to support a horizontal and technologically neutral approach to intellectual property applicable to the various sectors in which robotics could be employed;

19. Calls on the Commission and the Member States to ensure that civil law regulations in the robotics sector are consistent with the General Data Protection Regulation and in line with the principles of necessity and proportionality; calls on the Commission and the Member States to take into account the rapid technological evolution in the field of robotics, including the advancement of cyber-physical systems, and to ensure that Union law does not stay behind the curve of technological development and deployment;

20. Emphasises that the right to respect for private life and to the protection of personal data as enshrined in Article 7 and 8 of the Charter and in Article 16 of the Treaty on the Functioning of the European Union (TFEU) apply to all areas of robotics and that the Union legal framework for data protection must be fully complied with; asks in this regard for clarification within the implementation framework of the GDPR of rules and criteria regarding the use of cameras and sensors in robots; calls on the Commission to make sure that the data protection principles such as privacy by design and privacy by default, data minimisation, purpose limitation, as well as transparent control mechanisms for data subjects and appropriate remedies in compliance with Union data protection law and are followed and appropriate recommendations and standards are fostered and are integrated into Union policies;

21. Stresses that the free movement of data is paramount to the digital economy and development in the robotics and AI sector; stresses that a high level of security in robotics systems, including their internal data systems and data flows, is crucial to the appropriate use of robots and AI; emphasises that the protection of networks of interconnected robots and AI has to be ensured to prevent potential security breaches; emphasises that a high level of security and protection of personal data together with due regard for privacy in communication between humans, robots and AI are fundamental; stresses the responsibility of designers of robotics and AI to develop products to be safe, secure and fit for purpose; calls on the Commission and the Member States to support and incentivise the development of the necessary technology, including security by design;

Standardisation, safety and security

22. Highlights that the issue of setting standards and granting interoperability is key for future competition in the field of AI and robotics technologies; calls on the Commission to continue to work on the international harmonisation of technical standards, in particular together with the European Standardisation Organisations and the International Standardisation Organisation, in order to foster innovation, to avoid fragmentation of the internal market and to guarantee a high level of product safety and consumer protection including where appropriate minimum safety standards in the work environment; stresses the importance of lawful reverse-engineering and open standards, in order to maximise the value of innovation and to ensure that robots can communicate with each other; welcomes, in this respect, the setting up of special technical committees, such as ISO/TC 299 Robotics, dedicated exclusively to developing standards on robotics;

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23. Emphasises that testing robots in real-life scenarios is essential for the identification and assessment of the risks they might entail, as well as of their technological development beyond a pure experimental laboratory phase; underlines, in this regard, that testing of robots in real-life scenarios, in particular in cities and on roads, raises a large number of issues, including barriers that slow down the development of those testing phases and requires an effective strategy and monitoring mechanism; calls on the Commission to draw up uniform criteria across all Member States which individual Member States should use in order to identify areas where experiments with robots are permitted, in compliance with the precautionary principle;

Autonomous means of transport

a) Autonomous vehicles

24. Underlines that autonomous transport covers all forms of remotely piloted, automated, connected and autonomous ways of road, rail, waterborne and air transport, including vehicles, trains, vessels, ferries, aircrafts, drones, as well as all future forms of developments and innovations in this sector;

25. Considers that the automotive sector is in most urgent need of efficient Union and global rules to ensure the cross-border development of automated and autonomous vehicles so as to fully exploit their economic potential and benefit from the positive effects of technological trends; emphasises that fragmented regulatory approaches would hinder implementation of autonomous transport systems and jeopardise European competitiveness;

26. Draws attention to the fact that driver reaction time in the event of an unplanned takeover of control of the vehicle is of vital importance and calls, therefore, on the stakeholders to provide for realistic values determining safety and liability issues;

27. Takes the view that the switch to autonomous vehicles will have an impact on the following aspects: civil responsibility (liability and insurance), road safety, all topics related to environment (e.g. energy efficiency, use of renewable technologies and energy sources), issues related to data (e.g. access to data, protection of data, privacy and sharing of data), issues related to ICT infrastructure (e.g. high density of efficient and reliable communication) and employment (e.g. creation and losses of jobs, training of heavy goods vehicles drivers for the use of automated vehicles); emphasises that substantial investments in roads, energy and ICT infrastructure will be required; calls on the Commission to consider the above-mentioned aspects in its work on autonomous vehicles;

28. Underlines the critical importance of reliable positioning and timing information provided by the European satellite navigation programmes Galileo and EGNOS for the implementation of autonomous vehicles, urges, in this regard, the finalisation and launch of the satellites which are needed in order to complete the European Galileo positioning system;

29. Draws attention to the high added value provided by autonomous vehicles for persons with reduced mobility, as such vehicles allow them to participate more effectively in individual road transport and thereby facilitate their daily lives;

b) Drones (RPAS)

30. Acknowledges the positive advances in drone technology, particularly in the field of search and rescue; stresses the importance of a Union framework for drones to protect the safety, security and privacy of the citizens of the Union, and calls on the Commission to follow-up on the recommendations of Parliament's resolution of 29 October 2015 on safe use of remotely piloted aircraft systems (RPAS), commonly known as unmanned aerial vehicles (UAVs), in the field of civil aviation⁽¹⁾; urges the Commission to provide assessments of the safety issues connected with the widespread use of drones; calls on the Commission to examine the need to introduce an obligatory tracking and identification system for RPAS which enables aircraft's real-time positions during use to be determined; recalls, that the homogeneity and safety of unmanned

⁽¹⁾ Texts adopted, P8_TA(2015)0390.

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aircrafts should be ensured by the measures set out in Regulation (EC) No 216/2008 of the European Parliament and of the Council ⁽¹⁾;

Care robots

31. Underlines that elder care robot research and development has, in time, become more mainstream and cheaper, producing products with greater functionality and broader consumer acceptance; notes the wide range of applications of such technologies providing prevention, assistance, monitoring, stimulation, and companionship to elderly people and people with disabilities as well as to people suffering from dementia, cognitive disorders, or memory loss;

32. Points out that human contact is one of the fundamental aspects of human care; believes that replacing the human factor with robots could dehumanise caring practices, on the other hand, recognises that robots could perform automated care tasks and could facilitate the work of care assistants, while augmenting human care and making the rehabilitation process more targeted, thereby enabling medical staff and caregivers to devote more time to diagnosis and better planned treatment options; stresses that despite the potential of robotics to enhance the mobility and integration of people with disabilities and elderly people, humans will still be needed in caregiving and will continue to provide an important source of social interaction that is not fully replaceable;

Medical robots

33. Underlines the importance of appropriate education, training and preparation for health professionals, such as doctors and care assistants, in order to secure the highest degree of professional competence possible, as well as to safeguard and protect patients' health; underlines the need to define the minimum professional requirements that a surgeon must meet in order to operate and be allowed to use surgical robots; considers it vital to respect the principle of the supervised autonomy of robots, whereby the initial planning of treatment and the final decision regarding its execution will always remain with a human surgeon; emphasises the special importance of training for users to allow them to familiarise themselves with the technological requirements in this field; draws attention to the growing trend towards self-diagnosis using a mobile robot and, consequently, to the need for doctors to be trained in dealing with self-diagnosed cases; considers that the use of such technologies should not diminish or harm the doctor-patient relationship, but should provide doctors with assistance in diagnosing and/or treating patients with the aim of reducing the risk of human error and of increasing the quality of life and life expectancy;

34. Believes that medical robots continue to make inroads into the provision of high accuracy surgery and in performing repetitive procedures and that they have the potential to improve outcomes in rehabilitation, and provide highly effective logistical support within hospitals; notes that medical robots have the potential also to reduce healthcare costs by enabling medical professionals to shift their focus from treatment to prevention and by making more budgetary resources available for better adjustment to the diversity of patients' needs, continuous training of the healthcare professionals and research;

35. Calls on the Commission to ensure that the procedures for testing new medical robotic devices are safe, particularly in the case of devices that are implanted in the human body, before the date on which Regulation (EU) 2017/745 on medical devices becomes applicable;

Human repair and enhancement

36. Notes the great advances delivered by and further potential of robotics in the field of repairing and compensating for damaged organs and human functions, but also the complex questions raised in particular by the possibilities of human enhancement, as medical robots and particularly cyber physical systems (CPS) may change our concepts about the healthy human body since they can be worn directly on or implanted in the human body; underlines the importance of urgently establishing in hospitals and in other health care institutions appropriately staffed committees on robot ethics tasked with considering and assisting in resolving unusual, complicated ethical problems involving issues that affect the care and

⁽¹⁾ Regulation (EC) No 216/2008 of the European Parliament and of the Council of 20 February 2008 on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) No 1592/2002 and Directive 2004/36/EC (OJ L 79, 19.3.2008, p. 1).

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treatment of patients; calls on the Commission and the Member States to develop guidelines to aid in the establishment and functioning of such committees;

37. Points out that for the field of vital medical applications such as robotic prostheses, continuous, sustainable access to maintenance, enhancement and, in particular, software updates that fix malfunctions and vulnerabilities needs to be ensured;

38. Recommends the creation of independent trusted entities to retain the means necessary to provide services to persons carrying vital and advanced medical appliances, such as maintenance, repairs and enhancements, including software updates, especially in the case where such services are no longer carried out by the original supplier; suggests creating an obligation for manufacturers to supply these independent trusted entities with comprehensive design instructions including source code, similar to the legal deposit of publications to a national library;

39. Draws attention to the risks associated with the possibility that CPS integrated into the human body may be hacked or switched off or have their memories wiped, because this could endanger human health, and in extreme cases even human life, and stresses therefore the priority that must be attached to protecting such systems;

40. Underlines the importance of guaranteeing equal access for all people to such technological innovations, tools and interventions; calls on the Commission and the Member States to promote the development of assistive technologies in order to facilitate the development and adoption of these technologies by those who need them, in accordance with Article 4 of the UN Convention on the Rights of Persons with Disabilities, to which the Union is party;

Education and employment

41. Draws attention to the Commission's forecast that by 2020 Europe might be facing a shortage of up to 825 000 ICT professionals and that 90 % of jobs will require at least basic digital skills; welcomes the Commission's initiative of proposing a roadmap for the possible use and revision of a Digital Competence framework and descriptors of Digital Competences for all levels of learners, and calls upon the Commission to provide significant support for the development of digital abilities in all age groups and irrespective of employment status, as a first step towards better aligning labour market shortages and demand; stresses that the growth in the robotics requires Member States to develop more flexible training and education systems so as to ensure that skill strategies match the needs of the robot economy;

42. Considers that getting more young women interested in a digital career and placing more women in digital jobs would benefit the digital industry, women themselves and Europe's economy; calls on the Commission and the Member States to launch initiatives in order to support women in ICT and to boost their e-skills;

43. Calls on the Commission to start analysing and monitoring medium- and long-term job trends more closely, with a special focus on the creation, displacement and loss of jobs in the different fields/areas of qualification in order to know in which fields jobs are being created and those in which jobs are being lost as a result of the increased use of robots;

44. Highlights the importance of foreseeing changes to society, bearing in mind the effect that the development and deployment of robotics and AI might have; asks the Commission to analyse different possible scenarios and their consequences on the viability of the social security systems of the Member States;

45. Emphasises the importance of the flexibility of skills and of social, creative and digital skills in education; is certain that, in addition to schools imparting academic knowledge, lifelong learning needs to be achieved through lifelong activity;

46. Notes the great potential of robotics for the improvement of safety at work by transferring a number of hazardous and harmful tasks from humans to robots, but at the same time, notes their potential for creating a set of new risks owing to the increasing number of human-robot interactions at the workplace; underlines in this regard the importance of applying strict and forward-looking rules for human-robot interactions in order to guarantee health, safety and the respect of fundamental rights at the workplace;

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Environmental impact

47. Notes that the development of robotics and AI should be done in such a manner that the environmental impact is limited through effective energy consumption, energy efficiency by promoting the use of renewable energy and of scarce materials, and minimal waste, such as electric and electronic waste, and reparability; therefore encourages the Commission to incorporate the principles of a circular economy into any Union policy on robotics; notes that the use of robotics will also have a positive impact on the environment, especially in the fields of agriculture, food supply and transport, notably through the reduced size of machinery and the reduced use of fertilizers, energy and water, as well as through precision farming and route optimisation;

48. Stresses that CPS will lead to the creation of energy and infrastructure systems that are able to control the flow of electricity from producer to consumer, and will also result in the creation of energy 'prosumers', who both produce and consume energy; thus allowing for major environmental benefits;

Liability

49. Considers that the civil liability for damage caused by robots is a crucial issue which also needs to be analysed and addressed at Union level in order to ensure the same degree of efficiency, transparency and consistency in the implementation of legal certainty throughout the European Union for the benefit of citizens, consumers and businesses alike;

50. Notes that development of robotics technology will require more understanding for the common ground needed around joint human-robot activity, which should be based on two core interdependent relationships, namely predictability and directability; points out that these two interdependent relationships are crucial for determining what information need to be shared between humans and robots and how a common basis between humans and robots can be achieved in order to enable smooth human-robot joint action;

51. Asks the Commission to submit, on the basis of Article 114 TFEU, a proposal for a legislative instrument on legal questions related to the development and use of robotics and AI foreseeable in the next 10 to 15 years, combined with non-legislative instruments such as guidelines and codes of conduct as referred to in recommendations set out in the Annex;

52. Considers that, whatever legal solution it applies to the civil liability for damage caused by robots in cases other than those of damage to property, the future legislative instrument should in no way restrict the type or the extent of the damages which may be recovered, nor should it limit the forms of compensation which may be offered to the aggrieved party, on the sole grounds that damage is caused by a non-human agent;

53. Considers that the future legislative instrument should be based on an in-depth evaluation by the Commission determining whether the strict liability or the risk management approach should be applied;

54. Notes at the same time that strict liability requires only proof that damage has occurred and the establishment of a causal link between the harmful functioning of the robot and the damage suffered by the injured party;

55. Notes that the risk management approach does not focus on the person 'who acted negligently' as individually liable but on the person who is able, under certain circumstances, to minimise risks and deal with negative impacts;

56. Considers that, in principle, once the parties bearing the ultimate responsibility have been identified, their liability should be proportional to the actual level of instructions given to the robot and of its degree of autonomy, so that the greater a robot's learning capability or autonomy, and the longer a robot's training, the greater the responsibility of its trainer should be; notes, in particular, that skills resulting from 'training' given to a robot should be not confused with skills depending strictly on its self-learning abilities when seeking to identify the person to whom the robot's harmful behaviour is actually attributable; notes that at least at the present stage the responsibility must lie with a human and not a robot;

57. Points out that a possible solution to the complexity of allocating responsibility for damage caused by increasingly autonomous robots could be an obligatory insurance scheme, as is already the case, for instance, with cars; notes, nevertheless, that unlike the insurance system for road traffic, where the insurance covers human acts and failures, an insurance system for robotics should take into account all potential responsibilities in the chain;

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58. Considers that, as is the case with the insurance of motor vehicles, such an insurance system could be supplemented by a fund in order to ensure that reparation can be made for damage in cases where no insurance cover exists; calls on the insurance industry to develop new products and types of offers that are in line with the advances in robotics;

59. Calls on the Commission, when carrying out an impact assessment of its future legislative instrument, to explore, analyse and consider the implications of all possible legal solutions, such as:

- a) establishing a compulsory insurance scheme where relevant and necessary for specific categories of robots whereby, similarly to what already happens with cars, producers, or owners of robots would be required to take out insurance cover for the damage potentially caused by their robots;
- b) ensuring that a compensation fund would not only serve the purpose of guaranteeing compensation if the damage caused by a robot was not covered by insurance;
- c) allowing the manufacturer, the programmer, the owner or the user to benefit from limited liability if they contribute to a compensation fund, as well as if they jointly take out insurance to guarantee compensation where damage is caused by a robot;
- d) deciding whether to create a general fund for all smart autonomous robots or to create an individual fund for each and every robot category, and whether a contribution should be paid as a one-off fee when placing the robot on the market or whether periodic contributions should be paid during the lifetime of the robot;
- e) ensuring that the link between a robot and its fund would be made visible by an individual registration number appearing in a specific Union register, which would allow anyone interacting with the robot to be informed about the nature of the fund, the limits of its liability in case of damage to property, the names and the functions of the contributors and all other relevant details;
- f) creating a specific legal status for robots in the long run, so that at least the most sophisticated autonomous robots could be established as having the status of electronic persons responsible for making good any damage they may cause, and possibly applying electronic personality to cases where robots make autonomous decisions or otherwise interact with third parties independently;

International aspects

60. Notes that current general private international law rules on traffic accidents applicable within the Union do not urgently need substantive modification to accommodate the development of autonomous vehicles, however, simplifying the current dual system for defining applicable law (based on Regulation (EC) No 864/2007 of the European Parliament and of the Council⁽¹⁾ and the Hague Convention of 4 May 1971 on the law applicable to traffic accidents) would improve legal certainty and limit possibilities for forum shopping;

61. Notes the need to consider amendments to international agreements such as the Vienna Convention on Road Traffic of 8 November 1968 and the Hague Convention on the law applicable to traffic accidents;

62. Expects the Commission to ensure that Member States implement international law, such as the Vienna Convention on Road Traffic, which needs to be amended, in a uniform manner in order to make driverless driving possible, and calls on the Commission, the Member States and the industry to implement the objectives of the Amsterdam Declaration as soon as possible;

63. Strongly encourages international cooperation in the scrutiny of societal, ethical and legal challenges and thereafter setting regulatory standards under the auspices of the United Nations;

⁽¹⁾ Regulation (EC) No 864/2007 of the European Parliament and of the Council of 11 July 2007 on the law applicable to non-contractual obligations (Rome II) (OJ L 199, 31.7.2007, p. 40).

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64. Points out that the restrictions and conditions laid down in Regulation (EC) No 428/2009 of the European Parliament and of the Council ⁽¹⁾ on the trade in dual-use items — goods, software and technology that can be used for both civilian and military applications and/or can contribute to the proliferation of weapons of mass destruction — should apply to applications of robotics as well;

Final aspects

65. Requests, on the basis of Article 225 TFEU, the Commission to submit, on the basis of Article 114 TFEU, a proposal for a directive on civil law rules on robotics, following the recommendations set out in the Annex hereto;

66. Confirms that the recommendations respect fundamental rights and the principle of subsidiarity;

67. Considers that the requested proposal would have financial implications if a new European agency is set up;

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68. Instructs its President to forward this resolution and the accompanying recommendations to the Commission and the Council.

⁽¹⁾ Council Regulation (EC) No 428/2009 of 5 May 2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items (OJ L 134, 29.5.2009, p. 1).

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ANNEX TO THE RESOLUTION:

RECOMMENDATIONS AS TO THE CONTENT OF THE PROPOSAL REQUESTED

Definition and classification of ‘smart robots’

A common European definition for smart autonomous robots should be established, where appropriate including definitions of its subcategories, taking into consideration the following characteristics:

- the capacity to acquire autonomy through sensors and/or by exchanging data with its environment (inter-connectivity) and the analysis of those data;
- the capacity to learn through experience and interaction;
- the form of the robot’s physical support;
- the capacity to adapt its behaviour and actions to the environment.

Registration of smart robots

For the purposes of traceability and in order to facilitate the implementation of further recommendations, a system of registration of advanced robots should be introduced, based on the criteria established for the classification of robots. The system of registration and the register should be Union-wide, covering the internal market, and could be managed by a designated EU Agency for Robotics and Artificial Intelligence in case such an Agency is created.

Civil law liability

Any chosen legal solution applied to the liability of robots and of artificial intelligence in cases other than those of damage to property should in no way restrict the type or the extent of the damages which may be recovered, nor should it limit the forms of compensation which may be offered to the aggrieved party on the sole grounds that damage is caused by a non-human agent.

The future legislative instrument should be based on an in-depth evaluation by the Commission defining whether the strict liability or the risk management approach should be applied.

An obligatory insurance scheme, which could be based on the obligation of the producer to take out insurance for the autonomous robots it produces, should be established.

The insurance system should be supplemented by a fund in order to ensure that damages can be compensated for in cases where no insurance cover exists.

Any policy decision on the civil liability rules applicable to robots and artificial intelligence should be taken with due consultation of a European-wide research and development project dedicated to robotics and neuroscience, with scientists and experts able to assess all related risks and consequences;

Interoperability, access to code and intellectual property rights

The interoperability of network-connected autonomous robots that interact with each other should be ensured. Access to the source code, input data, and construction details should be available when needed, to investigate accidents and damage caused by smart robots, as well as in order to ensure their continued operation, availability, reliability, safety and security.

Charter on Robotics

The Commission, when proposing legal acts relating to robotics, should take into account the principles enshrined in the following Charter on Robotics.

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CHARTER ON ROBOTICS

The proposed code of ethical conduct in the field of robotics will lay the groundwork for the identification, oversight and compliance with fundamental ethical principles from the design and development phase.

The framework, drafted in consultation with a European-wide research and development project dedicated to robotics and neuroscience, must be designed in a reflective manner that allows individual adjustments to be made on a case-by-case basis in order to assess whether a given behaviour is right or wrong in a given situation and to take decisions in accordance with a pre-set hierarchy of values.

The code should not replace the need to tackle all major legal challenges in this field, but should have a complementary function. It will, rather, facilitate the ethical categorisation of robotics, strengthen the responsible innovation efforts in this field and address public concerns.

Special emphasis should be placed on the research and development phases of the relevant technological trajectory (design process, ethics review, audit controls, etc.). It should aim to address the need for compliance by researchers, practitioners, users and designers with ethical standards, but also introduce a procedure for devising a way to resolve the relevant ethical dilemmas and to allow these systems to function in an ethically responsible manner.

CODE OF ETHICAL CONDUCT FOR ROBOTICS ENGINEERS

PREAMBLE

The Code of Conduct invites all researchers and designers to act responsibly and with absolute consideration for the need to respect the dignity, privacy and safety of humans.

The Code asks for close cooperation among all disciplines in order to ensure that robotics research is undertaken in the European Union in a safe, ethical and effective manner.

The Code of Conduct covers all research and development activities in the field of robotics.

The Code of Conduct is voluntary and offers a set of general principles and guidelines for actions to be taken by all stakeholders.

Robotics research funding bodies, research organisations, researchers and ethics committees are encouraged to consider, at the earliest stages, the future implications of the technologies or objects being researched and to develop a culture of responsibility with a view to the challenges and opportunities that may arise in the future.

Public and private robotics research funding bodies should request that a risk assessment be performed and presented along with each submission of a proposal for funding for robotics research. Such a code should consider humans, not robots, as the responsible agents.

Researchers in the field of robotics should commit themselves to the highest ethical and professional conduct and abide by the following principles:

Beneficence – robots should act in the best interests of humans;

Non-maleficence – the doctrine of ‘first, do no harm’, whereby robots should not harm a human;

Autonomy – the capacity to make an informed, un-coerced decision about the terms of interaction with robots;

Justice – fair distribution of the benefits associated with robotics and affordability of homecare and healthcare robots in particular.

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Fundamental Rights

Robotics research activities should respect fundamental rights and be conducted in the interests of the well-being and self-determination of the individual and society at large in their design, implementation, dissemination and use. Human dignity and autonomy — both physical and psychological — is always to be respected.

Precaution

Robotics research activities should be conducted in accordance with the precautionary principle, anticipating potential safety impacts of outcomes and taking due precautions, proportional to the level of protection, while encouraging progress for the benefit of society and the environment.

Inclusiveness

Robotics engineers guarantee transparency and respect for the legitimate right of access to information by all stakeholders. Inclusiveness allows for participation in decision-making processes by all stakeholders involved in or concerned by robotics research activities.

Accountability

Robotics engineers should remain accountable for the social, environmental and human health impacts that robotics may impose on present and future generations.

Safety

Robot designers should consider and respect people's physical wellbeing, safety, health and rights. A robotics engineer must preserve human wellbeing, while also respecting human rights, and disclose promptly factors that might endanger the public or the environment.

Reversibility

Reversibility, being a necessary condition of controllability, is a fundamental concept when programming robots to behave safely and reliably. A reversibility model tells the robot which actions are reversible and how to reverse them if they are. The ability to undo the last action or a sequence of actions allows users to undo undesired actions and get back to the 'good' stage of their work.

Privacy

The right to privacy must always be respected. A robotics engineer should ensure that private information is kept secure and only used appropriately. Moreover, a robotics engineer should guarantee that individuals are not personally identifiable, aside from exceptional circumstances and then only with clear, unambiguous informed consent. Human informed consent should be pursued and obtained prior to any man-machine interaction. As such, robotics designers have a responsibility to develop and follow procedures for valid consent, confidentiality, anonymity, fair treatment and due process. Designers will comply with any requests that any related data be destroyed, and removed from any datasets.

Maximising benefit and minimising harm

Researchers should seek to maximise the benefits of their work at all stages, from inception through to dissemination. Harm to research participants, human subject, an experiment, trial, or study participant or subject must be avoided. Where risks arise as an unavoidable and integral element of the research, robust risk assessment and management protocols should be developed and complied with. Normally, the risk of harm should be no greater than that encountered in ordinary life, i.e. people should not be exposed to risks greater than or additional to those to which they are exposed in their normal

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lifestyles. The operation of a robotics system should always be based on a thorough risk assessment process, which should be informed by the precautionary and proportionality principles.

CODE FOR RESEARCH ETHICS COMMITTEES (REC)

Principles

Independence

The ethics review process should be independent of the research itself. This principle highlights the need to avoid conflicts of interest between researchers and those reviewing the ethics protocol, and between reviewers and organisational governance structures.

Competence

The ethics review process should be conducted by reviewers with appropriate expertise, taking into account the need for careful consideration of the range of membership and ethics-specific training of RECs.

Transparency and accountability

The review process should be accountable and open to scrutiny. RECs need to recognise their responsibilities and to be appropriately located within organisational structures that give transparency to the REC operation and procedures to maintain and review standards.

The role of a Research Ethics Committee

A REC is normally responsible for reviewing all research involving human participants conducted by individuals employed within or by the institution concerned; ensuring that ethics review is independent, competent and timely; protecting the dignity, rights and welfare of research participants; considering the safety of the researcher(s); considering the legitimate interests of other stakeholders; making informed judgements of the scientific merit of proposals; and making informed recommendations to the researcher if the proposal is found to be wanting in some respect.

The constitution of a Research Ethics Committee

A REC should normally be multidisciplinary; include both men and women; be comprised of members with a broad experience of and expertise in the area of robotics research. The appointment mechanism should ensure that the committee members provide an appropriate balance of scientific expertise, philosophical, legal or ethical backgrounds, and lay views, and that they include at least one member with specialist knowledge in ethics, users of specialist health, education or social services where these are the focus of research activities, and individuals with specific methodological expertise relevant to the research they review; and they must be so constituted that conflicts of interest are avoided.

Monitoring

All research organisations should establish appropriate procedures to monitor the conduct of research which has received ethics approval until it is completed, and to ensure continuing review where the research design anticipates possible changes over time that might need to be addressed. Monitoring should be proportionate to the nature and degree of risk associated with the research. Where a REC considers that a monitoring report raises significant concerns about the ethical conduct of the study, it should request a full and detailed account of the research for full ethics review. Where it is judged that a study is being conducted unethically, the withdrawal of its approval should be considered and its research should be suspended or discontinued.

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LICENCE FOR DESIGNERS

- You should take into account the European values of dignity, autonomy and self-determination, freedom and justice before, during and after the process of design, development and delivery of such technologies including the need not to harm, injure, deceive or exploit (vulnerable) users.
- You should introduce trustworthy system design principles across all aspects of a robot's operation, for both hardware and software design, and for any data processing on or off the platform for security purposes.
- You should introduce privacy by design features so as to ensure that private information is kept secure and only used appropriately.
- You should integrate obvious opt-out mechanisms (kill switches) that should be consistent with reasonable design objectives.
- You should ensure that a robot operates in a way that is in accordance with local, national and international ethical and legal principles.
- You should ensure that the robot's decision-making steps are amenable to reconstruction and traceability.
- You should ensure that maximal transparency is required in the programming of robotic systems, as well as predictability of robotic behaviour.
- You should analyse the predictability of a human-robot system by considering uncertainty in interpretation and action and possible robotic or human failures.
- You should develop tracing tools at the robot's design stage. These tools will facilitate accounting and explanation of robotic behaviour, even if limited, at the various levels intended for experts, operators and users.
- You should draw up design and evaluation protocols and join with potential users and stakeholders when evaluating the benefits and risks of robotics, including cognitive, psychological and environmental ones.
- You should ensure that robots are identifiable as robots when interacting with humans.
- You should safeguard the safety and health of those interacting and coming in touch with robotics, given that robots as products should be designed using processes which ensure their safety and security. A robotics engineer must preserve human wellbeing while also respecting human rights and may not deploy a robot without safeguarding the safety, efficacy and reversibility of the operation of the system.
- You should obtain a positive opinion from a Research Ethics Committee before testing a robot in a real environment or involving humans in its design and development procedures.

LICENCE FOR USERS

- You are permitted to make use of a robot without risk or fear of physical or psychological harm.
- You should have the right to expect a robot to perform any task for which it has been explicitly designed.
- You should be aware that any robot may have perceptual, cognitive and actuation limitations.

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- You should respect human frailty, both physical and psychological, and the emotional needs of humans.
 - You should take the privacy rights of individuals into consideration, including the deactivation of video monitors during intimate procedures.
 - You are not permitted to collect, use or disclose personal information without the explicit consent of the data subject.
 - You are not permitted to use a robot in any way that contravenes ethical or legal principles and standards.
 - You are not permitted to modify any robot to enable it to function as a weapon.
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P8_TA(2017)0052

European Cloud Initiative

European Parliament resolution of 16 February 2017 on the European Cloud Initiative (2016/2145(INI))

(2018/C 252/26)

The European Parliament,

- having regard to the Commission communication of 19 April 2016 entitled ‘European Cloud Initiative — Building a competitive data and knowledge economy in Europe’ (COM(2016)0178) and the accompanying Commission staff working document (SWD(2016)0106),
- having regard to the Commission communication of 6 May 2015 entitled ‘A Digital Single Market Strategy for Europe’ (COM(2015)0192) and the accompanying Commission staff working document (SWD(2015)0100),
- having regard to the Commission communication of 2 July 2014 entitled ‘Towards a thriving data-driven economy’ (COM(2014)0442),
- having regard to the Commission communication of 10 October 2012 entitled ‘A stronger European industry for growth and economic recovery’ (COM(2012)0582),
- having regard to the Commission Communication of 27 September 2012 entitled ‘Unleashing the potential of cloud computing in Europe’ (COM(2012)0529),
- having regard to the Commission communication of 15 February 2012 entitled ‘High-Performance Computing: Europe’s place in a global race’ (COM(2012)0045),
- having regard to Council conclusions of 27 May 2016 on the transition towards an Open Science system,
- having regard to Council conclusions of 29 May 2015 on open, data-intensive and networked research as a driver for faster and wider innovation,
- having regard to its resolution of 5 May 2010 on a new Digital Agenda for Europe: 2015.eu⁽¹⁾,
- having regard to Decision (EU) 2015/2240 of the European Parliament and of the Council of 25 November 2015 establishing a programme on interoperability solutions and common frameworks for European public administrations, businesses and citizens (ISA² programme) as a means for modernising the public sector⁽²⁾,
- having regard to Directive 2013/37/EU of the European Parliament and of the Council of 26 June 2013 amending Directive 2003/98/EC on the re-use of public sector information⁽³⁾ (PSI Directive),

⁽¹⁾ OJ C 81 E, 15.3.2011, p. 45.

⁽²⁾ OJ L 318, 4.12.2015, p. 1.

⁽³⁾ OJ L 175, 27.6.2013, p. 1.

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- having regard to its resolution of 10 March 2016 on ‘Towards a thriving data-driven economy’⁽¹⁾,
- having regard to its resolution of 19 January 2016 on ‘Towards a Digital Single Market Act’⁽²⁾,
- having regard to its resolution of 15 January 2014 on ‘Reindustrialising Europe to promote competitiveness and sustainability’⁽³⁾,
- having regard to its resolution of 10 December 2013 on unleashing the potential of cloud computing in Europe⁽⁴⁾,
- having regard to the opinion of the European Economic and Social Committee of 16 January 2013 on the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on ‘Unleashing the Potential of Cloud Computing in Europe’(TEN/494),
- having regard to the opinion of the European Economic and Social Committee entitled ‘European Cloud Initiative — Building a competitive data and knowledge economy in Europe’ (2016 TEN/592 EESC-2016),
- having regard to the opinion of the Committee of the Regions entitled ‘European Cloud Initiative and ICT Standardisation Priorities for the Digital Single Market 2016’ (SEDEC-VI-012),
- having regard to the Commission communication of 10 June 2016 entitled ‘A new skills agenda for Europe: Working together to strengthen human capital, employability and competitiveness’ (COM(2016)0381),
- having regard to Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)⁽⁵⁾,
- having regard to Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union⁽⁶⁾ (NIS Directive),
- having regard to the Commission’s proposal of 14 September 2016 for a Directive of the European Parliament and of the Council establishing the European Electronic Communications Code (COM(2016)0590),
- having regard to the Commission communication of 25 May 2016 entitled ‘Online Platforms and the Digital Single Market Opportunities and Challenges for Europe’ (COM(2016)0288),
- having regard to the Commission communication of 9 December 2015 entitled ‘Towards a modern, more European copyright framework’ (COM(2015)0626),
- having regard to the Commission communication of 19 April 2016 entitled ‘ICT Standardisation Priorities for the Digital Single Market’ (COM(2016)0176),

⁽¹⁾ Texts adopted P8_TA(2016)0089.

⁽²⁾ Texts adopted P8_TA(2016)0009.

⁽³⁾ OJ C 482, 23.12.2016, p. 89.

⁽⁴⁾ OJ C 468, 15.12.2016, p. 19.

⁽⁵⁾ OJ L 119, 4.5.2016, p. 1.

⁽⁶⁾ OJ L 194, 19.7.2016, p. 1.

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- having regard to the report ‘Open Innovation, Open Science, Open to the World — A vision for Europe’, published in May 2016 by the Commission’s Directorate-General for Research & Innovation (RTD),
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on Industry, Research and Energy and the opinions of the Committee on the Internal Market and Consumer Protection and the Committee on Civil Liberties, Justice and Home Affairs (A8-0006/2017),
- A. whereas the current cloud capacity available in the EU is insufficient and data produced by EU research and industry is therefore often processed elsewhere, making EU researchers and innovators move to places outside the EU, where high data and computing capacity is more immediately available;
- B. whereas the lack of a clear structure of incentives to share data, the lack of interoperability of scientific data systems and the fragmentation of scientific data infrastructures across disciplines and borders hamper the full potential of data-driven science;
- C. whereas the EU is lagging behind on the development of high-performance computing (HPC) as a result of its under-investment in establishing a complete HPC system, when countries like the USA, China, Japan and Russia are seriously investing in such systems, making them a strategic priority, with national programmes to develop them;
- D. whereas the full potential of cloud computing for Europe can only be realised when data can flow freely across the Union with clear rules, and when international data flows play an increasingly important role in the European and global economy;
- E. whereas the ability to analyse and exploit big data is changing the way scientific research is carried out;
- F. whereas the Commission communication entitled ‘European Cloud Initiative — Building a competitive data and knowledge economy in Europe’ recognises the transformative potential of open science and cloud computing as part of Europe’s digital economy;
- G. whereas access policies for networking, data storage and computing differ between Member States, creating silos and slowing down the circulation of knowledge;
- H. whereas the General Data Protection Regulation, the NIS Directive and the Digital Single Market Strategy can provide the basis for a competitive and thriving European digital economy that is open to all market players who abide by the rules;
- I. whereas data are the raw material of the digital economy, and whereas the use of data is essential for the digitisation of European science and industry, for the development of new technologies and for the creation of new jobs;
- J. whereas the recently adopted General Data Protection Regulation provides strong safeguards for personal data protection, and a harmonised approach to its implementation should be ensured;
- K. whereas the Commission’s 2015 Digital Single Market Strategy promised to tackle restrictions on the free movement of data and unjustified restrictions on the location of data for storage or processing;

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- L. whereas it is necessary for the Commission to bring forward firm proposals to remove restrictions on the free movement of data if it is to create and deliver the best possible Digital Single Market;
- M. whereas the deployment and development of cloud services are confronted with challenges, given the insufficient availability of necessary high-speed infrastructure and networks in Europe;
- N. whereas the aim to facilitate and support the implementation and long-term sustainability of the research and data infrastructures, including world-class High Performance Computing Centres and other research infrastructure networks, will, through intensified cooperation and exchange of results, help efforts to respond to the great challenges faced in science, industry and society;
- O. whereas the volume of data is growing at an unprecedented pace, with 16 trillion gigabyte of data expected to be available by 2020, corresponding to an annual growth rate of 236 % in data generation;
- P. whereas a data-driven economy depends on a wider ICT ecosystem to succeed, including an internet of things (IoT) for sourcing, high-speed broadband networks for transporting and cloud computing for processing data, as well as skilled scientists and employees;
- Q. whereas cooperation among European scientists, the use and exchange of data, always in accordance with the data protection authorities, and the use of new technological solutions, including cloud computing and digitisation of European science, are key to the development of the Digital Single Market; whereas the European Open Science Cloud (EOSC) will have positive effects on scientific development in Europe; and whereas the EOSC must be developed and used with due regard for the fundamental rights enshrined in the Charter of Fundamental Rights (CFR);

General

1. Welcomes the EOSC as a model for the use of a cloud in the private and public sectors; welcomes the Commission's plan to extend the user base to the industry and to governments as fast as possible;
2. Welcomes the Commission communication entitled 'European Cloud Initiative — Building a competitive data and knowledge economy in Europe', and believes that this is the first step in setting the proper basis for open and competitive European actions in the field of cloud computing and high-performance computing;
3. Welcomes the Commission's European Cloud Initiative as part of the implementation of the Digital Single Market (DSM) Strategy and the Digitising European Industry Package, thus fostering the growth of the European digital economy, contributing to the competitiveness of European businesses and services and enhancing global market positioning; calls on the Commission to ensure, by means of clearly defined measures, that this initiative is fit for purpose, outward-looking and future proof, and that it does not create disproportionate or unjustified barriers;
4. Underlines the importance of making the European Union a centre for global research, gaining critical mass and creating clusters of excellence; stresses that in order for the Union to attract world-leading research, both capacity in terms of resources and an attractive environment is required; highlights, furthermore, that in order for the EU to become the most competitive knowledge-based economy in the world, openness towards international researchers, thereby attracting international investments, is of utmost importance;
5. Stresses that work on standardisation in cloud computing should be accelerated; emphasises that better standards and interoperability will enable communication between different cloud-based systems and will avoid vendor lock-in effects for cloud products and services; calls on the Commission to cooperate closely with commercial cloud providers in developing open standards for this domain;

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6. Stresses that the added value of this European initiative is based on the sharing of open data and on developing a trusted, open environment for the community for storing, sharing and re-using scientific data and results;

7. Stresses that creating more awareness of the benefits of cloud computing is crucial, as demand for cloud services is still too low in Europe; points out that cloud computing will lead to economic growth as a result of its cost-efficiency and scalability; reiterates that SMEs are Europe's most important engine for jobs and growth; underlines that cloud benefits can be particularly substantive for SMEs as they frequently lack the resources to invest in extensive, on-site physical IT systems;

8. Welcomes the Open Science approach and the role it plays in building a European knowledge economy, and in further stimulating the quality of research and its development in the European Union; stresses that, at present, the value of collected research data is not being utilised in an optimal manner by the industry, especially by SMEs, owing to the lack of free cross-border data flows and of access to a single platform or portal, and notes that the Commission aims to make all scientific data produced by the Horizon 2020 programme open by default;

9. Emphasises that the EOSC should be accompanied by a comprehensive cyber-security strategy, because the scientific community has a need for a reliable data infrastructure that can be used without exposing research work to data loss, corruption or intrusion; calls on the Commission to take into account cyber-security issues from the very first stage of all its IT initiatives;

10. Urges the Commission to lead by example, and to make all research data funded by European programmes — such as Horizon 2020, the European Fund for Strategic Investments (EFSI), the European Structural and Investment Funds (ESI) and others — and its results to be open by default, based on the findable, accessible, interoperable and reusable (FAIR) principles;

11. Is concerned by the EUR 4,7 billion financing gap of the European Cloud Initiative; calls on the Commission to identify appropriate financing mechanisms for the EOSC and the European Data Infrastructure (EDI); calls, furthermore, on the Commission to provide sufficient resources for this policy area in Horizon 2020 and in its proposal for the Ninth Framework Programme;

12. Recommends the Commission to ensure that the EOSC benefits all regions of the Union, exploring the use of regional development funds for widening the initiative;

13. Highlights that, at present, only 12 % of the financing committed under EFSI goes to digital-related actions; urges the Commission to present targeted steps which could genuinely enhance the involvement of all EU funds, in particular EFSI, in DSM-related projects, including data-sharing initiatives, digital accessibility, infrastructure and Union-wide digital connectivity, and to direct more resources towards boosting European research, development and innovation, including, among other things, in the field of privacy-enhancing technologies and open-source security; believes that this initiative should be developed in synergy with other Horizon 2020 programmes, including on private cloud computing and e-government services;

14. Believes that the private sector should be involved in the user base of the EOSC from the beginning, for example through offering Software as a Service (SaaS); points out that European business is expected to contribute to closing the EUR 4,7 billion financing gap of the European Cloud Initiative; notes that it is unlikely that businesses will invest in the programme if they will be unable to reap its benefits as well;

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15. Underlines that a state-of-the-art supercomputing infrastructure is crucial for the EU's competitiveness; calls on the Commission to realise the availability of operational exascale computers in the EU by the year 2022;
16. Calls on the Commission to incentivise the participation of European SMEs and industries in the manufacturing of the hardware and software of the EDI, boosting the EU's economy and promoting sustainable growth and job creation;
17. Invites the Commission to engage with the Member States, and with other research funders, in the design and implementation of the roadmap for governance and funding, ensuring that appropriate resources are allocated to the initiative, and to facilitate the coordination of national efforts, avoiding unnecessary duplication and spending;
18. Agrees that interoperability and data portability is key to addressing grand societal challenges that require efficient data sharing and a multidisciplinary and multi-actor approach; notes that the action plan foreseen in the Commission's communication on the European Cloud Initiative (COM(2016)0178) is a necessary tool for reducing fragmentation and for ensuring the use of research data under the FAIR principle;
19. Asks the Commission to present an action plan, based on the principles of full transparency and disclosure, with clear working packages and timelines, defining the results to be achieved, the sources of financing and the stakeholders involved throughout the process;
20. Supports the EOSC as part of the European Cloud Initiative that will create a virtual environment where scientists and professionals from all regions can store, share, manage, analyse and reuse their research data, including publicly funded research data, across disciplines and borders, thus helping to remove fragmentation of the Single Market; urges the Commission to apply a comprehensive approach towards open science that is inclusive towards the open science community and independent scientists, to provide more clarity on the definitions used in the communication and, in particular, to create a clear distinction between the European Cloud Initiative and the EUSC, and in accordance with this, to update legislation to facilitate the re-use of research results;
21. Believes that the European Cloud Initiative ensures investments in the science and research sectors in order to create the incentives and tools to share and use data as widely as possible, underpinned by the building of a strong cloud and data infrastructure in the European Union;
22. Stresses that SMEs are at the heart of the EU's economy, and that more actions are needed to promote the global competitiveness of SMEs and start-ups with a view to creating the best possible environment, with high-quality data, data analytics, secure services and expected cost efficiency for the uptake of new promising technological developments;
23. Calls on the Commission to establish an economically viable basis for a European Cloud, and to take clear steps to encourage SMEs to offer competitive solutions for data processing and storage in facilities based in the Member States;
24. Recalls the positive results achieved by existing pan-European structures and the open data available in the national data storage facilities; acknowledges that there are still many barriers in the Single Market that prevent the full deployment of this initiative; calls on the Commission and the Member States to examine the potential of already available data, and to ensure a coherent strategy on open data and the reusability of this data across Member States; notes that the Commission and the Member States must explore the need for further investments in cross-border physical infrastructure, with special focus on combining HPC, high-speed broadband networks and mass-data storage facilities in order to realise a thriving European data-driven economy; calls on the Commission to analyse global industry-led and other international partnerships with regard to this matter;

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25. Notes that the uptake of cloud services among European SMEs needs to be encouraged further; notes that European Cloud providers need further coordinated support in participating in the digital world, in widening trust on the user side and in raising awareness on the benefits of adopting cloud computing;
26. Stresses that access to broadband internet for businesses and citizens is an indispensable element of a competitive data and knowledge economy in the EU; believes, in this regard, that the development of the cloud should go hand in hand with initiatives that increase access to broadband internet for businesses and citizens, especially in rural areas;
27. Notes that digital education actions across generations, including cyber skills, are critical for cloud development in order to identify and act on top technical and effectiveness skills gaps to achieve digital goals; welcomes the proposals presented within the framework of the Commission's recently adopted New Skills Agenda for Europe, and underlines the need for proper financial resources;
28. Believes that cloud start-ups are emerging with niche solutions to make cloud computing faster, easier and more reliable, flexible and secure;
29. Stresses that HPC, which is important for cloud development, should be treated as an integral part of the European Data Infrastructure across the whole ecosystem, and that the benefits should be promoted widely;
30. Notes that the involvement of academic and research institutions, and of other stakeholders, should be encouraged with a view to maintaining and supporting integrated scientific data infrastructures and HPC;
31. Notes that, with the existing services, and those which will be offered in the future by the private sector and by countries outside the EU, the EOSC needs to provide both incentives and new services to break the long-formed habit of relying on existing research practices;
32. Calls on the Commission and the Member States to ensure that there is a focus on future-oriented European growth in order to build a competitive cloud industry in the EU; emphasises the importance of ensuring that the market demand for cloud solutions continues to increase, and that cloud adoption is encouraged in vertical industries such as finance, taxation and social security, manufacturing, banking, health, media and entertainment, and agriculture;
33. Believes that the General Data Protection Regulation provides a framework for the protection of personal data; notes, however, that fragmentation in its implementation across Member States would make it more difficult for researchers to carry out their work and share their findings, which in turn would undermine efforts to establish the cooperation between researchers enabled by cloud computing; calls, therefore, for the proper implementation and enforcement of that Regulation;
34. Stresses that solutions under the European Cloud Initiative should be developed with due regard for the fundamental rights enshrined in the CFR, in particular the rights of data protection, privacy, liberty and security;
35. Notes that the data economy is still in its very early stages, that business models are still in development and that those that exist are already being disrupted and evolving; calls on the Commission to ensure that any legislation in this field will be in line with the technology-neutral 'innovation principle' and will not impose serious hurdles to innovation, the digitisation of industry or the development of new technologies such as IoT and artificial intelligence (AI) in the EU;

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36. Calls on the Commission to work with the Member States, and with all stakeholders, to participate in identifying the necessary implementing actions needed to maximise the potential offered by the European Cloud Initiative; believes that open innovation and open science involve far more actors in the innovation process, from researchers to entrepreneurs, users, governments and civil society;

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37. Notes the under-representation of key stakeholders in the discussions and in large-scale pilot projects; considers that, while avoiding administrative burdens, the active involvement of public and private sector stakeholders, and civic society, at local, regional, national and Union levels must be a precondition for an effective exchange of information; stresses that the European Cloud Initiative should meet the needs of and benefit not only the scientific community, but also industry, including SMEs and start-ups, public administrations and consumers;

38. Stresses that the development of the EOSC must take place with due regard for the fundamental rights enshrined in the CFR, with particular attention to the rights of data protection, privacy, liberty and security, and that it must abide by the principles of privacy by design and by default, and the principles of proportionality, necessity, data minimisation and purpose limitation; recognises that the application of additional safeguards, such as pseudonymisation, anonymisation or cryptography, including encryption, can reduce risks and enhance protection for the data subjects concerned when personal data are used in big data applications or cloud computing; recalls that anonymisation is an irreversible process, and calls on the Commission to prepare guidelines on how to anonymise data; reiterates the need for special protection for sensitive data in compliance with existing legislation; stresses that the aforementioned principles, together with high standards of quality, reliability and confidentiality, are needed to ensure consumers' confidence in the European Cloud Initiative;

39. Stresses that the Open Science Cloud Initiative should lead to a trusted cloud for all: scientists, businesses and public services;

40. Notes that there is a necessity to foster an open, trusted collaborative platform for the management, analysis, sharing, reuse and preservation of research data on which innovative services can be developed and delivered under certain terms and conditions;

41. Calls on the Commission and the Member States to explore appropriate governance and funding frameworks, taking sufficient consideration of existing initiatives, their sustainability and their ability to foster a European-wide level playing field; stresses that Member States should consider integrating their national funding programmes with EU funding programmes;

42. Calls on the Commission to analyse the full range of financial sources for establishing the EOSC and to strengthen existing instruments to ensure faster development, focusing in particular on best practices;

43. Asks the Commission to ensure that all scientific research and data produced by the Horizon 2020 programme is open by default, and asks the Member States to adapt their national research programmes accordingly;

44. Understands that the EOSC will promote digital science by mainstreaming IT as a service to the public research sector in the EU; calls for 'a science cloud federal model' that brings together public research organisations, stakeholders, SMEs, start-ups and e-infrastructures with commercial suppliers in order to build a common platform offering a range of services to the EU's research communities;

45. Calls on the Commission and the Member States, in cooperation with other stakeholders, to establish a roadmap to give as fast as possible a clear timescale for the implementation of the actions envisaged by the EOSC;

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46. Calls on the Commission to assess carefully the needs of European public researchers in order to identify possible gaps in the supply of cloud infrastructure in the EU; believes that, if gaps are identified, the Commission should invite European cloud infrastructure providers to share their development roadmaps in order to assess if private investments are sufficient to address such gaps, or if further public funding is needed to bridge them;

47. Asks the Commission to ensure that all scientific research and data produced by the Horizon 2020 programme should benefit European businesses and the public; advocates a change in the incentive structures for academics, industry and public services for sharing their data and improving data management, training, engineering skills and literacy;

48. Welcomes the fact that the Cloud Initiative focuses on building high-bandwidth networks, large-scale storage facilities, high-performance computing and a European big data ecosystem;

49. Stresses that 5G development, as well as the rules of the European Electronic Communications Code, should make the EOSC more attractive by offering a high-quality internet and new, top-quality infrastructure;

50. Approves the Commission's ambition for the Union to be capable of handling large amounts of data, with infrastructures operated by services using real-time data from sensors or applications that link data from different sources; notes that the European Cloud Initiative aims to ensure better and more harmonised work on infrastructure development;

51. Supports further development of GÉANT network with the aim of making it the most advanced international network and maintaining the EU's leadership in research;

52. Calls on the Commission and the Member States to coordinate with stakeholders in order to reduce the fragmentation of digital infrastructures by establishing a roadmap for actions and a robust governance structure involving funders, procurers and users, and stresses the need to promote the open science principles for data management and sharing without hampering innovation and without violating privacy and intellectual property in the digital age;

53. Stresses the importance of founding the European Cloud Initiative on the basis of the Connecting Europe Facility building blocks, in particular eIDs and e-signatures, with a view to reinforcing the trust of users in secure, interoperable and seamless electronic communications across the Union;

54. Calls on the Commission to direct more resources towards boosting European research, development, innovation and training in the field of cloud computing, stressing the need for infrastructure and processes that safeguard the open data and the privacy of users;

55. Insists that standards should enable easy and complete portability, and a high degree of interoperability, between cloud services;

56. Strongly believes that the Open Science Cloud initiative should rely on open standards to ensure interoperability and seamless communication, and to avoid lock-in;

57. Stresses that the use of open standards, and free and open-source software, are especially important in guaranteeing the necessary transparency about how personal and other sensitive types of data are in fact being protected;

58. Notes that the European economy is increasingly relying on the power of supercomputers to invent innovative solutions, reduce cost and decrease time to market for products and services; supports the Commission's efforts to create an exascale supercomputer system based on European hardware technology;

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59. Believes that Europe needs a complete HPC ecosystem to acquire leadership-class supercomputers, secure its HPC system supply and provide HPC services to industry and SMEs for simulation, visualisation and prototyping; considers that it is of utmost importance for the EU to rank among the top supercomputing powers in the world by 2022;

60. Believes that the European Technology Platform and the contractual Public-Private Partnership (cPPP) on HPC are crucial to defining the EU's research priorities in developing European technology in all segments of the HPC solution supply chain;

61. Welcomes the Commission's proposal, in line with the Quantum Manifesto, to launch a EUR 1 billion flagship-scale initiative in quantum technology;

62. Reminds the Commission that the cloud services industry has already invested billions of euros into building top-of-the-art infrastructure in Europe; points out that EU scientists and researchers can today use a cloud infrastructure that offers them the ability to experiment and innovate quickly by accessing a wide variety of services, only paying for what they use, thus improving time-to-science fast; notes that the EU's critical support to research and development should not be spent on duplicating existing resources, but instead on encouraging breakthrough in new scientific areas that can boost growth and competitiveness;

63. Stresses that the scientific community needs a secured, safe and open-source high-capacity infrastructure in order to advance research and to prevent potential security breaches, cyber-attacks or misuse of personal data, especially when large amounts of data are collected, stored and processed; calls on the Commission and the Member States to support and incentivise the development of the necessary technology, including cryptographic technologies, taking into account the 'security by design' approach; supports the Commission's efforts to enhance cooperation — among public authorities, European industry (including SMEs and start-ups), researchers and academia in the area of big data and cybersecurity — from the early stages of the research and innovation process in order to enable the creation of innovative and trustworthy European solutions and market opportunities, while ensuring an adequate level of security;

64. Believes that the development of clear standards for cloud interoperability, data portability and service level agreements will ensure certainty and transparency for both cloud providers and end-users;

65. Stresses that reliability, security and protection of personal data is needed for ensuring consumer confidence, such trust being a basis for healthy competitiveness;

66. Notes that industry should play a key role in developing widely accepted standards fit for the digital age, and that such standards would give cloud providers confidence to keep innovating, and users confidence to adopt cloud services further at Union level;

67. Calls on the Commission to take the lead in promoting intersectoral, cross-lingual and cross-border interoperability and cloud standards, and in supporting privacy-friendly, reliable, secure and energy-efficient cloud services as an integral part of a common strategy focusing on maximising the opportunities to develop standards that have the capacity of becoming worldwide standards;

68. Notes that an action plan on data interoperability is needed to harness the high quantity of data that European scientists produce and to improve the reusability of this data in science and industry; calls on the Commission to work with key scientific stakeholders to produce effective systems to make data — including meta-data, common specifications and data object identifiers — findable, accessible, interoperable and reusable (FAIR);

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69. Notes that the EU is failing to invest in its HPC ecosystem to the same degree as other regions of the world are doing, and that this is not in line with its economic and knowledge potential;

70. Calls on the Commission to promote interoperability, and to prevent vendor 'lock-in', by encouraging multiple cloud infrastructure providers in Europe to offer a choice of competitive, inter-operable and portable infrastructure services;

71. Calls for measures to preserve a high-quality standardisation system that can attract the best technology contributions; asks the Commission to adopt policies that remove excessive barriers in innovative sectors in order to incentivise investments in research and development, and in Union-wide standardisation;

72. Urges the Commission to maximise its efforts to avoid the possibility of vendor lock-in on the digital market from start, especially in emerging areas such as the European Cloud Initiative;

73. Acknowledges the importance of interoperability and standards in boosting competitiveness in the ICT sector; asks the Commission to identify gaps in standards in the EOSC, including as regards SMEs, start-ups and key European sectors; supports the development of market-driven, voluntary, technology-neutral, transparent, globally compatible and market-relevant standards;

74. Considers that the ISA² programme offers an opportunity to develop interoperability standards for big data management within public administrations and in their dealings with businesses and citizens;

75. Recognises that standards should respond to a demonstrated need from the industry and other stakeholders; stresses that it is essential to develop, and agree on, common high standards to ensure efficient use and sharing of data, going beyond individual disciplines, institutions and national borders; calls on the Commission to identify, where appropriate, the best certification schemes across the Member States, with a view to laying out, with the involvement of relevant stakeholders, a demand-driven, pan-European set of standards that facilitates data sharing and is based on open and global standards whenever justified; stresses that actions taken with regard to the European Cloud Initiative must ensure that the needs of the Single Market are reflected, and that it remains globally accessible and responsive to technological evolution;

76. Supports the Commission's intention to remove barriers, especially technical and legal ones, to the free movement of data and data services, to remove as well disproportionate data localisation requirements, and to promote the interoperability of data by linking the European Cloud Initiative to the Free Flow of Data Initiative; considers that, in order to achieve a digital society, the free flow of data must be regarded as the fifth freedom within the Single Market; notes that a clear legal framework, sufficient skills and resources related to the management of big data, as well as the recognition of relevant professional qualifications are prerequisites for unleashing the full potential of cloud computing; urges the Commission to engage with stakeholders, especially the industry, in identifying big data, as well as coding-related training opportunities, also in the scope of the New Skills Agenda, and to create incentives for stakeholders, in particular SMEs and start-ups, to use, open and share data in the Single Market;

77. Welcomes the Commission's proposal, in line with the Quantum Manifesto to launch a EUR 1 billion flagship-scale initiative in quantum technology; stresses, however, that in order to accelerate their development and bring commercial products to public and private users, transparent and open stakeholder consultation is crucial;

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Sharing open data, sharing research data

78. Welcomes the fact that the development of the EOSC will allow researchers and science professionals a place to store, share, use and re-use data, and can set the foundation for data-driven innovation in the EU; stresses that the benefits of data sharing have been widely recognised;

79. Notes that data has become essential for decision making at the local, national and global level; notes that sharing data has also important benefits for local and regional authorities, and that opening up government data enhances democracy and provides new business opportunities;

80. Supports the Commission's efforts, together with those of European industry researchers and academia, to develop the Big Data Value Public-Private Partnership (PPP), in synergy with the cPPP on HPC that enhances community building around data and HPC and sets the grounds for a thriving data-driven economy in the EU; supports the cybersecurity PPP that fosters cooperation between public and private actors at early stages of the research and innovation process in order to access innovative and trustworthy European solutions;

81. Stresses that the Commission should liaise closely, and as early as possible, with industry partners, especially SMEs and start-ups, in order to guarantee that business and industry requirements are addressed and integrated adequately in the later stage of the initiative;

82. Encourages public administrations to consider safe, reliable and secure cloud services by providing a clear legal framework and by working further to develop cloud-specific certifications schemes; notes that business and consumers need to feel confident in adopting new technologies;

83. Believes that public administrations should have open access to government public data by default; call for progress to be made in determining the degree and pace of releasing information as open data, in identifying key datasets to be made available and in promoting the re-use of open data in an open form;

84. Notes that the staggering growth in digital technologies is the key driver for generation of massive raw data streams in cloud environments, and that this huge collection of raw data streams in big data systems increases computational complexity and resource consumption in cloud-enabled data mining systems; notes further that the concept of pattern-based data sharing enables local data processing near the data sources and transforms the raw data streams into actionable knowledge patterns; points out that these knowledge patterns have dual utility of availability of local knowledge patterns for immediate actions as well as for participatory data sharing in cloud environments;

85. Endorses the May 2016 Council conclusions on the transition towards an open science system, in particular the conclusion that the underlying principle for the optimal reuse of research data should be 'as open as possible, as closed as necessary';

Text and data mining

86. Stresses that full availability of public data within the EOSC will not be sufficient to remove all barriers to data-based research;

87. Notes that the initiative needs to be complemented by a modern copyright framework that should allow for the removal of fragmentation and lack of interoperability from the European data research process;

88. Believes that the initiative should preserve the balance between the rights of researchers and those of rights holders and other actors in the scientific sphere, with full respect ensured for the rights of authors and publishers, while at the same time supporting innovative research in Europe;

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89. Believes that research data can be shared within the EOSC without prejudice to copyright owned by researchers or research institutions, by establishing licensing models where necessary; believes that best practices in this regard are being established within the Horizon 2020 Open Research Data pilot;

90. Believes that the Database Directive 96/9/EC, which needs to be reviewed, limits the use of data without evidence of creating added economic or scientific value;

Data protection, fundamental rights and data security

91. Urges the Commission to take action to promote the further harmonisation of laws in the Member States in order to avoid jurisdictional confusion and fragmentation, and to ensure transparency in the digital single market;

92. Believes that the European Union is leading the way in privacy protection, and advocates a high level of data protection worldwide;

93. Stresses that a coordinated approach is needed to be taken by data protection authorities, policy makers and industry, to the benefit of organisations in this transition by providing compliance toolkits and uniform interpretation and application of obligations, and by raising awareness about the key issues for citizens and the business;

94. Stresses that the EU is a global importer and exporter of digital services, and that it requires a strong cloud computing and data economy to be competitive; calls on the Commission to take a lead in striving towards the creation of uniform, globally accepted standards of personal data protection;

95. Believes that global data flows are vital to international trade and economic growth, and that the Commission's initiative on the free flow of data should enable companies operating in Europe — and in particular in the growing cloud computing sector — to be in the forefront of the global innovation race; stresses that the initiative should also aim to lift any arbitrary restrictions on where companies should locate infrastructure or store data, as such restrictions would hamper the development of Europe's economy;

96. Believes that current EU data protection legislation, in particular the recently adopted the General Data Protection Regulation and the Data Protection in Law Enforcement Directive (Directive (EU) 2016/680)⁽¹⁾, provides strong safeguards for the protection of personal data, including those collected, aggregated and pseudonymised for scientific research purposes and sensitive data related to health, together with specific conditions regarding their publication and disclosure, data subjects' right to object to further processing, and rules on access for law enforcement authorities in the context of criminal investigations; calls on the Commission to take these safeguards into account for the development of the EOSC and the implementation of rules governing access to data stored therein; recognises that a harmonised approach to the implementation of the General Data Protection Regulation, including guidelines, compliance toolkits and awareness-raising campaigns for citizens, researchers and businesses, is crucial, especially for the development of the EOSC and the facilitation of research cooperation, including by high-performance computing;

97. Believes that the free flow of data is beneficial to the digital economy and the development of science and research; emphasises that the Commission's initiative on the free flow of data should enable the growing European cloud computing sector to be in the forefront of the global innovation race, including for science and innovation purposes; recalls that any transfer of personal data to the cloud infrastructures or other recipients located outside the Union should respect the rules for transfers foreseen in the General Data Protection Regulation, and that the Commission initiative on the free flow of data should be in compliance with these provisions; stresses that the initiative should also aim to reduce restrictions as to where companies should place infrastructure or store data, as these would hamper the development of Europe's economy and

⁽¹⁾ OJ L 119, 4.5.2016, p. 89.

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prevent scientists from reaping the full benefits of data-driven science, while maintaining restrictions in compliance with the data protection legislation to prevent possible future abuses regarding the EOSC;

98. Strongly believes that the Union should be at the forefront as regards the security and protection of personal data, including sensitive data, and should advocate a high level of data protection and data security worldwide; believes that the EU data protection framework, together with an inclusive cybersecurity strategy that will ensure reliable data infrastructures which are protected against data loss, intrusion or attacks, could form a competitive advantage for European companies regarding privacy; urges the Commission to ensure that the EOSC will preserve scientific independence and objectivity of research, as well as protect the work of the scientific community within the Union;

99. Calls on the Commission to ensure that concerns with regard to fundamental rights, privacy, data protection, intellectual property rights and sensitive information are dealt with in strict compliance with the General Data Protection Regulation and the Data Protection Directive (95/46/EC); stresses that security threats to cloud infrastructure have become more international, diffuse and complex, are hampering its more intensive use, and do require European cooperation; urges the Commission and the Member States' national authorities, in consultation with the European Union Agency for Network and Information Security (ENISA), to cooperate in establishing a safe and trustworthy digital infrastructure and to build up high levels of cybersecurity in compliance with the NIS Directive;

100. Calls on the Commission to ensure that this initiative is fit for purpose, outward looking, future proof and technologically neutral, and highlights the fact that the Commission and the Member States must take their lead from the market and from the cloud computing industry itself in order to meet the current and future demands of the sector in the best way, and to drive innovation in cloud based technologies;

101. Notes the potential of big data for prompting technological innovation and building the knowledge based economy; notes that reducing obstacles to knowledge-sharing will boost the competitiveness of businesses while also benefiting local and regional authorities; highlights the importance of facilitating data portability;

102. Calls on the Commission and the Member States to work with industry-led standard-setting initiatives to ensure that the single market remains accessible to third countries and responsive to technological evolution, avoiding barriers which will hinder innovation and competitiveness in Europe; notes that standard-setting in relation to data security and privacy is closely related to the question of jurisdiction, and that national authorities have a key role to play;

103. Stresses that consideration must be paid to existing initiatives to avoid duplication that could hinder openness, competition and growth, and that market-driven, pan-European standards for data sharing must be in line with international standards;

104. Emphasises the need to find a balance between legitimate data protection concerns and the necessity to secure an untapped 'free flow of data'; calls on the need for existing data protection rules to be respected in an open big data market;

105. Supports the proposal to make open research data the default option for new Horizon 2020 projects, as publicly funded research data are a public good, produced in the public interest and should be made openly available, with as few restrictions as possible and in a timely and responsible manner;

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106. Notes that the European Cloud Initiative focuses on potentially sensitive sectors of R&D and government e-portals; reiterates that cyber security for cloud services is best dealt with under the framework of the NIS Directive;

107. Notes the importance of facilitating the interoperability of different equipment within networks, providing assurance of security and promoting component supply chains, all of which are important for the commercialisation of the technology;

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108. Instructs its President to forward this resolution to the Council and the Commission.

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P8_TA(2017)0053

Investing in jobs and growth — maximising the contribution of European Structural and Investment Funds**European Parliament resolution of 16 February 2017 on investing in jobs and growth — maximising the contribution of European Structural and Investment Funds: an evaluation of the report under Article 16(3) of the CPR (2016/2148(INI))**

(2018/C 252/27)

The European Parliament,

- having regard to Article 174 of the Treaty on the Functioning of the European Union (TFEU),
- having regard to 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 (hereinafter ‘the CPR’) ⁽¹⁾,
- having regard to Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006 ⁽²⁾,
- having regard to Regulation (EU) No 1304/2013 of the European Parliament and of the Council of 17 December 2013 on the European Social Fund and repealing Council Regulation (EC) No 1081/2006 ⁽³⁾,
- having regard to Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005 ⁽⁴⁾,
- having regard to Regulation (EU) No 1299/2013 of the European Parliament and of the Council of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal ⁽⁵⁾,
- having regard to Regulation (EU) No 1302/2013 of the European Parliament and of the Council of 17 December 2013 amending Regulation (EC) No 1082/2006 on a European grouping of territorial cooperation (EGTC) as regards the clarification, simplification and improvement of the establishment and functioning of such groupings ⁽⁶⁾,
- having regard to Regulation (EU) No 508/2014 of the European Parliament and of the Council of 15 May 2014 on the European Maritime and Fisheries Fund and repealing Council Regulations (EC) No 2328/2003, (EC) No 861/2006, (EC) No 1198/2006 and (EC) No 791/2007 and Regulation (EU) No 1255/2011 of the European Parliament and of the Council ⁽⁷⁾,

⁽¹⁾ OJ L 347, 20.12.2013, p. 320.⁽²⁾ OJ L 347, 20.12.2013, p. 289.⁽³⁾ OJ L 347, 20.12.2013, p. 470.⁽⁴⁾ OJ L 347, 20.12.2013, p. 487.⁽⁵⁾ OJ L 347, 20.12.2013, p. 259.⁽⁶⁾ OJ L 347, 20.12.2013, p. 303.⁽⁷⁾ OJ L 149, 20.5.2014, p. 1.

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- having regard to Regulation (EU) 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 — the European Fund for Strategic Investments ⁽¹⁾,
- having regard to the Commission communication entitled 'Investing in jobs and growth — maximising the contribution of European Structural and Investment Funds' (COM(2015)0639),
- having regard to its resolution of 11 May 2016 on acceleration of implementation of cohesion policy ⁽²⁾,
- having regard to its resolution of 6 July 2016 on synergies for innovation: the European Structural and Investment Funds, Horizon 2020 and other European innovation funds and EU programmes ⁽³⁾,
- having regard to its resolution of 26 November 2015 entitled 'Towards simplification and performance orientation in cohesion policy 2014-2020' ⁽⁴⁾,
- having regard to the Council conclusions of 26 February 2016 on 'Investing in jobs and growth — maximising the contribution of European Structural and Investment Funds',
- having regard to the opinion of the European Economic and Social Committee of 25 May 2016 on the Commission communication 'Investing in jobs and growth — maximising the contribution of European Structural and Investment Funds' ⁽⁵⁾,
- having regard to the opinion of the Committee of the Regions of 9 July 2015 entitled 'Outcome of the negotiations on the partnership agreements and operational programmes' ⁽⁶⁾,
- having regard to the Sixth Report on Economic, Social and Territorial Cohesion (COM(2014)0473),
- having regard to the study by its Directorate-General for Internal Policies (Department B: Structural and Cohesion Policies) of June 2016 entitled 'Maximisation of synergies between European Structural and Investment Funds and other EU instruments to attain the Europe 2020 goals',
- having regard to the study by its Directorate-General for Internal Policies (Department B: Structural and Cohesion Policies) of September 2016 entitled 'Evaluation of the Report under Article 16(3) of the CPR',
- having regard to the analysis by its Directorate-General for Internal Policies (Department B: Structural and Cohesion Policies) of September 2016 entitled 'Financial instruments in the 2014-20 programming period: first experiences of Member States',
- having regard to Rule 52 of its Rules of Procedure,
- having regard to the report of the Committee on Regional Development and the opinions of the Committee on Employment and Social Affairs, the Committee on Budgets, the Committee on Transport and Tourism, the Committee on Agricultural and Rural Development and the Committee on Culture and Education (A8-0385/2016),

A. whereas cohesion policy represents a significant part of the EU budget, amounting to approximately one third of all expenditure;

⁽¹⁾ OJ L 169, 1.7.2015, p. 1.

⁽²⁾ Texts adopted, P8_TA(2016)0217.

⁽³⁾ Texts adopted, P8_TA(2016)0311.

⁽⁴⁾ Texts adopted, P8_TA(2015)0419.

⁽⁵⁾ OJ C 303, 19.8.2016, p. 94.

⁽⁶⁾ OJ C 313, 22.9.2015, p. 31.

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- B. whereas, with a budget of EUR 454 billion for the period 2014-2020, the European Structural and Investment Funds (ESI Funds) are the EU's main investment policy tool and are a vital source of public investment in many Member States, resulting in more jobs, growth and investment being provided across the EU, as well as reducing disparities at regional and local level in order to promote economic, social and territorial cohesion;
- C. whereas the Partnership Agreements (PAs) form the basis for the Article 16(3) report presented by the Commission;
- D. whereas the negotiations for PAs and Operational Programmes (OPs) for the period 2014-2020 have been a modernised, strongly adjusted and intensive exercise with a new framework for performance, ex ante conditionalities and thematic concentration, but have also resulted in serious delays in the actual commencement of cohesion policy implementation, also because of shortcomings in the administrative capacity of several regions and Member States, matters being further slowed down by the procedure for designation of managing authorities;
- E. whereas it is undisputed that due to the late adoption of the regulatory framework at the end of 2013 as a consequence of the long negotiations and late agreement on the MFF, operational programmes could not be adopted on time; whereas consequently the implementation of OPs had a slow start, thereby impacting the take-up of the policy on the ground;
- F. whereas common provisions were established for all five ESI Funds, thereby strengthening the relationships between them;
- G. whereas cohesion policy is confronted in the current period with many political and economic challenges, deriving both from the financial crisis, leading to a decrease in public investment in many Member States, leaving the ESI Funds and co-financing by the Member States as the main tool for public investment in many Member States, and from the migration crisis;
- H. whereas in the programming period 2014-2020 cohesion policy has acquired a more focused policy approach, through thematic concentration and supporting the priorities and objectives of the Union;
- I. whereas the ESI Funds in the current funding period are more strongly result-oriented and are built on an investment environment that allows greater effectiveness;
- J. whereas there must be a stronger alignment of investment under cohesion policy with the priorities of the Europe 2020 strategy for smart, sustainable and inclusive growth and with the European Semester;
- K. whereas the Task Force for Better Implementation has helped ease bottlenecks and backlogs in the allocation of funds;

Sharing results, communication and visibility

1. Notes that Europe is going through a difficult phase in economic, social and political terms, so that an effective investment policy that is oriented towards economic growth and employment, close to the citizens and more suitable for specific territorial vocations, is needed more than ever, and should seek to tackle both unemployment and social inequalities within the Union, creating European added value; believes that in order to regain the trust of its citizens the EU must initiate adjustment processes to meet the requirements laid down in Article 9 TFEU;
2. Notes that cohesion policy over the period 2014-2020 has been thoroughly reworked, requiring a change in mentality and working methods at all levels of governance, including horizontal coordination and involvement of stakeholders as well as, to the extent possible, of Community-led Local Development (CLLD); points out that the recent forward-looking and exemplary reforms are often ignored, but that cohesion policy is still often perceived as a traditional expenditure policy rather than a development and investment policy offering tangible results;

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3. Considers that the key communication on cohesion policy projects should focus on European added value, solidarity and the visibility of success stories, while underlining the importance of exchange of best practices as well as learning from projects that fail to achieve their objectives; insists that communication on the subject of the ESI Funds should be modernised and intensified; stresses the need to identify and implement new tools for communicating the results of cohesion policy; considers it necessary to invest in regional intelligence and data gathering, as part of a continuous effort to create and update databases, taking account of local and regional needs, specificities and priorities, as in the case of the already-existing S3 platform, which would enable the interested public to effectively check the European added value of projects;

4. Highlights the fact that in order to improve communication on and the visibility of ESI Funds, greater focus must be placed on participation by stakeholders and recipients, and on involving citizens in the design and implementation of cohesion policy in a meaningful way; additionally, urges the Commission, Member States, regions and cities to communicate more on both the achievements of cohesion policy and the lessons to be learned, and to come forward with a coordinated and targeted action plan;

Thematic concentration

5. Welcomes thematic concentration, as it has proved a helpful tool for creating a focused policy and greater effectiveness for the EU's priorities and the Europe 2020 strategy, enhancing the process of converting knowledge into innovation, jobs and growth; calls, therefore, on the Member States and regional and local authorities to take clear decisions on investment priorities and to select projects on the basis of priorities set for the ESI Funds, as well as to use streamlined and efficient implementation processes;

6. Notes that an analysis of thematic concentration should point out how the strategic choices of Member States and allocation of resources across thematic objectives (TOs) meet the specific needs of the territories; regrets that this aspect is less apparent in the Commission's Article 16 report;

7. Considers that the results and benefits of cohesion policy need to be put across more effectively, not least in order to restore confidence in the European project;

8. Insists that cohesion policy should continue to have thematic focus, while allowing for the degree of flexibility that is sufficient in order to take on board the specific needs of each region, especially the specific needs of the less developed regions, as laid down in the regulations; calls for continued ESI Fund investment in transition regions in order to preserve what has been achieved by the resources and efforts already deployed;

9. Underlines, in particular, that consideration should be given to the circumstances of urban or rural regions, the so-called 'lagging regions', transition regions and regions with permanent natural or geographical handicaps, and appropriate support policies should be drawn up for the development of these areas, which without cohesion policy might have been unable to catch up with more developed regions; calls on the Commission to pursue and expand strategies to implement the urban agenda, together with local authorities and metropolitan regions conceived as EU growth centres; recalls in this context that it is important to allow sufficient flexibility for Member States and regions to support new policy challenges, such as those relating to immigration (while keeping in mind the original and still relevant goals of cohesion policy and the specific needs of regions), as well as the broadly understood digital dimension of cohesion policy (including ICT and broadband access issues, which are linked to the completion of the Digital Single Market); draws attention to the Energy Union Strategy, the Circular Economy Strategy, and the EU's commitments under the Paris climate change agreement, as the ESI Funds have an important role to play in delivery;

10. Considers that more attention should be given to sub-regional areas with a considerable accumulation of challenges, often found in pockets of poverty, segregated communities and deprived neighbourhoods with an overrepresentation of marginalised groups such as Roma;

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11. Supports the gradual shift of focus from one based on major infrastructure-related projects towards one based on stimulating the knowledge economy, innovation and social inclusion, as well as on capacity building and empowering of actors, including from civil society, in cohesion policy, while taking into consideration the specific features of less developed regions that still need support in the field of infrastructural development and for which market-based solutions are not always feasible, also keeping in consideration that there should be flexibility to enable each Member State to make investments according to its priorities as laid down in the PAs in order to promote its economic, social and territorial development;

12. Is of the opinion that the ESI Funds, including in particular the European Territorial Cooperation Programmes, should be used to create and boost quality jobs, as well as quality lifelong learning and vocational (re)training systems, including school infrastructure, to allow workers to adapt under good conditions to the changing realities of the world of work, and to stimulate sustainable growth, competitiveness and development and shared prosperity aimed at achieving a socially just, sustainable and inclusive Europe, while focusing on the least developed areas and sectors having structural problems and supporting the most vulnerable and exposed groups in society, in particular young people (in conjunction with programmes such as Erasmus+) and those with fewest skills or qualifications, promoting greater employment through a circular economy, and preventing early school leaving; draws attention to the fact that ESF is an instrument which supports implementation of policies of public interest;

13. Expresses concern that unemployment — in particular youth and women unemployment, as well as unemployment in rural areas — remains very high in many Member States, despite all efforts, and cohesion policy must provide answers to this too; recommends to the Commission that it pay more attention to the impact of cohesion policy on promoting employment and reducing unemployment; notes in this context that the Youth Employment Initiative (YEI) has been integrated into 34 ESF programmes in the 20 eligible Member States, thus allowing unemployed young people to benefit from the YEI with the purpose to find their skills and qualifications; is concerned, however, about the delayed start to the implementation of the YEI and at the way in which the Youth Guarantee is being implemented in certain regions; urges Member States to intensify their efforts in order to achieve substantial and tangible effects rapidly and successfully from the funds invested, particularly with respect to funds made available in the form of advance payments, and that the YEI is implemented correctly and ensure decent working conditions for young workers; calls, in particular, for account to be taken of the real needs of the business community in using ESI Funds to meet training requirements, so as to create real employment opportunities and to achieve long-term employment; considers that the fight against youth unemployment, social inclusion and the future demographic challenges that Europe is facing nowadays and in the mid-term future should be the main areas where cohesion policy should be focused; calls for a continuation of the YEI beyond 2016, so as to sustain efforts to combat youth unemployment, while subjecting it to a thorough operational analysis designed to achieve the corrections necessary to make it more effective;

14. Expresses serious concern that in the case of the Youth Guarantee scheme, which in 2014-2020 will receive a total of EUR 12,7 billion from the ESF and the special YEI, and which, on the basis of this funding, is already seen as the driving force behind efforts to boost youth employment, the Commission has not carried out a cost-benefit analysis, which is standard procedure for all major Commission initiatives; consequently there is a lack of information on the potential overall cost of implementing the guarantee throughout the EU and, as the European Court of Auditors has stressed, a risk that the total amount of funding may be insufficient;

15. Stresses the importance of communication, particularly digital communication, through which information on potential assistance in finding training, a traineeship or work cofinanced through EU funds can reach the greatest number of young people; calls for more communication to promote such portals as DROPPIN and EURES and to increase young people's opportunities for mobility in the internal market, which is considered the biggest untapped potential in the fight against unemployment in the EU;

16. Calls on the Commission to ensure that Member States comply with the Convention on the Rights of People with Disabilities when implementing projects supported by the ESI Funds, including the aim of fostering a shift from institutional to community living for persons with disabilities;

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17. Recalls that completion of the core TEN-T network is a European transport policy priority, and that the ESI Funds are a very important tool in the implementation of this project; emphasises the need to tap the potential of the ESI Funds in order to connect the potential of the core and comprehensive TEN-T networks with regional and local transport infrastructure; recognises the importance of the Cohesion Fund for improving infrastructure and connectivity in Europe, and insists that this fund be maintained in the new post-2020 financial framework;

18. Emphasises that the multimodality of transport should be a vital factor in the assessment of infrastructure projects financed by the ESI Funds, but that it should not be the only criterion used to assess proposed projects, especially in the case of Member States with major investment needs in the area of transport infrastructure;

19. Emphasises the need to maintain traditional trades, including the craft tradition and associated skills, and to establish strategies to foster growth for traditional trade entrepreneurship in order to maintain the cultural identity of the traditional trade sectors; draws attention to the importance of supporting work linked to professional training and to the mobility of young craftsmen and women;

Ex ante conditionalities

20. Underlines that effective monitoring of ex ante conditionalities is necessary to record efforts and achievements; considers that ex ante conditionalities, in particular the one on Research and Innovation Strategies for Smart Specialisation (RIS3), have proved their usefulness, and suggests that they be further improved; points out that more attention should be paid to the strengthening of micro, small and medium-sized enterprises;

21. Draws attention to the fact that a significant proportion of ex ante conditionalities have not yet been fulfilled; calls, therefore, for an analysis of the current situation and the adoption of targeted action to counteract this, while not compromising the optimal take-up of the funds or making cohesion policy less efficient;

Performance-based budgeting

22. Emphasises that the regulatory framework for the period 2014-2020 and the PAs have led to a strongly results-oriented focus in cohesion programmes, and that this approach can be exemplary for other parts of EU budget expenditure as well; welcomes the introduction of common indicators which would allow measuring and benchmarking results; considers that work on indicators has to continue in order to improve evidence on ESI Funds spending and optimise project selection;

23. Points out that an important innovation has been the introduction of thematic concentration, whereby investments are focused on specific objectives and priorities corresponding to performance indicators and targets specifically agreed for all the themes;

24. Recalls that a performance reserve was introduced for each Member State, consisting of 6% of the resources allocated to the ESI Funds; recalls that, on the basis of the national reports of 2017 and the performance review of 2019, the reserve is to be allocated only to those programmes and priorities which have achieved their milestones; calls for flexibility in the launch of new commitments from the performance reserve when the programmes have attained their targets and milestones in the coming years; asks the Commission to assess whether the performance reserve actually creates added value or whether it has led to more red tape;

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25. Takes note of the fact that, in the course of the programming process, Member States have found more than two thirds of the Country Specific Recommendations (CSRs) that were adopted in 2014 relevant to cohesion policy investments, and welcomes the fact that they have taken this into account in their programming priorities; acknowledges that in the near future CSRs might trigger amendments to ESI Funds programmes, ensuring support for structural reforms in Member States; points out that CSRs and National Reform Programmes (NRPs) represent a clear linkage between the ESI Funds and the processes of the European Semester;

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26. Stresses the importance of establishing a balanced link between cohesion policy and the European Semester, as both work towards achieving the same aims under the Europe 2020 strategy, without prejudice to achieving the social, economic and territorial cohesion objectives in order to reduce disparities as established by the treaties; is of the opinion that we should rethink the rationale behind suspension of the ESI Funds in case of a deviation from the objectives of the European Semester, as this could be counterproductive for boosting growth and jobs;

Synergies and Financial Instruments

27. Notes that the regulatory framework for ESI Funds for the period 2014-2020 supports financial instruments; underlines, however, that the use of grants is still indispensable; observes that there seems to be a focus on a gradual shift from grants to loans and guarantees; emphasises that this trend has been strengthened by the Investment Plan for Europe and the newly established European Fund for Strategic Investments (EFSI); notes also that the use of the multi-fund approach still appears to be difficult; stresses, given the complexity of these instruments, the vital importance of providing appropriate support to local and regional institutions in the training of the officials responsible for managing them; points out that financial instruments could offer solutions for efficient use of the EU budget, contributing alongside grants to bringing about investment to stimulate economic growth and create sustainable jobs;

28. Points out that a separate agenda is being pursued with EFSI, which is presented as a success story when it comes to fast implementation and results in the form of existing operations, despite considerable shortcomings such as lack of additionality; against this background, asks the Commission to provide specific data on EFSI's impact in terms of growth and employment and to come forward after the evaluation with learning points to enable the ESI Funds to be put to use more successfully in the new programming period from 2021 onwards; requests, in addition to the European Court of Auditors' opinion No 2/2016 ⁽¹⁾, an analysis of EFSI's contributions to the objectives of the ESI Funds and a stocktaking of what EFSI has achieved in terms of its own priorities;

29. Notes, however, the lack of evidence on the outcomes and results achieved by financial instruments and the loose link between those financial instruments and the overarching objectives and priorities of the EU;

30. Notes that the Commission's Article 16 Report provides little information on coordination and synergies among different programmes and with instruments of other policy areas, and in particular has not always presented reliable data on the expected results of the ESF and YEI programmes; emphasises that having a common regulation for the five ESI Funds has increased synergy among them, including in the second pillar of the common agricultural policy; is convinced that synergies with other policies and instruments, including EFSI and other financial instruments, should be enhanced in order to maximise the impact of investment; stresses that state aid rules apply to the ESI Funds, but not to EFSI or Horizon 2020, and that this causes problems with regard to increasing the level of synergy among the funds, programmes and instruments; underlines the fact that in order to ensure the necessary complementarity and synergy between EFSI, the financial instruments and the ESI Funds, the question of state aid rules needs to be further examined in order to be clarified, simplified and adapted accordingly; calls on the Commission to deliver comprehensive guidance to managing authorities on combining EFSI with shared and direct management instruments, including the ESI Funds, the Connecting Europe Facility and Horizon 2020;

31. Argues for continuing a balanced use of financial instruments where they have an added value and are not prejudicial to traditional support from cohesion policy; emphasises, however, that this should only take place after a careful assessment of the contribution of financial instruments to cohesion policy objectives; stresses that all regions must keep a diversified range of sources of financing, while subsidies remain the most suitable instruments in certain sectors for achieving growth and employment targets; asks the Commission to come forward with incentives to ensure that managing authorities are fully informed on the opportunities for using financial instruments and their scope, and to analyse the management costs of grants and of repayable assistance implemented in shared and centrally managed programmes; stresses that clear, consistent and focused rules on financial instruments to help simplify the preparation and implementation process for fund managers and recipients are key to improving their effective implementation; draws attention to the forthcoming own-initiative report of its Committee on Regional Development entitled 'The right funding

⁽¹⁾ European Court of Auditors Opinion No 2/2016 'concerning the proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 1316/2013 and 2015/1017 and the accompanying Commission evaluation in accordance with Article 18(2) of Regulation (EU) 2015/1017'.

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mix for Europe's regions: balancing financial instruments and grants in EU cohesion policy' (2016/2302(INI));

Simplification

32. Notes that one of the main goals of the 2014-2020 programming period is further simplification for beneficiaries of the ESI Funds, and acknowledges that simplification is one of the key factors for better access to funding;

33. Welcomes the fact that the current modernised regulatory framework for the ESI Funds provides new possibilities for simplification in terms of common eligibility rules, simplified cost options and e-governance; regrets, however, that the Commission communication on Article 16(3) CPR does not include any specific information as regards the use of Simplified Cost Options (SCOs); underlines that there is a need for further efforts to develop the full potential of SCOs in terms of alleviating administrative burden; notes that significant simplification measures are still needed for both beneficiaries and managing authorities, focusing on public procurement, project management, and audits during and after the operations;

34. Calls on the Commission to provide an ongoing assessment of administrative burden, including in particular components such as time, cost and paperwork in EU funding in the form of both grants and financial instruments, based on the evidence of results from the 2007-2013 period and the start of the new period as from 2014;

35. Recommends for the prospective programming period starting in 2021 that all levels of governance work towards a system of single audit by eliminating duplicate checks among the various tiers of government; urges the Commission to clarify the range and legal status of existing guidance across the ESI Funds, as well as to develop, in close collaboration with managing authorities and all relevant audit authority tiers, a joint interpretation of audit issues; reiterates that there is a need for further steps in the area of simplification, including in particular in programmes targeted on youth, by introducing inter alia greater proportionality in controls; welcomes the preliminary outcome of the work of the High Level Group on Simplification set up by the Commission;

36. Recommends that standard procedures be established for drawing up operational programmes and for management, especially where the numerous territorial cooperation programmes are concerned;

Administrative capacity

37. Notes that Member States have different administrative cultures and levels of performance in their policy framework, which the ex ante conditionalities should help to overcome; stresses the need to strengthen administrative capacity as a priority in the context of cohesion policy and the European Semester exercise, particularly in Member States with low absorption of funds; notes the need to provide technical, professional and practical assistance to Member States, regions and localities during applications for funding; appreciates the impact of the Jaspers facility, and reiterates that poor investment planning results in major delays in the completion of projects and in the inefficient use of funding;

38. Points out that the slow start of some programmes, the lack of management capacity for complex projects, the delays recorded in finalising projects, the administrative burden in the Member States, overregulation and errors in public procurement procedures are the main obstacles to the cohesion policy's implementation; regards it as essential to identify and simplify the unnecessarily complex processes and procedures in the shared management that create additional burdens for authorities and beneficiaries; points out that administrative capacity has to be constantly improved, monitored and strengthened; is therefore of the opinion that in this regard it is necessary to exploit functional and flexible e-government solutions, as well as improved information and coordination between Member States; additionally, underlines the need for greater focus on training the administration;

39. Points out that tailor-made regulatory frameworks, conditions and solutions (such as the Taiex Regio Peer 2 Peer exchange mechanism among the various regions) aimed at simplification can address the needs and challenges faced by different regions more effectively when it comes to administrative capacity;

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European Territorial Cooperation

40. Highlights — especially from the point of view of reducing disparities between border regions — the European added value of European Territorial Cooperation (ETC), which should be reflected in an increased level of appropriations for this cohesion policy objective, to be introduced as soon as practicable; calls at the same time on Member States to provide the necessary cofinancing; underlines the need to preserve this instrument as one of the core elements of cohesion policy after 2020;

41. Stresses the importance of macro-regional strategies, as instruments which have proved useful for the development of territorial cooperation and the economic development of the areas concerned; highlights the decisive role of local and regional authorities for the success of the measures included in those strategies;

42. Recommends that more intensive use be made of the modified and expanded EGTC legal instrument as the legal basis for territorial cooperation;

43. Proposes the establishment of a permanent link between RIS3 and interregional cooperation on an EU-wide scale, preferably in the form of a permanent element of the INTERREG programme;

44. Underlines that the concept of results orientation requires that INTERREG programmes ensure high-quality project-level cooperation and the adaptation of evaluation methods and criteria to take into account the specific nature of each programme; calls on the Commission, the Member States and the managing authorities to work together and exchange information and good practices in order to ensure that results orientation is implemented and targeted as effectively as possible, taking account of ETC specificities;

45. Stresses the potential of using financial instruments in INTERREG programmes that, through complementing grants, help to support SMEs and develop research and innovation, by increasing investment, creating new jobs, allowing better results to be achieved and boosting the effectiveness of projects;

46. Deplores the low public awareness and insufficient visibility of ETC programmes, and calls for more effective communication of the achievements of completed projects; calls on the Commission, the Member States and the managing authorities to establish mechanisms and broad institutionalised platforms for cooperation in order to ensure better visibility and awareness-raising; calls on the Commission to map the achievements of the ETC programmes and projects so far;

Partnership principle and multi-level governance

47. Welcomes the code of conduct agreed during the negotiations on the current funding period, which outlines the minimum standards for a well-functioning partnership; observes that the code has improved the implementation of the partnership principle in most Member States, but regrets the fact that many Member States have centralised large parts of the negotiation and implementation of the PAs and OPs; stresses the need to actively involve regional and local authorities and other stakeholders at all stages, and therefore calls for their real participation to be guaranteed in future in the negotiation and implementation process in respect of countries' specific structures; believes that overcentralisation and lack of trust have also played a role in the delayed implementation of ESI Funds, with some Member States and managing authorities less keen to place greater responsibility for management of EU funds in the hands of local and regional authorities;

48. Stresses that clarification is needed from the Commission regarding the performance of Member States and regions on the Article 5 CPR principles, with an emphasis on how government can be encouraged to fully apply the partnership principle; stresses that shared ownership is a precondition for stronger recognition of EU cohesion policy;

49. Supports the Commission's new approach of setting up special working groups, that is to say project teams intended to ensure better management of ESI Funds in Member States, and calls for this approach to be developed further;

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50. Stresses that future cohesion policy must incorporate supporting measures to help refugees integrate successfully into the EU's labour market, thus promoting economic growth and helping ensure general safety in the EU;

Future cohesion policy

51. Emphasises that the ESI Funds contribute to GDP, jobs and growth in the Member States, which are essential elements to be considered in the 7th Cohesion Report expected for 2017; points out, furthermore, that substantial investments in the less developed regions also contribute to GDP in more developed Member States; is of the opinion that should Article 50 TEU be formally invoked by the UK government, the 7th Cohesion Report should also take account of the possible effects of 'Brexit' on structural policy;

52. Is of the opinion that GDP might not be the only legitimate indicator for ensuring a fair distribution of funds, and that specific territorial needs and the importance of agreed programme priorities for development of the programme areas should be taken into account when deciding on the future allocation; considers it important that consideration be given in future to introducing new dynamic indicators in addition to GDP; notes that many regions in Europe are facing high rates of unemployment and a shrinking population; invites the Commission to give thought to developing and introducing a 'demographic indicator';

53. Recalls that a substantial amount of public investment is made at local and regional level; stresses that the European System of Accounts (ESA) must not limit local and regional authorities' ability to undertake necessary investments, since this would prevent Member States from putting up cofinancing for projects eligible for structural funding, thus making them unable to use this important source of funding to help find a way out of the economic crisis and kick-start growth and employment; strongly encourages the Commission to reassess the ESA's strictly annual approach, so that public expenditure financed from the ESI Funds is considered as capital investment and not merely as debt or operating expenses;

54. Stresses that ETC, which serves the broader principle of territorial cohesion as introduced by the Lisbon Treaty, could be improved; therefore encourages all stakeholders involved in negotiations on the future policy to strengthen this dimension of territorial cohesion; calls on the Commission to give ETC the necessary importance in the 7th Cohesion Report;

55. Considers that thematic concentration must be maintained in the future, as it has proved its viability; expects the Commission to come forward with an overview of achievements brought about by thematic concentration in cohesion policy;

56. Is convinced that the future performance-oriented cohesion policy must be founded on data and indicators that are appropriate for measuring efforts, outcomes and impacts achieved, as well as experience at regional and local level in the area (performance-based budgeting, ex ante conditionalities and thematic concentration), as this provides clear practical guidelines for local and regional authorities — including those which have not so far attempted to apply this approach — on the implementation of its principles;

57. Underlines that faster take-up of the available funds and a more balanced progression of expenditure during the programming cycle will be needed in future, also in order to avoid frequently turning to 'retrospective projects', which are often aimed at avoiding automatic decommitment at the end of the programming period; takes the view that after adoption of the general regulation and the fund-specific regulations, implementation of the OPs in the next funding period as from 2021 will be able to start more quickly, as Member States will already have experience with a performance-oriented policy after the efforts made for cohesion policy in the period 2014-2020; points out in this regard that Member States should avoid delays in appointing managing authorities for the OPs;

58. Insists that the legislative process to adopt the next MFF should be concluded by the end of 2018, so that the regulatory framework for future cohesion policy can be adopted swiftly after that and can come into force without delay on 1 January 2021;

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59. Takes the view that cohesion policy should continue to cover all Member States and all of Europe's regions, and that simplifying arrangements for access to EU funds is an essential prerequisite for the future success of the policy;

60. Believes that the spirit of innovation and smart specialisation, alongside sustainable development, must remain an important driver of cohesion policy; stresses that smart specialisation should be a leading mechanism for future cohesion policy;

61. Underlines the high risk of the accumulation of payment claims under Heading 1b in the second half of the current MFF, and calls for a sufficient level of payment appropriations to be made available on a yearly basis up to the end of the current perspective, in order to prevent a new backlog of unpaid bills; stresses, for this purpose, the need for the three EU institutions to develop and agree upon a new joint payment plan for 2016-2020, which should provide for a clear strategy to meet all payment needs up to the end of the current MFF;

62. Recommends to the Commission that it analyse the real impact of ESI Fund investment during the previous programming period and the extent to which European objectives have been achieved through the funds invested, and that it draw conclusions in relation to positive and negative experiences, as a starting point in order to add value to the investment process;

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63. Instructs its President to forward this resolution to the Council, the Commission, the Committee of the Regions, and the governments and national and regional parliaments of the Member States.

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P8_TA(2017)0054

Aviation Strategy for Europe

European Parliament resolution of 16 February 2017 on an Aviation Strategy for Europe (2016/2062(INI))

(2018/C 252/28)

The European Parliament,

- having regard to the Commission communication of 7 December 2015 entitled ‘An Aviation Strategy for Europe’ (COM(2015)0598),
- having regard to the Treaty on the Functioning of the European Union (TFEU), and in particular Article 4(2)(b) and (g), Article 16 and Titles VI and X thereof,
- having regard to Protocol No 2 on the application of the principles of subsidiarity and proportionality,
- having regard to the opinion of the European Economic and Social Committee of 14 July 2016 on ‘An Aviation Strategy for Europe’ ⁽¹⁾,
- having regard to Commission Decision 2012/21/EU of 20 December 2011 on the application of Article 106(2) of the Treaty on the Functioning of the European Union to State aid in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest ⁽²⁾,
- having regard to the Commission communication on ‘Guidelines on State aid to airports and airlines’ ⁽³⁾,
- having regard to the Commission notice on the notion of State aid as referred to in Article 107(1) of the Treaty on the Functioning of the European Union ⁽⁴⁾,
- having regard to the draft Commission Regulation amending Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty ⁽⁵⁾,
- having regard to the Commission proposal of 7 December 2015 on common rules in the field of civil aviation and establishing a European Union Aviation Safety Agency, and repealing Regulation (EC) No 216/2008 of the European Parliament and of the Council (COM(2015)0613),
- having regard to the conclusions of the high-level conference ‘A Social Agenda for Transport’, held on 4 June 2015 in Brussels ⁽⁶⁾,
- having regard to its resolution of 4 February 2016 on the special situation of islands ⁽⁷⁾,

⁽¹⁾ EESC, AC TEN/581.

⁽²⁾ OJ L 7, 11.1.2012, p. 3.

⁽³⁾ OJ C 99, 4.4.2014, p. 3.

⁽⁴⁾ OJ C 262, 19.7.2016, p. 1.

⁽⁵⁾ OJ C 382, 15.10.2016, p. 1.

⁽⁶⁾ https://ec.europa.eu/transport/media/events/event/high-level-conference-2015-social-agenda-transport_en

⁽⁷⁾ Texts adopted, P8_TA(2016)0049.

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- having regard to the outcome of the 39th Session of the International Civil Aviation Organisation (ICAO) Assembly, held in 2016,
- having regard to Regulation (EC) No 551/2004 of the European Parliament and of the Council of 10 March 2004 on the organisation and use of the airspace in the Single European Sky,
- having regard to its resolution of 11 November 2015 on aviation ⁽¹⁾,
- having regard to its resolution of 29 October 2015 on allocation by the World Radiocommunication Conference, held in Geneva from 2 to 27 November 2015 (WRC-15), of the necessary radio spectrum band to support the future development of a satellite-based technology to enable global flight tracking systems ⁽²⁾,
- having regard to its resolution of 7 June 2011 on international air agreements under the Treaty of Lisbon ⁽³⁾,
- having regard to its resolution of 25 April 2007 on the establishment of a European common aviation area ⁽⁴⁾,
- having regard to its position adopted at first reading on 12 March 2014 on the proposal for a regulation of the European Parliament and of the Council on the implementation of the Single European Sky (recast) ⁽⁵⁾,
- having regard to its position adopted at first reading on 12 March 2014 on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 216/2008 in the field of aerodromes, air traffic management and air navigation services ⁽⁶⁾,
- having regard to its position adopted at first reading on 5 February 2014 on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 261/2004 establishing common rules on compensation and assistance to passengers in the event of denied boarding and of cancellation or long delay of flights and Regulation (EC) No 2027/97 on air carrier liability in respect of the carriage of passengers and their baggage by air ⁽⁷⁾,
- having regard to its position adopted at first reading on 12 December 2012 on the proposal for a regulation of the European Parliament and of the Council on common rules for the allocation of slots at EU airports (recast) ⁽⁸⁾,
- having regard to its resolution of 29 October 2015 on safe use of remotely piloted aircraft systems (RPAS), commonly known as unmanned aerial vehicles (UAVs), in the field of civil aviation ⁽⁹⁾,
- having regard to its resolution of 2 July 2013 on ‘The EU’s External Aviation Policy — Addressing Future Challenges’ ⁽¹⁰⁾,
- having regard to the conclusions of the European Aviation Summit held at Schiphol airport (Netherlands) on 20 and 21 January 2016 ⁽¹¹⁾,

⁽¹⁾ Texts adopted, P8_TA(2015)0394.

⁽²⁾ Texts adopted, P8_TA(2015)0392.

⁽³⁾ OJ C 380 E, 11.12.2012, p. 5.

⁽⁴⁾ OJ C 74 E, 20.3.2008, p. 658.

⁽⁵⁾ Texts adopted, P7_TA(2014)0220.

⁽⁶⁾ Texts adopted, P7_TA(2014)0221.

⁽⁷⁾ Texts adopted, P7_TA(2014)0092.

⁽⁸⁾ OJ C 434, 23.12.2015, p. 217.

⁽⁹⁾ Texts adopted, P8_TA(2015)0390.

⁽¹⁰⁾ OJ C 75, 26.2.2016, p. 2.

⁽¹¹⁾ <https://english.eu2016.nl/documents/reports/2016/01/20/report-aviation-summit-2016>

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- having regard to the Chicago Convention of 7 December 1944,

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

 - having regard to the report of the Committee on Transport and Tourism and the opinions of the Committee on Employment and Social Affairs, the Committee on the Environment, Public Health and Food Safety and the Committee on the Internal Market and Consumer Protection (A8-0021/2017),
- A. whereas EU transport policy ultimately aims at serving the interests of European citizens and businesses by providing ever greater connectivity, the highest level of safety and security and barrier-free markets;
- B. whereas stringent standards of safety should remain a key objective when pursuing competitiveness in air transport;
- C. whereas the EU single aviation market is a most successful example of regional liberalisation of air transport, which has strongly contributed to unprecedented levels of air connectivity by expanding travel opportunities within and outside Europe while lowering prices; whereas the aviation sector is a fundamental part of the European transport network, indispensable to ensure connectivity and territorial cohesion within the EU and worldwide; whereas the remote and isolated location of the outermost regions leaves them, unlike more centrally located and well integrated regions, no alternative to air transport; whereas the objective of supporting increased air connectivity should be not only to expand the network of connections but also to ensure an appropriate quality of connectivity in terms of flight frequency, network range and convenience of schedules;
- D. whereas the aviation sector is a driver with a multiplier effect for growth and job creation and is an important pillar of the EU economy, fostering innovation, trade and the quality of jobs, which has significant direct and indirect benefits for citizens; whereas air traffic growth and availability and variety of flight connections promote economic growth, confirming that air transport acts as a catalyst for economic development; whereas regional and local airports also play a significant role in the development of regions by increasing their competitiveness and facilitating access for tourism;
- E. whereas 4,7 million jobs in the Union are directly (1,9 million) and indirectly (2,8 million) generated by air transport, airports and the related manufacturing industry; whereas a further 917 000 jobs elsewhere in the global economy are supported by the European aviation industry; whereas the mobile and transnational nature of aviation makes it difficult to detect social abuses and circumvention of labour standards and means that it is impossible to tackle the problems solely at national level; whereas recent ILO findings suggest a deterioration of working conditions in the aviation sector; whereas greater diversification in contracts can be a tool for more flexibility, but can also be misused for purposes of 'rule shopping' to avoid paying social security contributions;
- F. whereas the lack of proper implementation of EU legislation and political unwillingness in the Council prevent the aviation sector from unleashing its full potential, thus damaging its competitiveness and leading to greater costs at the expense of businesses, passengers and the economy;
- G. whereas in a sector that is driven by technology and by research and innovation, which require both large-scale investment and a developed infrastructure, the success of a strategy lies in its capacity to adopt a long-term vision with properly planned investment and to fully take account of all transport modes;
- H. whereas air transport plays an important role in meeting the EU's climate objectives by introducing measures to reduce greenhouse gas emissions;

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I. whereas, even though the Single European Sky provides for the establishment of functional airspace blocks (FABs), the implementation of those FABs has, to date, been considerably delayed; whereas, therefore, the Commission has estimated that some EUR 5 billion per year are being lost because of the lack of progress in this regard;

J. whereas security is one of the challenges that the aviation industry faces most directly;

1. Welcomes the Commission's communication on an Aviation Strategy for Europe and its effort to identify sources for boosting the sector by finding new market opportunities and dismantling barriers, and for its proposals to meet and anticipate new challenges on the basis of a common European vision, by developing modern regulatory frameworks; believes that, in a longer-term perspective, a further holistic and more ambitious approach should be embraced in order to provide the necessary boost for a sustainable and competitive European aviation industry;

2. Believes that safety is a guiding principle for the European Aviation Strategy and that it must be continuously improved; welcomes, therefore, the review of the EASA (European Air Safety Agency) Basic Regulation (Regulation (EC) No 216/2008), aimed at achieving the highest levels of safety in aviation; calls on the Commission and the Council, in this respect, to equip EASA with sufficient resources and staff to ensure high safety standards and to strengthen its role on the international scene;

3. Urges the Council and the Member States finally to make swift progress on other essential dossiers which are currently deadlocked, such as the Recast of the Regulation on the Implementation of the Single European Sky (SES2+) and the revision of the Slot Regulation and the Air Passenger Rights Regulations; calls on the Commission to rethink ongoing initiatives and propose viable alternatives to remove the deficiencies of the aviation sector resulting from the late and incomplete implementation of EU legislation such as the Single European Sky (SES); stresses that if legal clarity and certainty are to be ensured the publication of guidelines, although helpful, is no substitute for the proper revision of the existing regulations;

4. Stresses that the aviation files blocked in Council are meant to equip the EU with better legal certainty and a strengthened framework for the protection of Air passengers' rights, a more efficient and rational use of EU airspace and improved provisions to implement the Single European Sky, all essential elements for the realisation of the Aviation strategy; calls on the Council to take steps to move forward the negotiations on these files;

International dimension of the Aviation Strategy

5. Welcomes the Commission's proposal to revise Regulation (EC) No 868/2004 addressing unfair current practices, such as unacceptable state aid, which is neither adequate nor effective, thus shedding light on the major concerns surrounding potential distortions of competition under European rules; stresses, however, that neither an unacceptable trend towards protectionism, nor, on their own, measures to ensure fair competition can guarantee the competitiveness of the EU aviation sector;

6. Believes that the European aviation sector, though facing increased pressure from new competitors, many of which have used air transport as a strategic tool for international development, can fit into a competitive global environment by further building on and developing its assets, such as high safety and security standards, the role of EASA, geographical positioning, an innovative industry and social and environmental goals; strongly believes that competition from third countries, if fair, should be seen as an opportunity to develop further an innovative European aviation model that has the potential to provide a unique and competitive response to the specificities of competitors;

7. Believes that the possibility to attract foreign investment is important for the competitiveness of EU airlines and should not be hampered; welcomes, therefore, the Commission's intention to issue guidelines that will bring clarity regarding the ownership and control rules, as laid down in Regulation (EC) No 1008/2008, with particular reference to the 'effective control' criteria, so as to ensure the effectiveness of those rules;

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8. Welcomes the initiative to negotiate at EU level air transport agreements and bilateral aviation safety agreements with third countries representing emerging and strategic markets (China, Japan, ASEAN, Turkey, Qatar, the UAE, Armenia, Mexico, China, Bahrain, Kuwait, Oman and Saudi Arabia), and encourages prompt and constructive negotiations; recalls that new agreements should be correctly implemented and enforced by all parties and need to include a fair competition clause on the basis of international standards (ICAO, ILO); calls on the Commission and the Council, on a basis of respect for Article 218 TFEU, to fully involve Parliament at all stages of negotiations;

9. Calls on the Commission to make negotiating air transport agreements with third countries conditional on high safety standards, appropriate labour and social standards and participation in the market-based climate change instrument for air transport emissions and, in air transport agreements, to ensure equal market access, equal ownership conditions and a level playing field based on reciprocity;

10. Asks the Commission for a swift conclusion of ongoing negotiations, and in the future to launch new aviation dialogues with other strategic aviation partners; stresses that air services agreements also contribute to the promotion of technological progress, as well as to the implementation and strengthening of other European policies, such as the neighbourhood policy;

Consolidating the EU single market in aviation

11. Recalls that airspace is also part of the EU single market, and that any fragmentation resulting from its inefficient use, as well as diverging national practices (concerning, for instance, operational procedures, taxes, levies, etc), causes longer flight times, delays, extra fuel burn, and higher levels of CO₂ emissions, in addition to negatively impacting the rest of the market and hampering the EU's competitiveness;

12. Notes that Article 3 of Regulation (EC) No 551/2004 foresees, without prejudice to the sovereignty of Member States over their airspace, the establishment of a single European upper flight information region (EUIR), and calls on the Commission to implement this, as it will allow the overcoming of regional bottlenecks and enable continuity of air services in the densest parts of the airspace in the event of unforeseen circumstances or disruptions of air traffic; believes that the EUIR will allow the gradual establishment of a Trans-European Motorway of the Sky, which would be another step towards the completion of the Single European Sky and a cost-effective management of the EU airspace; welcomes the progress already made in the field of air traffic management aiming at increasing efficiency and reducing costs and emissions, in particular thanks to the work of the Network Manager, and calls on the Member States to complete the FABs without any further delay in order to facilitate further progress towards the Single European Sky;

13. Strongly believes that the aviation sector should fully benefit from European satellite-based technologies, such as EGNOS and Galileo, which allow safer and more efficient navigation and approach procedures while enabling the full deployment of the Single European Sky ATM Research (SESAR) project; therefore insists on the need for the broad implementation of these technologies; points out that to ensure the proper deployment of SESAR, and in the interests of achieving global interoperability, a specific and ambitious budget — other than the Connecting Europe Facility (CEF) budget — should be allocated for its implementation;

14. Takes note of the volume of air traffic, which is currently considerable and is forecast to increase in the next few years, as well as of the capacity constraints of European airports as regards accommodating some 2 million flights by 2035; stresses that this will require a coordinated and efficient use of airport and airspace capacity so as to mitigate congestion;

15. Stresses the vital importance of the aviation sector for growth, job creation and the development of tourism; stresses that small and regional airports play a key role in promoting connectivity, territorial cohesion, social inclusion and economic growth, especially for the outermost regions and for islands; sees, in this respect, a need for strategic planning for the European airport system that can identify current capacities, predicted demand, current bottlenecks and future infrastructure needs at European level, and that can maintain EU citizens' access to aviation services;

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16. Acknowledges the significant connectivity gap within the EU, characterised by a lower number of air connections in certain parts of the Union, and the importance of regional connectivity (including geographical areas excluded from the TEN-T); encourages the Commission to continue monitoring and addressing air connectivity within the EU;

17. Believes that many of the significant limits to growth, both in the air and on the ground (e.g. capacity crunch, under- and over-utilisation of infrastructures, different Air Navigation Service Providers (ANSPPs) or limited investment), as well as the gaps in air connectivity between different regions of the EU, can be addressed by taking connectivity, at all levels (national, European and international), as one of the main indicators when assessing and planning actions in the sector;

18. Considers that connectivity should not only be limited to number, frequency and quality of air transport services, but should also be assessed in the context of an integrated modern transport network and should take in other criteria, such as time, territorial continuity, greater network integration, accessibility, availability of transport alternatives, affordability and environmental costs, in order to reflect the actual added value of a route; calls, therefore, on the Commission to explore the possibility of developing an EU indicator based on other existing indices and on the exploratory work already carried out by Eurocontrol and the Airport Observatory;

19. Believes that such a connectivity index, including a positive cost-benefit analysis, should consider air connections from a broad perspective, while not undermining the EU's objective of territorial cohesion, which will be enhanced by the forthcoming interpretative guidelines on the Public Service Obligations rules; stresses that this index can serve the interests of overall strategic planning, so as to avoid wasting taxpayers' money by making a distinction in economic terms between viable opportunities from unprofitable projects, in order, among other things, to favour the profitable specialisation of airports, including clusters or networks of airports, avoid the future emergence of 'ghost airports', and ensure efficient use of airport capacity and airspace, and also by identifying intermodal, cost-efficient and sustainable solutions;

20. Believes that the benefits of the complementarity of all modes of transport without exception should be unleashed in order to improve mobility and achieve a resilient transport network in the interests of the users, both in passengers and cargo transport; points out that intermodality, by permitting a modal shift, is the only way to assure the dynamic and sustainable development of a competitive EU aviation sector; underlines that intermodality allows a more efficient use of infrastructure, by expanding and taking into account airport catchment areas and avoiding their overlapping, which would also free up slots and contribute to creating a favourable environment for trade, tourism and cargo operations; recognises the successes achieved in this field through the integration of rail and air infrastructures, and encourages further progress in this respect;

21. Reiterates that the TEN-T corridors are the backbone for the development of multimodal options where airports are core hubs; regrets that multimodal initiatives across Europe are fragmented and limited in number; stresses the need for fast, efficient and user-friendly connections between public transport networks and airport infrastructure; calls on both the Commission and the Member States to give greater priority to the multimodal objective within the TEN-T corridors while removing bottlenecks; calls on the Commission promptly to present its proposal for a multimodal and interoperable approach to transport, with the aviation sector fully integrated, and calls on the Member States to make better use of the financial instruments at their disposal to promote intermodal connections;

22. Considers that in order to boost the attractiveness of intermodal transport across Europe, barrier-free solutions, real-time information and integrated services (e.g. integrated ticketing) should be offered to all passengers (including persons with reduced mobility); points out that EU-funded projects have proved the technical feasibility of developing multimodal information and ticketing systems; invites the Commission, therefore, to support their actual delivering to passengers across the EU;

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23. Believes that transport operators and service providers will engage in finding intermodal and multimodal solutions if, through an EU regulatory framework, clarification and legal certainty are provided as regards passenger rights, liability, delays and cancellations, security clearance, open data and data-sharing standards; calls on the Commission to act in this respect;

24. Notes that both public and private financing in the aviation sector are vital to guarantee territorial cohesion, foster innovation and maintain or regain European leadership of our industry; recalls that all financing must respect EU state aid guidelines and competition law; maintains that when granting public support it has to be ensured that the investment in question will be cost-effective and fit for purpose;

25. Calls on the Commission and the Member States, in line with the Commission's 'Guidelines on State aid to airports and airlines' and with the Commission notice concerning the scope of state aid under Article 107(1) TFEU, to maintain a long-term strategy to address, on the one hand, the surplus of loss-making airports in regions where other modes of transport are available and on the other hand, the contribution of secondary airports to the development, competitiveness and integration of EU regions;

26. Notes the importance of a favourable regulatory framework for airports to attract and mobilise private investment; considers that the Commission's evaluation of the Airport Charges Directive, in conjunction with effective airline/airport consultation, should help clarify whether the current provisions are an effective tool to promote competition against the risk of abuse of monopoly power and to further the interests of European consumers and promote competition, or whether a reform is needed; acknowledges the contribution of non-aeronautical revenues to the commercial viability of airports;

27. Notes that the Commission announced, in its Aviation Strategy published in December 2015, an evaluation of Council Directive 96/67/EC on ground handling services at EU airports; supports the inclusion of ground handling within the scope of EASA, with the aim of covering the entire aviation safety chain;

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28. Believes that the entire aviation value chain has the potential to be a strategic sector for investment, which needs to be further exploited by setting long-term objectives and by granting incentives to smart initiatives fulfilling those objectives, such as greener airports or aircraft, noise reduction, connection between airport facilities and public transport; invites the Commission and the Member States to look into further measures to promote such initiatives, including through the effective use of the European Fund for Strategic Investments (EFSI), and to continue promoting and financing programmes such as Clean Sky and SESAR; emphasises that the aeronautics industry is a major contributor to competitiveness in the EU aviation sector, lending strong support to the promotion of cleaner technologies and supporting SESAR deployment;

29. Takes note of the CO₂ emissions generated by the aviation sector; stresses the wide range of actions already taken and to be taken for achieving a reduction of CO₂ and greenhouse gas emissions, both technically by developing alternative fuels and more efficient aircraft, and politically by abiding by international agreements; welcomes the agreement reached by the 39th Assembly of ICAO on 6 October 2016, with the adoption of a Global Market-Based Measure (GMBM) to reduce international aviation emissions, and the commitment entered into by 65 countries to participate in the voluntary phase by 2027, which means that approximately 80 % of emissions above 2020 levels will be offset by the scheme until 2035; stresses the importance of maintaining beyond 31 December 2016 the derogation granted under the Emissions Trading Scheme (ETS) to emissions from flights to or from an airfield in an outermost region as defined in Article 349 TFEU; welcomes the Commission's intention to review the EU's measures to reduce CO₂ emissions from aviation in light of this agreement;

30. Is of the opinion that, in view also of the Commission's Circular Economy Package, further initiatives aimed at increasing environmental capacity and reducing emissions and noise from operational activities from, to and within airports should be encouraged, for example by adopting renewable fuels (e.g. biofuels), by developing efficient systems for environment-friendly certified recycling, dismantling and reuse of aircraft, by promoting 'green airports' and 'green way-to-

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airports', and by achieving the most efficient logistics management;

31. Calls for the best emission-reducing practices within the sector to be collected and disseminated, bearing in mind that high environmental standards must be preserved and enhanced over time in order to ensure that aviation develops sustainably;

32. Urges the Commission and the Member States to monitor strictly the new procedures which have been in force from June 2016 to reduce noise and ultrafine particles in exhaust gas emissions from aircraft taking off from airports close to cities and populated hubs, so as to improve quality of life and especially air quality;

33. Acknowledges the substantial cost of security measures; stresses that the security challenges, including cybersecurity, facing the aviation sector will increase in the future, requiring an immediate shift to a more risk-based and intelligence-based approach and a reactive security system that improves the security of airports' facilities and makes it possible to adapt to evolving threats without constantly responding with new measures or merely shifting the risk without reducing it;

34. Welcomes the Commission's proposal for a EU certification system for aviation security screening equipment; insists on the need for a consistent implementation of the existing rules regarding staff recruitment and training; calls on the Commission to look into the possibility of deepening the one-stop security concept, and of developing a EU pre-check system allowing pre-registered EU travellers to transit security clearance in a more efficient manner; urges the Member States to commit to sharing intelligence systematically and to exchange best practices on airport security systems;

35. Takes note of the High Level Report on Conflict Zones, and calls on the Commission and the Member States to ensure that the report's recommendations are implemented, including the sharing of information to ensure the development of an EU risk assessment and the ability to share information in a speedy manner; also underlines that security concerns arising from non-cooperative military flights with no active transponders must continue to be addressed;

36. Considers that innovation is a prerequisite for a competitive European aviation industry; notes that relative to other transport modes, aviation is already a leading sector in putting to use the benefits of digitalisation, information and communication technologies and open data, and encourages the sector to continue to take a lead in this process, while ensuring fair competition, interoperability of systems, neutrality, and transparency of access to clear and concise information for all users, such as, for instance, consumers booking an entire journey or freight companies involved in air cargo operations; welcomes the Commission's proposal for an aviation big data project and asks for clarification on its implementation;

37. Recalls the 'sweep' of travel service websites across the Union undertaken by the Commission and national enforcement bodies in 2013; notes that this 'sweep' uncovered significant problems with more than two-thirds of the websites checked; calls on the Commission to report more fully on the progress made in bringing travel websites into compliance with EU law, and its future plans for enforcement in this area, as regards both online and offline air ticket sales; recalls that consumers must always have a route available to them for submitting complaints to traders and claiming refunds; believes this route should be available in a manner which does not dissuade consumers from exercising their rights and should be clearly signposted to consumers; calls on the Commission to work closely with national enforcement bodies in order to ensure that traders meet these requirements;

38. Welcomes the innovation and economic development which can be fostered by the further development of the civil use of remotely piloted aircraft systems (RPASs); notes that the market for RPASs is growing rapidly, and that such aircraft are increasingly used for private purposes, in commercial activities and by public authorities in the performance of their

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tasks; underlines the urgent need for swift adoption of a clear, proportionate, harmonised, and risk-based regulatory framework for RPASs in order to stimulate investment and innovation in the sector and fully exploit its enormous potential while maintaining the highest possible safety standards;

39. Recalls that regulation of the aviation sector should take into account the specific needs of general aviation, on a basis that provides for individual air transport solutions, as well as for air sports activities;

Social agenda of the Aviation Strategy

40. Acknowledges the need to clarify the 'home base' criterion and the definition of 'principal place of business', so as to ensure that they can be applied consistently and effectively prevent use of flags of convenience and 'rule-shopping' practices; recalls that one of the core responsibilities of EASA is to issue both Air Operations Certificates and Third Countries Operators authorisations, with the purpose of guaranteeing safety and contributing to improving working conditions;

41. Calls on EASA and the Member States to continue scrutinising new business and employment models in order to ensure aviation safety, and asks the Commission to regulate where necessary; notes that particular attention should be paid to, among other things, zero-hour contracts, pay-to-fly schemes, bogus self-employment and the situation of crew from third countries on EU-registered aircraft; emphasises the importance of the regulation on Occurrence Reporting in Aviation and 'just culture' practices for strengthening and improving safety standards, as well as health and working conditions;

42. Recalls that high-quality training contributes to aviation safety; highlights EASA's key contribution to the establishment of common training and safety standards for pilots, crew members and air traffic controllers, also through its Virtual Academy, and calls on the Member States to invest in lifelong education and training for all parts of the aviation value chain, as the success of European aviation is highly dependent on skilled workers and innovation; recognises the need to address any skills gaps which may emerge; emphasises the importance of partnerships between educational institutions, research centres and the social partners in order to update training programmes and ensure that they reflect labour market needs;

43. Calls on the Commission and the Member States to expand dual training models in aeronautical engineering, and to extend them through international cooperation;

44. Encourages the Commission to come forward with concrete initiatives in order to protect workers' rights; calls on the Member States to guarantee all workers in the aviation sector decent working conditions, including health and safety at work, regardless of the size and type of company which employs them, the place of employment or the underlying contract;

45. Notes that all airlines operating in the European Union must be fully compliant with EU and Member State social and employment requirements; points out that there are significant differences between Member States as regards working conditions and social protection and that undertakings exploit freedom of establishment in order to reduce costs; calls on the Member States to put a stop to this damaging competition; calls on the Commission and the Member States to present proposals on how to prevent indirect employment being misused to circumvent EU and national legislation on taxation and social security in the aviation sector; calls on the Commission and the Member States to prevent social abuses and circumvention of labour standards by guaranteeing protection for those providing information, facilitating open reporting and enhancing cooperation between Member States' labour inspectorates; calls on the Commission and the Member States to ensure the application and proper enforcement of labour law, social legislation and collective agreements for airlines operating in a given Member State;

46. Underlines that the right to form and join a trade union and to undertake collective action is a fundamental right and must be respected, as laid down in Article 12 of the Charter of Fundamental Rights of the European Union; rejects any attempts to undermine the right to strike in the aviation sector; highlights the importance of having strong, independent social partners in the aviation sector, a regular, institutionalised social dialogue at all levels, and participation and representation of employees in company matters; insists on a proper consultation process and strengthened social dialogue

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ahead of any EU initiative concerning the aviation sector; welcomes attempts by the social partners to negotiate an agreement on the working conditions and social rights of employees in the European aviation sector; encourages them to negotiate collective agreements in all parts of the sector in line with national laws and practices, as such agreements are an effective instrument in combating a race to the bottom regarding social, working and employment standards and in ensuring decent remuneration for all workers;

47. Believes that no employee should be in doubt on the applicable labour legislation or on where he or she is entitled to social security; draws attention to the special situation of highly mobile workers in the aviation sector in this context, and calls for better coordination of social security systems within the EU; insists that the need for further clarification of applicable law and competent courts vis-à-vis the employment contracts of mobile workers in aviation should be assessed in close cooperation with the representatives of those workers;

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48. Instructs its President to forward this resolution to the Council and the Commission.

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P8_TA(2017)0055

Delayed implementation of ESI Funds operational programmes — impact on cohesion policy and the way forward

European Parliament resolution of 16 February 2017 on delayed implementation of ESI Funds operational programmes — impact on cohesion policy and the way forward (2016/3008(RSP))

(2018/C 252/29)

The European Parliament,

- having regard to its resolution of 11 May 2016 on acceleration of implementation of cohesion policy ⁽¹⁾,
- having regard to its resolution of 27 November 2014 on delays in the start-up of cohesion policy for 2014-2020 ⁽²⁾,
- having regard to its resolution of 14 January 2014 on the EU Member States preparedness to an effective and timely start of the new Cohesion Policy programming period ⁽³⁾,
- having regard to its resolution of 26 October 2016 on the mid-term revision of the MFF 2014-2020 ⁽⁴⁾,
- having regard to its resolution of 16 February 2017 on investing in jobs and growth — maximising the contribution of European Structural and Investment Funds: an evaluation of the report under Article 16(3) of the CPR ⁽⁵⁾,
- having regard to its resolution of 26 November 2015 on ‘Towards simplification and performance orientation in cohesion policy 2014-2020’ ⁽⁶⁾,
- having regard to the question to the Commission on delayed implementation of European Structural and Investment (ESI) Funds operational programmes — impact on cohesion policy and the way forward (O-000005/2017 — B8-0202/2017),
- having regard to Protocol No 2 on the application of the principles of subsidiarity and proportionality,
- having regard to Rules 128(5) and 123(2) of its Rules of Procedure,

A. whereas the late conclusion of the 2014-2020 MFF negotiations and the late adoption of the ESI Funds regulations resulted in delays in the process of adoption and implementation of partnership agreements and operational programmes, designation of managing, certifying and auditing authorities, the process of defining and fulfilling ex-ante conditionalities, and project implementation at local, regional and national level; whereas, although factual information and analysis are missing on the reasons for these delays, they are impacting in the first part of the programming period on the potential of the ESI Funds to increase competitiveness and enhance social, economic and territorial cohesion;

⁽¹⁾ Texts adopted, P8_TA(2016)0217.

⁽²⁾ OJ C 289, 9.8.2016, p. 50.

⁽³⁾ OJ C 482, 23.12.2016, p. 56.

⁽⁴⁾ Texts adopted, P8_TA(2016)0412.

⁽⁵⁾ Texts adopted, P8_TA(2017)0053.

⁽⁶⁾ Texts adopted, P8_TA(2015)0419.

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- B. whereas 564 ESI Funds operational programmes have now been adopted and the Commission has received notifications of designation of authorities for 374 operational programmes; whereas interim payments cannot take place without the designation of managing authorities; whereas, according to the data available as of 30 November 2016, EUR 14,750 billion of interim payments have been executed, implying lower payment needs than originally foreseen;
- C. whereas at the same stage during the last programming period, despite similar delays and technical obstacles related to the requirement concerning management and control systems, an uptake of interim payments was already registered in July 2009 and, according to the payment appropriations foreseen in the 2010 budget, the implementation of cohesion policy programmes was expected to reach full cruising speed that year;
- D. whereas the current level of interim payments represents a comparatively low share of the overall programme allocation in the context of the programming period advancement; whereas Parliament is worried that according to the autumn 2016 Member States' forecasts, this would continue to proceed at the same pace;
- E. whereas delayed implementation and consequently lower payment needs already led to a EUR 7,2 billion reduction in payments under Heading 1b in 2016, through Draft Amending Budget No 4/2016; whereas at the same stage in the 2007-2013 programming period a similar draft amending budget was not necessary; whereas for 2017 there is a nearly 24 % decrease in payments appropriations compared to 2016;
- F. whereas closer cooperation between Member States and the European institutions is strongly recommended to ensure that payment appropriations for cohesion policy in the 2018 EU budget will stabilise at a satisfactory level and the overall payment plan for 2014-2020 will be respected or, where appropriate, adapted according to the actual situation;
- G. whereas administrative capacity both at national and at regional and local level is a key precondition for the successful implementation of cohesion policy;
1. Reiterates the contribution made by ESI Funds investments to reducing economic, social and territorial disparities within and between the European regions, as well as to generating smart, sustainable and inclusive growth and job creation; expresses concerns, therefore, that further delays in the implementation of cohesion policy operational programmes will impact negatively on the achievement of these goals, contributing moreover to a widening of the differences in regional development;
 2. Acknowledges that the introduction of several new requirements, such as thematic concentration, ex-ante conditionalities and financial management, despite ensuring increased performance of the programmes, contributed in the context of the late adoption of the legislative framework to the delays in implementation; draws attention to the fact that the current pace of implementation risks leading to large amounts of decommitments in the following years, and emphasises that necessary measures should be taken to avoid this; calls on the Commission to indicate the actions it foresees in this regard;
 3. Stresses that, due to these implementation delays, the use of financial instruments under the ESI Funds operational programmes might increase the already existing risk of low disbursement rates, excessive capital endowments, an inability to attract satisfactory levels of private capital, a low leverage effect and problematic revolving; notes that further clarifications and actions are needed to achieve an equal level of capacity to work with financial instruments as leverage tools in the Member States, and calls on Member States to make a balanced use of these instruments put in place by the Commission and the EIB; recalls also the possibility of combining funding from the ESI Funds and the European Fund for Strategic Investments (EFSI) in order to address the fall-off in investment, in particular in sectors best placed to boost growth and employment;
 4. Calls on the Commission and the Member States to make full use of the flexibility available under the Stability and Growth Pact, given that in many Member States the economic crisis has brought liquidity problems and resulted in governments having less money available for public investment and that cohesion policy funding is becoming the principal source of public investment;

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5. Calls, therefore, on the Commission, in close cooperation with Member States and on the basis of an objective analysis of the factors contributing to current delays, to present a 'Cohesion acceleration plan' in the first quarter of 2017 in order to facilitate an accelerated implementation of ESI Funds operational programmes; underlines nevertheless in this context the need to ensure low error rates, the fight against fraud, and the strengthening of administrative capacity at national, regional, as well as local level as a pre-condition to achieve timely and successful results; believes that tailor-made measures should follow the analysis of the Summary Report of the programme annual implementation reports covering implementation in 2014-2015, made available by the Commission at the end of 2016, and calls on the Member States to continuously monitor the progress made in the implementation of projects; stresses in this regard the need and added value of concentrating efforts on the thematic objectives priority sectors; moreover, calls on the Commission to continue providing support through the Task Force for Better Implementation and to make available an action plan of its activities to Parliament;

6. Is concerned by the delays in the designation of managing, certifying and auditing authorities, which result in delays in the submission of payment applications; calls, therefore, on Member States to complete the designation process, and on the Commission to deploy the technical assistance and advisory services needed to managing, certifying and auditing authorities, with a view to facilitating and speeding up the implementation of operational programmes on the ground, including for the preparation of project pipelines, the simplification and acceleration of the financial management and control system, as well as for contracting and monitoring procedures;

7. Acknowledges that a quicker and more effective implementation of ESI Funds operational programmes is directly linked to increased simplification; takes note in this regard of the priorities laid down in the framework of the Omnibus proposal; notes, however, that further efforts should be made, especially in addressing project management costs, heterogeneity and frequent changes of rules, the complex approval procedures for major projects, public procurement, unsolved property relations, long-lasting permit and decision obtaining procedures, the issue of retroactive application of audit and control rules, late payments to beneficiaries, difficulties in combining ESIF funding with other funding sources, state aid rules and slow dispute resolution; calls on the Commission to ensure appropriate coordination and make the state aid rules much simpler and to ensure that they are consistent with cohesion policy; reminds that efforts are needed also to improve communication of the results of the ESI Funds investments;

8. Calls on the Commission to consider and develop solutions, including additional forms of flexibility such as flexibility among priorities and among operational programmes at the request of the relevant managing authorities, in keeping with the Europe 2020 strategy objectives while ensuring the required stability and predictability, and the already proposed reflow of decommitments, including from heading 1b, as a result of total or partial non-implementation, into the EU budget, also with a view to the future programming period;

9. Calls for efforts to be increased with a view to ensuring and facilitating synergies between the EU funding opportunities, such as ESI Funds, Horizon 2020 and EFSI, through joint funding, close cooperation among the competent authorities, support for actions in smart specialisation, and through closer coordination with national bodies underwriting preferential loans for projects in line with the objectives of operational programmes;

10. Calls for better communication between Commission structures (the respective Directorates-General), between the Commission and the Member States, and with the national and regional authorities, as this is a crucial prerequisite in order to increase the absorption rate and the quality of the actions under the cohesion policy;

11. Reiterates the added value of the adoption of a performance-oriented approach and welcomes the Commission's efforts to ensure the policy performance in practice; notes the conclusions of the Summary Report of the programme annual implementation reports covering implementation in 2014-2015 and awaits the upcoming Strategic Report by the Commission planned for the end of 2017 that will provide more information on implementation of the priorities by reference to the financial data, common and programme-specific indicators and quantified target values and progress towards the milestones, as well as the situation regarding the completion of the action plans linked to outstanding ex-ante conditionalities ⁽¹⁾;

⁽¹⁾ Necessary update after the publication of the Summary Report on the programme annual implementation reports covering implementation in 2014-2015.

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12. Points to the existing payment plan 2014-2020; taking into consideration the decommitment rules, calls on the Commission to establish an adequate payment plan up to 2023, proposing increased payment ceilings under Heading 1b, if necessary, until the end of the current programming period; encourages the Commission and the Member States to make e-Cohesion fully operational and easy to use in order to adjust the payment plan according to concrete developments, as well as to prepare the 'Cohesion acceleration plan'; requests therefore that Member States enter data on project pipelines, procurement plans with planned and actual dates for tendering, contracting and implementation, as well as all financial and accounting data related to invoices, co-financing, eligibility of expenditures, etc.;
 13. Expects the Commission to continue discussions on these issues in the Cohesion Forum and to come forward with solutions in the 7th Cohesion Report, with a view to ensuring full implementation of cohesion policy and to meeting the EU's investment needs; calls also for the necessary steps to be taken for a timely start to the post-2020 programming period;
 14. Asks the Commission to draw lessons based on the information contained in the annual reports, with a view to the debate on the post-2020 Cohesion Policy;
 15. Urges the Commission to submit the legislative package concerning the next programming period by the beginning of 2018 at the latest, and to facilitate a smooth and timely negotiation of the post-2020 MFF, including a regulatory and procedural cushion, in order to avoid system shocks to cohesion policy investments and implementation; believes that the UK referendum result and the upcoming Brexit arrangements should be duly taken into consideration;
 16. Instructs its President to forward this resolution to the Commission, the Council, the Committee of the Regions, the Member States and their national and regional parliaments.
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Tuesday 14 February 2017

RECOMMENDATIONS

EUROPEAN PARLIAMENT

P8_TA(2017)0029

Priorities for the 61st session of the UN Commission on the Status of Women

European Parliament recommendation of 14 February 2017 to the Council on the EU priorities for the 61st session of the UN Commission on the Status of Women (2017/2001(INI))

(2018/C 252/30)

The European Parliament,

- having regard to the proposal for a recommendation to the Council by Constance Le Grip, on behalf of the PPE Group, and Maria Arena, on behalf of the S&D Group, on the EU priorities for the 61st session of the UN Commission on the Status of Women (B8-1365/2016),
 - having regard to the Council conclusions of 26 May 2015 on Gender in Development and on A New Global Partnership for Poverty Eradication and Sustainable Development after 2015, and of 16 December 2014 on a transformative post-2015 agenda,
 - having regard to the 61st session of the UN Commission on the Status of Women (CSW) and its priority theme 'Women's economic empowerment in the changing world of work',
 - having regard to the Fourth World Conference on Women, held in Beijing in September 1995, the Declaration and Platform for Action adopted in Beijing and the subsequent outcome documents of the United Nations Beijing + 5, + 10, + 15, + 20 Special Sessions on further actions and initiatives to implement the Beijing Declaration and Platform for Action, adopted on 9 June 2000, 11 March 2005, 2 March 2010 and 9 March 2015 respectively,
 - having regard to the 1979 UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW),
 - having regard to Rule 113 of its Rules of Procedure,
 - having regard to the report of the Committee on Women's Rights and Gender Equality (A8-0018/2017),
- A. whereas equality between women and men is a fundamental principle of the EU, enshrined in the Treaty on European Union, and one of its objectives and tasks, and whereas the EU is also guided by this principle in its external action as both dimensions should be coordinated;
- B. whereas women's human rights and gender equality are not only fundamental human rights, but preconditions for advancing development and reducing poverty and a necessary foundation for a peaceful, prosperous and sustainable world;
- C. whereas harassment and violence against women encompass a wide range of human rights violations; whereas any one of these abuses can leave deep psychological scars and involve physical or sexual harm or suffering, threats of such acts and coercion, damage the general health of women and girls, including their reproductive and sexual health, and in some instances result in death;

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- D. whereas on 23 January 2017 US President Donald Trump reinstated the so-called 'global gag' rule, which prevents international organisations from receiving any US global health assistance if they provide, counsel for, refer to or advocate for abortion services — even if they are doing so with their own, non-US funds and even if abortion is legal in their country; whereas programmes which address HIV/AIDS, maternal and child health, Zika response efforts and other health and disease areas will now be affected; whereas this rule will set back years of gains made in advancing the health and wellbeing of communities worldwide, especially in the area of women's and girls' rights, and could undercut healthcare access for millions worldwide;
- E. whereas the fifth Sustainable Development Goal (SDG5) is to achieve gender equality and to empower all women and girls worldwide; whereas SDG5 is a stand-alone goal, meaning that it has to be mainstreamed into the whole 2030 Agenda and the realisation of all SDGs; whereas empowering women means providing them with the necessary tools to become economically independent, be represented equally across society, play an equal role in all spheres of life, and gain more power in public life and control over all decisions impacting their lives;
- F. whereas women are important economic agents worldwide and women's economic participation can stimulate the economy, create jobs and build inclusive prosperity; whereas countries that value and empower women to participate fully in the labour market and decision-making are more stable, prosperous and secure; whereas gender budgeting is smart economics and ensures that public spending serves the advancement of equality between women and men;
- G. whereas female creativity and entrepreneurial potential are under-exploited sources of economic growth and jobs that should be further developed;
- H. whereas 20 years after Beijing, despite solid evidence that women's empowerment is central to reducing poverty, promoting development and addressing the world's most urgent challenges, EU governments recognised that no country had fully achieved equality between women and men and empowerment for women and girls, that progress had been slow and uneven, that major gaps and forms of discrimination remained and that new challenges had emerged in the implementation of the Platform for Action's 12 critical areas of concern;
- I. whereas the EU plays an important role in fostering the empowerment of women and girls, within the EU as well as worldwide, by political and financial means; whereas the EU must play the key role of guardian of language on women's human rights agreed by the UN and the EU;
- J. whereas women continue to produce around 80 % of food in the poorest countries and are currently the main guardians of biodiversity and crop seeds;
- K. whereas the land is not only a means of production, but a place of culture and identity; whereas access to land is therefore a fundamental component of life and an inalienable right for peasant and indigenous women;
1. Addresses the following recommendation to the Council:

General conditions for empowering women and girls

- (a) Confirm its commitment to the Beijing Platform for Action and to the range of actions for women's human rights and gender equality outlined therein; confirm its commitment to the twin-track approach to women's human rights, through gender mainstreaming in all policy areas and the implementation of specific actions for women's human rights and gender equality;
- (b) Encourage policies to invest in women's and girls' equal access to high-quality education and vocational training, including formal, informal and non-formal education, and to eliminate gender disparities in these fields and across all sectors, particularly those traditionally dominated by men;

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- (c) Combat all forms of violence against women and girls in the public and private spheres as a serious breach of their physical and psychological integrity preventing them from realising their full potential; advance towards the full ratification of the Istanbul Convention by all parties;
- (d) Consider that the UN, the EU and its Member States, in order to become more efficient actors globally, must also step up their domestic efforts to eliminate violence against women and gender-based violence; reiterate, therefore, its call on the Commission to propose an EU strategy to combat violence against women, including a directive laying down minimum standards; in this context, also call on all parties to sign and ratify the Council of Europe Convention on preventing and combating violence against women and domestic violence;
- (e) Devise policies to promote and support decent work and full employment for all women;
- (f) Ensure universal access to sexual and reproductive health care and reproductive rights as agreed in the Programme of Action of the International Conference on Population and Development, the Beijing Platform for Action and the outcome documents of the review conferences thereof; provide age-appropriate sexual education to girls and boys, young women and young men in order to reduce early undesired pregnancies or the spread of sexually transmitted diseases;
- (g) Strongly condemn the 'global gag' rule, which prohibits international organisations from receiving US family planning funding if they provide, counsel for, refer to or lobby for abortion services; consider this rule as a direct attack on and a setback for gains made for women's and girls' rights; call, as a matter of urgency, on the EU and its Member States to counter the impact of the gag rule by significantly increasing sexual and reproductive health and rights funding and launching an international fund to finance access to birth control and safe and legal abortion, using both national as well as EU development funding, in order to fill the financing gap left after the Trump administration's moves to cease funding all overseas aid organisations that provide sexual and reproductive health and rights services;
- (h) Eliminate the gender pay, lifelong earnings and pension gaps;
- (i) End all forms of discrimination against women in laws and policies at all levels;
- (j) Combat all forms of gender stereotypes perpetuating inequality, violence and discrimination, in all spheres of society;
- (k) Support women's organisations at all levels in their work; involve them as partners in policymaking and ensure adequate funding;
- (l) Apply gender budgeting, as a tool of gender mainstreaming, to all public expenditure;

Enhancing women's economic empowerment and overcoming barriers on the labour market

- (m) Call on all parties to ratify and implement the CEDAW, giving special attention to Articles 1, 4, 10, 11, 13, 14 and 15;
- (n) Urge all parties to enact policies and laws ensuring equal access to work and equal pay for equal work and work of equal value;

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- (o) Continue and intensify work towards policies supporting and promoting female entrepreneurship in the context of decent work and the removal of all barriers and social prejudices in establishing and running a business, including improving access to financial services, credit, venture capital and markets under equal conditions and encouraging access to information, training and networks for business purposes; in this context, recognise and promote the role of social enterprise, cooperatives and alternative business models in women's empowerment;
- (p) Recognise that macro-economic policies, particularly on budget discipline and public services, have a disproportionate impact on women, and that these gender impacts must be taken into account by policymakers;
- (q) Promote new investment in social care infrastructure, education and health care and in public provision of accessible, affordable and quality care services throughout the life cycle, including care for children, dependents and the elderly; ensure strong protection and labour rights for pregnant women during and after their pregnancies;
- (r) Support policies that favour the equal sharing of domestic and care responsibilities between women and men;
- (s) Support the establishment of an ILO convention to provide an international standard to address gender-based violence in the workplace;
- (t) Implement policies to address the phenomenon of political violence against women, including physical violence, intimidation and online harassment;
- (u) Take effective measures to abolish child labour, since millions of female children are exploited; introduce new mechanisms in current EU legislation to avoid the import of products produced using child labour;
- (v) Encourage women and girls through awareness raising campaigns and support programmes to enter academic and research careers in all scientific fields, with a special focus on the technology and digital economy;
- (w) Ensure coherence between EU internal and external policies and the Sustainable Development Goals;

Ensuring women's equal share at all levels of decision-making

- (x) Protect civil and political rights and support ensuring gender balance in decision-making at all levels, including political decision-making, economic policy and programmes, workplaces, business or academia;
- (y) Involve social partners, civil society and women's organisations in economic decision-making;
- (z) Strengthen women's leadership and participation in decision-making in conflict and post-conflict situations and ensure women's access to jobs, markets and political participation and leadership in countries emerging out of conflicts, all of which are essential for stability;

Addressing the needs of the most marginalised women

- (aa) Facilitate land ownership and access to credit for rural women and promote, encourage and support female entrepreneurial initiatives in rural areas, to enable women to become economically independent and to fully participate in and benefit from sustainable and rural development; protect and promote short food supply chains, through active policies at both internal and external level in the EU;

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- (ab) Establish internal and international rules that guarantee limits to the extensive land grabbing that goes against the interests of small owners, especially women;
- (ac) Call for the engagement of rural women's organisations in local, regional, national and global policymaking and support women's networks in the exchange of experience and good practice, particularly where women's lives could be affected by the relevant decisions;
- (ad) Call on all countries to ratify and implement the UN Convention on the Rights of Persons with Disabilities, including Article 6 thereof entitled 'Women with disabilities';
- (ae) Emphasise the right of migrant women workers, especially migrant and refugee domestic workers, to decent working conditions and equal social protection; call for the ratification and implementation of ILO Convention 189;
- (af) Urge all parties to implement policies that guarantee the rights and humane treatment of women and girl refugees;
- (ag) Ensure that gender-based persecution is considered as a basis for an asylum claim under the 1951 UN Convention relating to the Status of Refugees;
- (ah) Emphasise the need to protect and promote the rights of LGBTI women;
- (ai) Call on the CSW, together with the CEDAW Committee, to institutionalise an intersectional approach to their analysis, and to promote the concept of combating multiple discrimination through intersectional analysis throughout all UN bodies;
- (aj) Pursue policies to address the situation of women facing poverty and social exclusion;
- (ak) Recognise the role of women as formal and informal carers, and implement policies to improve the conditions under which they provide care;

Translating these commitments into expenditure and making them more visible

- (al) Mobilise the resources required to realise women's economic rights and reduce gender inequality, including through the use of the existing instruments at EU and Member State level, such as gender impact assessments; use gender budgeting for public expenditure to ensure equality between women and men and remove all gender inequalities;
 - (am) Ensure the full involvement of Parliament and its Committee on Women's Rights and Gender Equality in the decision-making process regarding the EU's position at the 61st session of the UN Commission on the Status of Women;
 - (an) Express its strong support for the work of UN Women, which is a central actor in the UN system for eliminating violence against women and girls worldwide and bringing together all relevant stakeholders in order to generate policy change and coordinate actions; call on all UN member states, as well as on the EU, to increase their funding for UN Women;
2. Instructs its President to forward this recommendation to the Council and, for information, to the Commission.
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III

(Preparatory acts)

EUROPEAN PARLIAMENT

P8_TA(2017)0014

Bilateral safeguard clause and stabilisation mechanism for bananas of the EU-Colombia and Peru Trade Agreement *I**

European Parliament legislative resolution of 2 February 2017 on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 19/2013 implementing the bilateral safeguard clause and the stabilisation mechanism for bananas of the Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part, and amending Regulation (EU) No 20/2013 implementing the bilateral safeguard clause and the stabilisation mechanism for bananas of the Agreement establishing an Association between the European Union and its Member States, on the one hand, and Central America on the other (COM(2015)0220 — C8-0131/2015 — 2015/0112(COD))

(Ordinary legislative procedure: first reading)

(2018/C 252/31)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2015)0220),
 - having regard to Article 294(2) and Article 207(2) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0131/2015),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the undertaking given by the Council representative by letter of 20 December 2016 to approve Parliament's position, in accordance with Article 294(4) of the Treaty on the Functioning of the European Union,
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the report of the Committee on International Trade (A8-0277/2016),
1. Adopts its position at first reading hereinafter set out;
 2. Approves the joint declaration by Parliament, the Council and the Commission annexed to this resolution;
 3. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
 4. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

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P8_TC1-COD(2015)0112

Position of the European Parliament adopted at first reading on 2 February 2017 with a view to the adoption of Regulation (EU) 2017/... of the European Parliament and of the Council amending Regulation (EU) No 19/2013 implementing the bilateral safeguard clause and the stabilisation mechanism for bananas of the Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part, and amending Regulation (EU) No 20/2013 implementing the bilateral safeguard clause and the stabilisation mechanism for bananas of the Agreement establishing an Association between the European Union and its Member States, on the one hand, and Central America on the other

(As an agreement was reached between Parliament and Council, Parliament's position corresponds to the final legislative act, Regulation (EU) 2017/540.)

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ANNEX TO THE LEGISLATIVE RESOLUTION

JOINT DECLARATION

by the European Parliament, the Council and the Commission

The European Parliament, the Council and the Commission agree on the importance of close cooperation in monitoring the implementation of the Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part ⁽¹⁾ as amended by Protocol of Accession to the Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part, to take account of the accession of Ecuador ⁽²⁾, Regulation (EU) No 19/2013 of the European Parliament and of the Council of 15 January 2013 implementing the bilateral safeguard clause and the stabilisation mechanism for bananas of the Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part ⁽³⁾ and Regulation (EU) No 20/2013 of the European Parliament and of the Council of 15 January 2013 implementing the bilateral safeguard clause and the stabilisation mechanism for bananas of the Agreement establishing an Association between the European Union and its Member States, on the one hand, and Central America on the other ⁽⁴⁾. To that end they agree on the following:

- Upon request by the responsible committee of the European Parliament, the Commission will report to it on any specific concerns relating to the implementation by Colombia, Ecuador or Peru of their commitments on trade and sustainable development.
- If the European Parliament adopts a recommendation to initiate a safeguard investigation, the Commission will carefully examine whether the conditions under Regulation (EU) No 19/2013 or under Regulation (EU) No 20/2013 for ex-officio initiation are fulfilled. If the Commission considers that the conditions are not fulfilled, it will present a report to the responsible committee of the European Parliament including an explanation of all the factors relevant to the initiation of such an investigation.
- The Commission will, by 1 January 2019, assess the situation of Union banana producers. If a serious deterioration in the state of the market or the situation of Union banana producers is found to have occurred, an extension in the period of validity of the mechanism may be considered with the agreement of the parties to the Agreement.

The Commission will continue to carry out regular analyses of the state of the market and the situation of Union banana producers after expiry of the stabilisation mechanism. If a serious deterioration in the state of the market or the situation of Union banana producers is found to have occurred, given the importance of the banana sector for outermost regions, the Commission will examine the situation, together with the Member States and the stakeholders, and decide whether appropriate measures should be considered. The Commission could also convene regular monitoring meetings with the Member States and the stakeholders.

The Commission has developed statistical tools to enable the monitoring and assessment of the trends in imports of bananas and of the situation of the Union banana market. The Commission will pay special attention to reviewing the format of the import surveillance data in order to make available regularly updated information in a more user-friendly manner.

⁽¹⁾ OJ L 354, 21.12.2012, p. 3.

⁽²⁾ OJ L 356, 24.12.2016, p. 3.

⁽³⁾ Regulation (EU) No 19/2013 of the European Parliament and of the Council of 15 January 2013 implementing the bilateral safeguard clause and the stabilisation mechanism for bananas of the Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part (OJ L 17, 19.1.2013, p. 1).

⁽⁴⁾ Regulation (EU) No 20/2013 of the European Parliament and of the Council of 15 January 2013 implementing the bilateral safeguard clause and the stabilisation mechanism for bananas of the Agreement establishing an Association between the European Union and its Member States, on the one hand, and Central America on the other (OJ L 17, 19.1.2013, p. 13).

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P8_TA(2017)0015

Sustainable management of external fishing fleets *I**

European Parliament legislative resolution of 2 February 2017 on the proposal for a regulation of the European Parliament and of the Council on the sustainable management of external fishing fleets, repealing Council Regulation (EC) No 1006/2008 (COM(2015)0636 — C8-0393/2015 — 2015/0289(COD))

(Ordinary legislative procedure: first reading)

(2018/C 252/32)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2015)0636),
 - having regard to Article 294(2) and Article 43(2) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0393/2015),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee of 25 May 2016 ⁽¹⁾,
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the report of the Committee on Fisheries and the opinion of the Committee on Development (A8-0377/2016),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

P8_TC1-COD(2015)0289

Position of the European Parliament adopted at first reading on 2 February 2017 with a view to the adoption of Regulation (EU) 2017/... of the European Parliament and of the Council on the sustainable management of external fishing fleets, repealing Council Regulation (EC) No 1006/2008

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 43(2) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee ⁽²⁾,

⁽¹⁾ OJ C 303, 19.8.2016, p. 116.

⁽²⁾ OJ C 303, 19.8.2016, p. 116.

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Having regard to the opinion of the Committee of the Regions,

Acting in accordance with the ordinary legislative procedure ⁽¹⁾,

Whereas:

- (1) Council Regulation (EC) No 1006/2008 ⁽²⁾ ('FAR') established a system concerning authorisations for fishing activities of Union fishing vessels outside Union waters and the access of third country vessels to Union waters,
- (2) The Union is a contracting party to the United Nations Conventions on the Law of the Sea of 10 December 1982 ⁽³⁾ (UNCLOS) and has ratified the 1995 United Nations Agreement on the Implementation of the provisions of the United Nations Convention on the Law of the Sea relating to the conservation and management of straddling fish stocks and highly migratory fish stocks of 4 August 1995 (UN Fish Stock Agreement) ⁽⁴⁾. Those international provisions set out the principle that all states have to adopt appropriate measures to ensure the sustainable management **and conservation** of marine resources and to cooperate with each other to that end. [Am. 1]
- (3) The Union has accepted the Agreement to promote compliance with international conservation and management measures by fishing vessels on the high seas of 24 November 1993 of the Food and Agriculture Organisation of the United Nations (FAO Compliance Agreement) ⁽⁵⁾. The FAO Compliance Agreement stipulates that a contracting party is to abstain from granting authorisation to use a vessel for fishing on the high seas if certain conditions are not met, as well as implement sanctions if certain reporting obligations are not fulfilled.
- (3a) ***The International Tribunal for the Law of the Sea delivered an advisory opinion on 2 April 2015 in response to a request submitted by the West Africa Sub-Regional Fisheries Commission. That advisory opinion confirmed that the Union bears responsibility for the activities of vessels flying the flag of the Member States and the due diligence that the Union must exercise in that regard.*** [Am. 2]
- (4) The Union has endorsed the FAO International Plan of Action to prevent, deter and eliminate illegal, unreported and undeclared fishing (IPOA-IUU) adopted in 2001. The IPOA-IUU and the FAO Voluntary Guidelines for flag state performance endorsed in 2014 underlie the responsibility of the flag State to ensure the long-term conservation and sustainable use of living marine resources and marine ecosystems. The IPOA-IUU provides that a flag State should issue authorisations to fish in waters outside its sovereignty or jurisdiction to vessels flying its flag. The Voluntary Guidelines also recommend that an authorisation be given by the flag State and by the coastal state when the fishing activities take place under a fisheries access agreement or even outside such an agreement. They should both be satisfied that such activities will not undermine the sustainability of the stocks in the coastal state's waters (paragraphs 40 and 41).
- (4a) ***In 2014, all members of the FAO, including the Union and its developing country partners, unanimously adopted the Voluntary Guidelines on Securing Sustainable Small-scale Fisheries in the Context of Food Security and Poverty Eradication, including point 5.7 thereof, which highlights that small-scale fisheries should be given due consideration before agreements on resource access are entered into with third countries and third parties.*** [Am. 3]

⁽¹⁾ Position of the European Parliament of 2 February 2017 and decision of the Council of

⁽²⁾ Council Regulation (EC) No 1006/2008 of 29 September 2008 concerning authorisations for fishing activities of Community fishing vessels outside Community waters and the access of third country vessels to Community waters, amending Regulations (EEC) No 2847/93 and (EC) No 1627/94 and repealing Regulation (EC) No 3317/94 (OJ L 286, 29.10.2008, p. 33).

⁽³⁾ Council Decision 98/392/EC of 23 March 1998 concerning the conclusion by the European Community of the United Nations Convention of 10 December 1982 on the Law of the Sea and the Agreement of 28 July 1994 relating to the implementation of Part XI thereof (OJ L 179, 23.6.1998, p. 1).

⁽⁴⁾ Council Decision 98/414/EC of 8 June 1998 on the ratification by the European Community of the Agreement for the implementing of the provisions of the United Nations Convention of the Law of the Sea of 10 December 1982 relating to the conservation and management of straddling stocks and highly migratory fish stocks (OJ L 189, 3.7.1998, p. 14).

⁽⁵⁾ Council Decision 96/428/EC of 25 June 1996 on acceptance by the Community of the Agreement to promote compliance with international conservation and management measures by fishing vessels on the high seas (OJ L 177, 16.7.1996, p. 24).

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- (4b) **The FAO Voluntary Guidelines for Securing Sustainable Small-Scale Fisheries in the Context of Food Security and Poverty Eradication call for the adoption of measures for the long-term conservation and sustainable use of fisheries resources and for the securing of the ecological foundation for food production, underlining the importance of environmental standards for fishing activities outside Union waters that include an ecosystem-based approach to fisheries management together with the precautionary approach, so as to rebuild and maintain exploited stocks above levels that can produce the maximum yield by 2015 wherever possible, and by 2020 at the latest for all stocks. [Am. 4]**
- (5) The issue of the obligations and concomitant responsibilities and liabilities of the flag State and, where appropriate, the flag international organisation, for the conservation and management of the living resources of the high seas under UNCLOS has increasingly come into focus at international level. This has also been the case, under the heading of a due diligence obligation flowing from UNCLOS, for concurrent coastal State jurisdiction and flag State jurisdiction and, as appropriate, flag **and coastal** international organisation jurisdiction, to secure sound conservation of marine biological resources within sea areas under national jurisdiction. **The Advisory Opinion of 2 April 2015 of the International Tribunal for the Law of the Sea (ITLOS), rendered in response to questions raised by the West Africa Subregional Fisheries Commission, confirmed that the Union bears international responsibility before third countries and international organisations for the activities of its fishing vessels, and that such responsibility requires it to act with due diligence.** A due diligence obligation is an obligation for a State to exercise best possible efforts and to do the utmost to prevent illegal fishing, which includes the obligation to adopt the necessary administrative and enforcement measures to ensure that fishing vessels flying its flag, its nationals, or fishing vessels engaged in its waters are not involved in activities which breach the applicable conservation and management measures. For those reasons **and, more generally, to strengthen the ‘blue’ economy**, it is important to organise both the activities of Union fishing vessels outside Union waters as well as the governance system pertaining thereto in such a manner that the Union’s international obligations can be efficiently and effectively discharged and that situations where the Union might be reproached for internationally wrongful acts are avoided. [Am. 5]
- (5a) **The Union committed itself at the United Nations Summit on Sustainable Development on 25 September 2015 to implementing the resolution containing the outcome document entitled ‘Transforming our world: the 2030 Agenda for Sustainable Development’, including Sustainable Development Goal 14 ‘Conserve and sustainably use the oceans, seas and marine resources for sustainable development’, as well as Sustainable Development Goal 12 ‘Ensure sustainable consumption and production patterns’ and their targets. [Am. 6]**
- (6) The outcomes of the 2012 United Nations Conference on Sustainable Development ‘Rio + 20’⁽¹⁾ as well as the **adoption of the EU Action Plan to tackle the illegal trade in wild flora and fauna, and international developments regarding the fight against illegal wildlife trade and the New Sustainable Development Goals (17 goals to transform our world, including Goal 14: Life below water) adopted in September 2015 by the United Nations** should be reflected in the Union’s external fisheries policy **and in its trade policy. [Am. 7]**
- (7) The objective of the Common Fisheries Policy (CFP), as set out in Regulation (EU) No 1380/2013 of the European Parliament and of the Council⁽²⁾ (the ‘Basic Regulation’), is to ensure that fishing activities are environmentally, economically and socially sustainable and are managed consistently with the objectives of achieving economic, social and employment benefits, and **of restoring and maintaining fish stocks above levels which can produce maximum sustainable yield, and** that they are contributing to the availability of food supplies. **It is also necessary, in implementing this policy, to take account of development cooperation objectives in accordance with the second subparagraph of Article 208(1) of the Treaty on the Functioning of the European Union (TFEU). [Am. 8]**
- (7a) **The Basic Regulation also requires that sustainable fisheries partnership agreements (SFPAs) be limited to surplus catches as referred to in Article 62(2) and (3) of UNCLOS. [Am. 9]**

⁽¹⁾ United Nations General Assembly Resolution A/Res/66/288 of 27 July 2012 on the outcome of the Rio + 20 Conference, entitled ‘The Future We Want’.

⁽²⁾ Regulation (EU) No 1380/2013 of the European Parliament and of the Council of 11 December 2013 on the Common Fisheries Policy (OJ L 354, 28.12.2013, p. 22).

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- (8) **The Basic Regulation (EU) No 1380/2013** stresses the need to promote the objectives of the CFP internationally, ensuring that Union fishing activities outside Union waters are based on the same principles and standards as those applicable under Union law, while promoting a level playing field for Union operators and third-country operators. **Social and environmental legislation adopted by third countries may differ from that of the Union, creating different standards for fishing fleets. That situation could lead to authorisation for fishing activities inconsistent with the sustainable management of marine resources. It is therefore necessary to ensure consistency with the environmental, fisheries, trade and development activities of the Union, especially when it affects fisheries in developing countries with low administrative capacity and where the risk of corruption is high.** [Am. 10]
- (9) Regulation (EC) No 1006/2008 was intended to establish common ground for authorising fishing activities to be carried out by Union vessels outside Union waters with a view to supporting the fight against IUU fishing and better control and monitoring of the ~~EU~~ **Union** fleet across the globe, **as well as conditions for the authorising of third country vessels fishing in Union waters.** [Am. 11]
- (10) Council Regulation (EC) No 1005/2008 ⁽¹⁾ on IUU fishing was adopted in parallel to Regulation (EC) No 1006/2008 and Council Regulation (EC) No 1224/2009 ('the Control Regulation') ⁽²⁾ was adopted a year later. Those Regulations are the three implementing pillars of the control and enforcement provisions of the CFP.
- (11) However, those three Regulations were not implemented consistently; in particular there were inconsistencies between the FAR and the Control Regulation, which was adopted after the FAR Regulation. The implementation of the FAR also revealed several loopholes, since some challenges in terms of control, such as chartering, reflagging and the issuance of fishing authorisations issued by a third country competent authority to a Union fishing vessel outside the framework of an SPPA ('direct authorisations'), were not covered. Besides, some reporting obligations have proven difficult as has the division of administrative roles between the Member States and the Commission.
- (12) The core principle of this Regulation is that any Union vessel fishing outside Union waters should be authorised by its flag Member State and monitored accordingly, irrespective of where it operates and the framework under which it does so. The issuing of an authorisation should be dependent on a basic set of common eligibility criteria being fulfilled. The information gathered by the Member States and provided to the Commission should allow the Commission to intervene in the monitoring of the fishing activities of all Union fishing vessels in any given area outside Union waters at any time. **This is necessary to enable the Commission to fulfil its obligations as Guardian of the Treaties.** [Am. 12]
- (12a) **Recent years have seen considerable improvements in the Union's external fisheries policy, in terms of the conditions and terms of SFPAs and the diligence with which the provisions are enforced. Maintaining the fishing opportunities for the Union fleet within the framework of SFPAs should be a priority objective of the Union's external fisheries policy and similar conditions should be applied to Union activities outside the scope of SFPAs.** [Am. 13]
- (12b) **The Commission should play a mediating role when the possibility of withdrawing, suspending or modifying a fishing authorisation is raised on account of evidence of serious threats to the exploitation of fishing resources.** [Am. 14]

⁽¹⁾ Council Regulation (EC) No 1005/2008 of 29 September 2008 establishing a Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing, amending Regulations (EEC) No 2847/93, (EC) No 1936/2001 and (EC) No 601/2004 and repealing Regulations (EC) No 1093/94 and (EC) No 1447/1999 (OJ L 286, 29.10.2008, p. 1).

⁽²⁾ Council Regulation (EC) No 1224/2009 of 20 November 2009 establishing a Community control system for ensuring compliance with the rules of the common fisheries policy, amending Regulations (EC) No 847/96, (EC) No 2371/2002, (EC) No 811/2004, (EC) No 768/2005, (EC) No 2115/2005, (EC) No 2166/2005, (EC) No 388/2006, (EC) No 509/2007, (EC) No 676/2007, (EC) No 1098/2007, (EC) No 1300/2008, (EC) No 1342/2008 and repealing Regulations (EEC) No 2847/93, (EC) No 1627/94 and (EC) No 1966/2006 (OJ L 343, 22.12.2009, p. 1).

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- (13) Support vessels may have a substantial impact on the way fishing vessels are able to carry out their fishing activities and on the quantity of fish they can retrieve. It is therefore necessary to take them into account in the authorisation and reporting processes set out in this Regulation.
- (14) Reflagging operations become an issue when their objective is to circumvent CFP rules or existing conservation and management measures. The Union should therefore be able to define, detect and hamper such operations. Traceability and proper follow-up of compliance history should be ensured throughout ~~a vessel's lifespan~~ **the lifespan of a vessel owned by a Union operator regardless of the flag or flags it operates under**. The requirement that a unique vessel number be granted by the International Maritime Organisation (IMO) should also serve that purpose. [Am. 15]
- (15) In third country waters, Union vessels may operate either under the provisions of SFPAs concluded between the Union and third countries or by obtaining direct fishing authorisations from third countries if no SFPA is in force. In both cases those activities should be carried out in a transparent and sustainable way. This is why the flag Member States should be empowered to authorise under a defined set of criteria and subject to monitoring, the vessels flying their flag to seek and obtain direct authorisations from third coastal states. The fishing activity should be authorised once the flag Member State is satisfied that it will not undermine sustainability. Unless the Commission has any further **duly justified** objection, the operator who has been given the authorisation from both the flag Member State and the coastal state should be allowed to start its fishing operation. [Am. 16]
- (16) A specific issue pertaining to SFPAs is the reallocation of under-utilised fishing opportunities that occur when fishing opportunities allocated to Member States by the relevant Council Regulations are not fully used. Since the access costs set out in the SFPAs are financed for a large part by the Union budget, a **temporary** reallocation system is important to preserve Union financial interests and ensure that no fishing opportunity which has been paid for is wasted. It is therefore necessary to clarify and improve the reallocation system, which should be a last resort mechanism. Its application should be temporary and it should not affect the initial allocation of fishing opportunities among Member States, **which means that it will not damage relative stability. As a system of last resort**, reallocation should only occur once the relevant Member States have given up on their rights to exchange fishing opportunities among themselves. [Am. 17]
- (16a) **'Dormant agreements' is the term used where countries have adopted a fisheries partnership agreement without having a protocol in force, for structural or circumstantial reasons. The Union has several 'dormant agreements' with third countries. Union vessels are therefore not allowed to fish in waters under the dormant agreements. The Commission should make an effort to 'wake up' those agreements or to cease the partnership agreement concerned.** [Am. 18]
- (17) Fishing activities under the auspices of regional fisheries management organisations (RFMOs) and **unregulated fisheries** on the high seas should also be authorised by the flag Member State and comply with RFMO specific rules or Union legislation governing fishing activities on the high seas. [Am. 19]
- (18) Chartering arrangements may undermine the effectiveness of conservation and management measures, as well as have a negative impact on the sustainable exploitation of living marine resources. It is therefore necessary to set out a legal framework that helps the Union to better monitor the activities of **fishing vessels flying a Union flag and chartered fishing vessels by third country operators** on the basis of what has been adopted by the relevant RFMO. [Am. 20]
- (19) Procedures should be transparent, **practicable** and predictable for Union and third country operators, as well as for their respective competent authorities. [Am. 21]
- (19a) **The Union should seek an international level playing field where the Union fishing fleet can compete with other fishing nations, adapting market access rules accordingly whenever stringent rules are adopted for the Union fleet.** [Am. 22]

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- (20) The exchange of data in electronic form between Member States and the Commission, as provided for by the Control Regulation, should be ensured. Member States should collect all requested data about their fleets and their fishing activities, manage it and make it available to the Commission. Moreover, they should cooperate with each other, the Commission and third countries where relevant in order to coordinate those data collection activities.
- (21) With a view to improving the transparency and accessibility of information on Union fishing authorisations, the Commission should set up an electronic fishing authorisation register comprising both a public and a secure part. Information in the Union fishing authorisation register includes personal data. The processing of personal data based on this Regulation should comply with Regulation (EC) No 45/2001 of the European Parliament and of the Council ⁽¹⁾, Directive 95/46/EC of the European Parliament and of the Council ⁽²⁾ and applicable national law.
- (22) With a view to properly addressing access to Union waters of fishing vessels flying the flag of a third country, the relevant rules should be consistent with those applicable to Union fishing vessels, in accordance with the Control Regulation. In particular, Article 33 of that Regulation on the reporting of catch and catch-related data should also apply to third country vessels fishing in Union waters.
- (23) Fishing vessels from third countries without authorisation under this Regulation should, when navigating in Union waters, be obliged to ensure that their fishing gear is installed in such a manner that it is not readily usable for fishing operations.
- (24) Member States should be responsible for controlling the fishing activities of third country vessels in Union waters and, in the event of infringements, for recording them in the national register provided for in Article 93 of the Control Regulation.
- (25) In order to simplify authorisation procedures, a common system of data exchange and data storage should be used by the Member States and the Commission to provide necessary information and updates while minimising administrative burden. In this regard, the data contained in the Union fleet register should be fully used.
- (26) In order to take into account technological progress and subsequent possible new international law requirements, the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission in respect of the adoption of modifications to the Annexes to this Regulation setting out the list of information to be provided by an operator in order to obtain a fishing authorisation. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making ⁽³⁾. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.
- (27) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission in respect of the recording, format and the transmission of data related to fishing authorisations from the Member States to the Commission and to the Union fishing authorisation register, as well as to lay down a methodology for the reallocation of unused fishing opportunities. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council ⁽⁴⁾.

⁽¹⁾ Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data (OJ L 8, 12.1.2001, p. 1).

⁽²⁾ Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data (OJ L 281, 23.11.1995, p. 31).

⁽³⁾ OJ L 123, 12.5.2016, p. 1.

⁽⁴⁾ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

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- (28) The Commission should adopt immediately applicable implementing acts where, in duly justified cases relating to the reallocation of fishing opportunities, imperative grounds of urgency so require.
- (29) By reason of the number and importance of the amendments to be made, Regulation (EC) No 1006/2008 should be repealed,

HAVE ADOPTED THIS REGULATION:

TITLE I
GENERAL PROVISIONS

Article 1
Subject matter

This Regulation sets out rules for issuing and managing fishing authorisations for:

- (a) Union fishing vessels ~~operating~~ **conducting fishing activities** in waters under the sovereignty or jurisdiction of a third country, under the auspices of an RFMO **to which the Union is a contracting party**, in or outside Union waters, or on the high seas; and
- (b) third country fishing vessels ~~operating~~ **conducting fishing activities** in Union waters. [Am. 23]

Article 2
Relationship to international and Union law

This Regulation shall apply without prejudice to the provisions:

- (a) in SFPA and similar fisheries agreements concluded between the Union and third countries;
- (b) adopted by RFMOs or similar fisheries organisations to which the Union is a contracting party or a non-contracting cooperating party;
- (c) in Union legislation implementing or transposing provisions referred to in points (a) and (b).

Article 3
Definitions

For the purpose of this Regulation, the definitions in Article 4 of the Basic Regulation shall apply. In addition, the following definitions shall also apply:

- (a) 'support vessel' means a vessel that is not equipped with operational fishing gear **designed to catch or attract fish and** that facilitates, assists or prepares fishing activities; [Am. 24]
- (b) 'fishing authorisation' means ~~an~~ **a fishing** authorisation issued in respect of a Union fishing vessel or third country fishing vessel, **in addition to its fishing licence**, entitling it to carry out specific fishing activities during a specified period, in a given area or for a given fishery under specific conditions; [Am. 25]
- (c) 'fishing authorisation register' means the management system of fishing authorisations and the associated database;
- (d) 'direct authorisation' means a fishing authorisation issued by a third country competent authority to a Union fishing vessel outside the framework of an SFPA;

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- (e) 'third country waters' means waters under the sovereignty or jurisdiction of a third country;
- (f) 'observer ~~program~~ **programme**' means a scheme under the auspices of an RFMO, **an SFPA, a third country or a Member State** that provides observers ~~on-board~~ **on-board** fishing vessels under certain conditions **to collect data and/or** to verify the vessel's compliance with the rules adopted by that organisation, **SFPA or country**. [Am. 26]
- (fa) '**contracting party**' means **a contracting party to the international convention or agreement establishing an RFMO, as well as States, fishing entities or any other entities that cooperate with such an organisation and have been granted cooperating non-contracting party status with respect to such an organisation**. [Am. 27]
- (fb) '**chartering**' means **an arrangement by which a fishing vessel flying the flag of a Member State is contracted for a defined period by an operator in either another Member State or a third country without a change of flag**; [Am. 77]

TITLE II

FISHING ACTIVITIES BY UNION FISHING VESSELS OUTSIDE UNION WATERS

Chapter I

Common provisions

Article 4

General principle

Without prejudice to the requirement to obtain an authorisation from the competent organisation or third country, a Union fishing vessel may not carry out fishing activities outside Union waters unless it has been issued with a fishing authorisation by its flag Member State.

Article 5

Eligibility criteria

1. A flag Member State may only issue a fishing authorisation for fishing activities outside Union waters if:
 - (a) it has received complete and accurate information, in accordance with ~~Annexes 1 and 2~~ **the Annex**, about the fishing vessel and the associated support vessel(s), including non-Union support vessels; [Am. 28]
 - (b) the fishing vessel has a valid fishing licence under Article 6 of Regulation (EC) No 1224/2009;
 - (c) the fishing vessel and any associated support vessel have an IMO number, **where required by Union legislation**; [Am. 29]
 - (d) the ~~operator and~~ **master of** the fishing vessel, **as well as the fishing vessel concerned**, have not been subject to a sanction for a serious infringement ~~according to the national law of the Member State pursuant to Article 42 of Council Regulation (EC) No 1005/2008 and Article 90 of Council Regulation (EC) No 1224/2009~~ during the 12 months prior to the application for the fishing authorisation; [Am. 78]
 - (e) the fishing vessel is not included in an IUU vessel list adopted by an RFMO and/or by the Union pursuant to Regulation (EC) No 1005/2008;

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(f) where applicable, fishing opportunities are available to the flag Member State under the fisheries agreement concerned or the relevant provisions of the RFMO; and

(g) where applicable, the fishing vessel complies with the requirements set out in Article 6.

2. The Commission shall be empowered to adopt delegated acts, in accordance with Article 43, for the purpose of modifying the Annex.

Article 6

Reflagging operations

1. This ~~article~~ **Article** applies to vessels that ~~within five~~ **during the two** years of the date of ~~preceding~~ the application for a fishing authorisation have:

(a) left the Union fishing fleet register and been reflagged in a third country; and

(b) subsequently returned to the Union fishing fleet register ~~within 24 months from the date of leaving it.~~

2. A flag Member State may only issue a fishing authorisation if it ~~is satisfied~~ **has verified** that, during the period that the vessel referred to in paragraph 1 operated under a third country flag:

(a) it did not engage in IUU fishing activities; and that

(b) it did not operate in waters of **either** a non-cooperating third country pursuant to Articles 31 and 33 of Regulation (EC) No 1005/2008 **or a third country which became identified as a country allowing non-sustainable fishing pursuant to point (a) of Article 4(1) of Regulation (EU) No 1026/2012 of the European Parliament and of the Council** ⁽¹⁾.

3. To that end, an operator shall provide ~~any~~ **the following** information related to the relevant period **during which the vessel operated under a third country flag** required by a flag Member State, ~~including at least each of the following:~~

(a) a declaration of catches and fishing efforts during the relevant period;

(b) a copy of the fishing authorisation issued by the flag State for the relevant period;

(c) a copy of any fishing authorisation permitting fishing operations in third country waters during the relevant period;

(d) an official statement by the third country where the vessel was reflagged listing the sanctions the vessel or the operator had been subject to during the relevant period.

(da) complete flag history during the period when the vessel has left the Union fleet register.

4. A flag Member State shall not issue a fishing authorisation to a vessel that has been reflagged:

(a) in a third country which became identified or listed as a non-cooperating country in combatting IUU fishing pursuant to Articles 31 and 33 of Regulation (EC) No 1005/2008; or

⁽¹⁾ Regulation (EU) No 1026/2012 of the European Parliament and of the Council of 25 October 2012 on certain measures for the purpose of the conservation of fish stocks in relation to countries allowing non-sustainable fishing (OJ L 316, 14.11.2012, p. 34).

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(b) in a third country which became identified as a country allowing non-sustainable fishing pursuant to point (a) of Article 4(1) of Regulation (EU) No 1026/2012.

5. Paragraph 4 shall not apply if the flag Member State is satisfied that, as soon as the country was identified as an IUU non-cooperating country or as allowing non-sustainable fishing, the operator:

(a) ceased fishing operations; and

(b) **immediately** started the relevant administrative procedures to remove the vessel from the third country's fishing fleet register. [Am. 31]

Article 7

Monitoring fishing authorisations

1. When applying for a fishing authorisation, an operator shall provide the flag Member State with complete and accurate data.

2. An operator shall immediately inform the flag Member State of any change to the related data.

3. A flag Member State shall monitor **at least once a year** whether the conditions on the basis of which a fishing authorisation has been issued continue to be met during the period of validity of that authorisation.

4. If a condition on the basis of which a fishing authorisation has been issued is no longer met, a flag Member State shall **take appropriate action, including to** amend or withdraw the authorisation and **immediately** notify the operator and the Commission **and, if relevant, the secretariat of the RFMO or the third country concerned** accordingly.

5. Upon a **duly justified** request from the Commission, a flag Member State shall refuse, suspend or withdraw the authorisation in cases:

(a) ~~of overriding policy reasons pertaining~~ **imperative grounds of urgency related to a serious threat** to the sustainable exploitation, management and conservation of marine biological resources;

(b) ~~or the prevention or suppression of~~ **serious infringements relating to Article 42 of Regulation (EC) No 1005/2008 or Article 90(1) of Regulation (EC) No 1224/2009, in the framework of** illegal, unreported or unregulated (IUU) fishing, ~~or in cases in order to prevent them, in the case of high risk;~~

(c) where the Union has decided to suspend or sever relations with the third country concerned.

The duly justified request referred to in the first subparagraph shall be supported by relevant and appropriate information. The Commission shall immediately inform the operator and the flag Member State when it makes such a duly justified request. Such a request by the Commission shall be followed by a 15-day period of consultation between the Commission and the flag Member State.

6. If ~~a~~, **at the end of the 15-day period referred to in paragraph 5, the Commission confirms its request and the** flag Member State fails to refuse, amend, suspend or withdraw the authorisation in accordance with paragraphs 4 and 5, the Commission may decide, **after a further five days**, to withdraw the authorisation and **shall** notify the flag Member State and the operator ~~accordingly~~ **of its decision.** [Am. 32]

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Chapter II

Fishing activities by Union fishing vessels in third country waters

SECTION 1

FISHING ACTIVITIES UNDER SFPAS

Article 8

RFMO Membership

A Union fishing vessel may only carry out fishing activities in waters of a third country on stocks managed by an RFMO if that country is a contracting party or non-contracting cooperating party to that RFMO. **Where SFPAs have been concluded before ... [the date of entry into force of this Regulation], this paragraph shall apply from ... [four years after the date of entry into force of this Regulation].** [Am. 33]

The Union may allocate a proportion of sectoral support funding to third countries with which it has SFPAs, in order to help those third countries join RFMOs. [Am. 34]

Article 9

Scope

This Section shall apply to fishing activities carried out by Union fishing vessels in third country waters under an SFPAs.

The Union shall ensure that SFPAs are consistent with this Regulation. [Am. 35]

Article 10

Fishing authorisations

A Union fishing vessel may not carry out fishing activities in waters of a third country under an SFPAs unless it has been issued with a fishing authorisation:

- (a) ~~by its flag Member State~~ **the third country with sovereignty or jurisdiction over the waters where the fishing activities take place;** and [Am. 36]
- (b) ~~by the third country with sovereignty or jurisdiction over the waters where the activities take place~~ **its flag Member State.** [Am. 37]

Article 11

Conditions for fishing authorisations by the flag Member State

A flag Member State may only issue a fishing authorisation for fishing activities carried out in third country waters under an SFPAs if:

- (a) the eligibility criteria set out in Article 5 are fulfilled;
- (b) the conditions set out in the relevant SFPAs are complied with;
- (c) the operator has paid all fees;
- (ca) **the operator has paid all applicable** financial penalties ~~claimed~~ **imposed** by the third country competent authority ~~over the past 12 months,~~ **after the conclusion of applicable legal procedures; and** [Am. 38]
- (cb) **the fishing vessel has an authorisation from the third country concerned.** [Am. 39]

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Article 12

Management of fishing authorisations

1. Once it has issued a fishing authorisation **verified that the conditions set out in points (a), (b) and (c) of Article 11 are met**, a flag Member State shall send the Commission the corresponding application ~~for~~ **to obtain** the third country's authorisation.
2. The application referred to in paragraph 1 shall contain the information listed in ~~Annexes 1 and 2~~ **the Annex** together with any other data required under the SFPAs.
3. The flag Member State shall send the application to the Commission at least ~~10~~ **15** calendar days before the deadline for the transmission of applications laid down in the SFPAs. The Commission may ~~ask~~ **send a duly justified request to** the flag Member State for any additional information that it deems necessary.
4. ~~When it is satisfied that~~ **Within a period of 10 calendar days from receipt of the application, or, in the event that additional information was requested pursuant to paragraph 3, within 15 calendar days from receipt of the application, the Commission shall conduct a preliminary examination to determine whether** the conditions in Article 11 are met, ~~the~~ **The Commission shall then either** send the application to the third country **or notify the Member State that the application is refused.**
5. If a third country informs the Commission that it has decided to issue, refuse, suspend or withdraw a fishing authorisation for a Union fishing vessel **under the agreement**, the Commission shall **immediately** inform the flag Member State accordingly, **if possible by electronic means. The flag Member State shall immediately transmit that information to the owner of the vessel.** [Am. 40]

Article 13

Temporary reallocation of unused fishing opportunities in the framework of SFPAs

1. ~~During a specific year or any other relevant~~ **At the end of the first half of the** period of the implementation of a protocol to an SFPAs, the Commission may identify unused fishing opportunities and inform the Member States benefiting from the corresponding shares of the allocation accordingly.
2. Within ~~10~~ **20** days of receipt of this information from the Commission, the Member States referred to in paragraph 1 may:
 - (a) inform the Commission that they will use their fishing opportunities later in the ~~year or the relevant~~ **second half of the** period of implementation by providing a fishing plan with detailed information on the number of fishing authorisations requested, the estimated catches, zone and period of fishing; or
 - (b) notify the Commission of exchanges of fishing opportunities, pursuant to Article 16(8) of the Basic Regulation.
3. If certain Member States have not informed the Commission of one of the actions referred to in paragraph 2 and, if as a result fishing opportunities remain unused, the Commission may **during a period of ten days following the period referred to in paragraph 2**, launch a call for interest for the available unused fishing opportunities among the other Member States benefiting from a share of the allocation.
4. Within 10 days of receipt of that call for interest, those Member States may communicate their interest in the unused fishing opportunities to the Commission. In support for their request, they shall provide a fishing plan with detailed information on the number of fishing authorisations requested, the estimated catches, zone and period of fishing.
5. If deemed necessary for the assessment of the request, the Commission may ask the Member States concerned for additional information **about the number of fishing authorisations applied for, catch estimates, the zone and the fishing period.**
6. In the absence of any interest in the unused fishing opportunities by the Member States benefiting from a share of the allocation **at the end of the ten-day period**, the Commission may launch a call for interest to all Member States. A Member State may communicate its interest in the unused fishing opportunities under the conditions referred to in paragraph 4.

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7. On the basis of the information provided by Member States in accordance with paragraphs 4 or 5 **and in close cooperation with them**, the Commission shall reallocate, **solely** the unused fishing opportunities on a temporary basis by applying the methodology set out in Article 14.

7a. The reallocation referred to in paragraph 7 shall apply only during the second half of the period of implementation referred to in paragraph 1 and shall occur only once during that period.

7b. The Commission shall inform the Member States of:

(a) the Member States to which the reallocation has been made;

(b) the quantities allocated to the Member States to which the reallocation has been made; and

(c) the allocation criteria used for the reallocation. [Am. 41]

Article 13a

Simplification of procedures for the annual renewal of existing fishing authorisations during the period in which the protocol to an SFPA in force applies

Faster, simpler and more flexible procedures for renewing the licences of those vessels whose status (characteristics, flag, ownership or compliance) has not changed from one year to another should be permitted during the period in force of a Union SFPA. [Am. 42]

Article 14

Temporary reallocation methodology

1. The Commission may lay down, by means of implementing acts, a methodology for the **temporary** reallocation of unused fishing opportunities. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 45(2).

2. On duly justified imperative grounds of urgency relating to the limited time left to exploit unused fishing opportunities, the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 45(3). Those acts shall remain in force for a period not exceeding six months.

3. When laying down the reallocation methodology, the Commission shall apply the following **transparent and objective** criteria, **taking into account environmental, social and economic factors**:

(a) fishing opportunities available for reallocation;

(b) number of requesting Member States;

(c) share assigned to each requesting Member State in the initial allocation of fishing opportunities;

(d) historic catch and effort levels of each requesting Member State;

(e) number, type and characteristics of vessels and gear used;

(f) consistency of the fishing plan provided by the requesting Member States with the elements listed in points (a) to (e).

The Commission shall publish its justification for the reallocation. [Am. 43]

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Article 15

Allocation of a yearly quota broken down into several successive catch limits

~~1. The allocation of fishing opportunities in a situation where the Protocol to a sustainable fisheries partnership agreement an SFPA sets monthly or quarterly catch limits or other subdivisions of a yearly quota, the Commission may adopt an implementing act establishing a methodology for allocating, monthly, quarterly or other period, the corresponding fishing opportunities between Member States. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 45(2). shall be consistent with the annual fishing opportunities allocated to Member States under the relevant Union legal act. That principle shall not apply only when the Member States concerned agree on joint fishing plans that take account of the monthly or quarterly catch limits or other subdivisions of a yearly quota. [Am. 44]~~

~~2. The allocation of fishing opportunities referred to in paragraph 1 shall be consistent with the annual fishing opportunities allocated to Member States under the relevant Council Regulation. [Am. 45]~~

SECTION 2

FISHING ACTIVITIES UNDER DIRECT AUTHORISATIONS

Article 16

Scope

This Section shall apply to fishing activities carried out by Union fishing vessels outside the framework of an SFPA in waters of a third country.

Article 17

Fishing authorisations

A Union fishing vessel may not carry out fishing activities in waters of a third country outside the framework of an SFPA unless it has been issued with a fishing authorisation by:

- (a) ~~its flag Member State~~ **the third country with sovereignty or jurisdiction over the waters where the activities take place;** and [Am. 46]
- (b) ~~the third country with sovereignty or jurisdiction over the waters where the activities take place~~ **its flag Member State.** [Am. 47]

A flag Member State may issue a fishing authorisation for fishing activities carried out in third country waters whenever the Protocol of a given SFPA covering those waters has not been in force with the relevant third country for at least the three preceding years.

In the event of renewal of the Protocol, the fishing authorisation shall be automatically withdrawn as from the date of entry into force of that Protocol. [Am. 48]

Article 18

Conditions for fishing authorisations by the flag Member States

A flag Member State may only issue a fishing authorisation for fishing activities carried out in third country waters outside the framework of an SFPA if:

- (a) there is no SFPA in force with the relevant third country, ~~or the sustainable fisheries partnership agreement in force provides expressly for the possibility of direct authorisations;~~
- (b) the eligibility criteria set out in Article 5 are fulfilled;

(ba) there is a surplus of allowable catch as required under Article 62(2) of UNCLOS;

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- (c) the operator has provided each of the following:
- (i) **a copy of the applicable fisheries legislation as provided to the operator by the coastal State;**
 - (ii) ~~a written confirmation from~~ **valid fishing authorisation provided by** the third country, ~~following the discussions between the operator and the latter, of~~ **for the proposed fishing activities which contains** the terms of ~~the intended direct authorisation to give the operator access to its~~ **the** fishing resources, including the duration, conditions, and fishing opportunities expressed as effort or catch limits;
 - (iii) evidence of the sustainability of the planned fishing activities, on the basis of:
 - a scientific evaluation provided by the third country and/or by an RFMO **and/or by a regional fisheries body with scientific competence recognised by the Commission;** and
 - **in the case of an evaluation by the third country,** an examination of the latter by the flag Member State on the basis of the assessment of its national scientific institute **or, as appropriate, the scientific institute of a Member State with competence in the relevant fishery;**
 - ~~a copy of the third country's fisheries legislation;~~
 - (iv) a designated official, public bank account number for the payment of all the fees; and
- (d) in the event that the fishing activities are to be carried out on species managed by an RFMO, the third country is a contracting party or a **cooperating** non-contracting cooperating party to that organisation. [Am. 49]

Article 19

Management of direct authorisations

1. Once it has ~~issued a fishing authorisation~~ **established compliance with the requirement laid down in Article 18,** a flag Member State shall send the Commission the relevant information listed in ~~Annexes 1 and 2, the Annex~~ and in Article 18.
2. ~~If the~~ **The** Commission ~~has not requested~~ **shall conduct a preliminary examination of the information referred to in paragraph 1. It may request** further information or justification ~~within 15 calendar days of the transmission of~~ **regarding** the information referred to in paragraph 1; ~~the flag Member State shall inform the operator that it may start the fishing activities in question, provided it has been granted the direct authorisation by third country as well within a period of 15 days.~~
3. If, following the request for further information or justification referred to in paragraph 2, the Commission finds that the conditions in Article 18 are not met, it may object to the granting of the fishing authorisation within ~~two months~~ **one month** of ~~the~~ **initial** receipt of all the required information or justification.
- 3a. **Notwithstanding paragraphs 1 to 3 of this Article, if a fishing authorisation is to be renewed within a period of no more than two years from the issuance of the initial authorisation on the same terms and conditions as agreed in the initial authorisation, the Member State may issue the authorisation directly once it has established compliance with the conditions laid down in Article 18 and shall inform the Commission thereof without delay. The Commission shall have 15 days to object following the procedure laid down in Article 7.**
4. If a third country informs the Commission that it has decided to issue, refuse, suspend or withdraw a direct authorisation to a Union fishing vessel, the Commission shall **immediately** inform the flag Member State accordingly, **which shall inform the owner of the vessel.**

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5. If a third country informs the flag Member State that it has decided to issue, refuse, suspend or withdraw a direct authorisation to a Union fishing vessel, the flag Member State shall **immediately** inform the Commission **and the owner of the vessel** accordingly.
6. An operator shall provide the flag Member State with a copy of the agreed final conditions between him and the third country, including a copy of the direct authorisation. [Am. 50]

Chapter III

Fishing activities by Union fishing vessels under the auspices of RFMOs

Article 20

Scope

This Chapter shall apply to fishing activities carried out by Union fishing vessels on stocks under the auspices of an RFMO, in Union waters, on the high seas and in third country waters.

Article 20a

Application of the Union's international commitments in RFMOs

In order to apply the Union's international commitments in RFMOs and in accordance with the objectives referred to in Article 28 of the Basic Regulation, the Union shall encourage periodic assessments of performance by independent bodies, and shall play an active role in setting up and reinforcing implementation committees in all RFMOs to which it is a contracting party. It shall in particular ensure that those implementation committees perform general supervision of the implementation of the external fisheries policy and of the measures decided within the RFMO. [Am. 51]

Article 21

Fishing authorisations

A Union fishing vessel may not carry out fishing activities on stocks managed by an RFMO unless:

(-a) the Union is a contracting party to the RFMO; [Am. 52]

- (a) it has been issued with a fishing authorisation by its flag Member State;
- (b) it has been included in the relevant register or list of **authorised vessels of** the RFMO; and [Am. 53]
- (c) where the fishing activities are carried out in third country waters: it has been issued a fishing authorisation by the relevant third country in accordance with Chapter II.

Article 22

Conditions for fishing authorisations by the flag Member States

A flag Member State may only issue a fishing authorisation if:

- (a) the eligibility criteria in Article 5 are fulfilled;
- (b) the rules laid down by the RFMO or the transposing Union legislation are complied with; and
- (c) where the fishing activities are carried out in third country waters: the criteria set out in Articles 11 or 18 are complied with.

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Article 23

Registration by RFMOs

1. A flag Member State shall send the Commission the list(s) of **fishing vessels as defined in the Basic Regulation which are active and that, wherever applicable, have an associated record of catches**, it has authorised for fishing activities under the auspices of an RFMO.
2. The list(s) referred to in paragraph 1 shall be drawn up in accordance with the RFMO requirements and accompanied by the information in ~~Annexes 1 and 2~~ **the Annex**.
3. The Commission may request any additional information that it deems necessary from the flag Member State **within a period of 10 days after receiving the list referred to in paragraph 1. It shall provide a justification for any such request.**
4. When it is satisfied that the conditions in Article 22 are met, **and within a period of 15 days after receiving the list referred to in paragraph 1**, the Commission shall send the list(s) of authorised vessels to the RFMO.
5. If the RFMO register or list is not public, the Commission shall ~~notify the flag Member State of the~~ **circulate the list of authorised vessels included on it to the Member States involved in the relevant fishery.** [Am. 54]

Chapter IV

Fishing activities by Union fishing vessels on the high seas

Article 24

Scope

This Chapter shall apply to fishing activities carried out on the high seas ~~by Union fishing vessels exceeding 24 meters in overall length.~~ [Am. 55]

Article 25

Fishing authorisations

A Union fishing vessel may not carry out fishing activities on the high seas unless:

- (a) it has been issued with a fishing authorisation by ~~its~~ **the flag Member State of that vessel based on a scientific evaluation assessing the sustainability of the proposed fishing activities which has been validated by its national scientific institute or, as appropriate, the scientific institute of a Member State with competence in the relevant fishery;** and [Am. 56]
- (b) the fishing authorisation has been notified to the Commission in accordance with Article 27.

Article 26

Conditions for fishing authorisations by the flag Member States

A flag Member State may only issue a fishing authorisation for fishing activities on the high seas if:

- (a) the eligibility criteria in Article 5 are fulfilled;
- (b) **the planned fishing activities are:**
 - **based on an ecosystem-based approach to fisheries management as defined in point 9 of Article 4 of the Basic Regulation; and**
 - **in accordance with a scientific evaluation, taking into account the conservation of living marine resources and marine ecosystems, provided by the national scientific institute of the flag Member State.** [Am. 57]

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Article 27

Notification to the Commission

A flag Member State shall notify the fishing authorisation to the Commission at least ~~15~~ **8,5** calendar days before the start of the planned fishing activities on the high seas, providing the information ~~set out in Annexes 1 and 2~~ **the Annex**. [Am. 58]

Chapter V

Chartering of Union fishing vessels

Article 28

Principles

1. A Union fishing vessel may not carry out fishing activities under chartering arrangements where an SFPA is in force; ~~unless otherwise provided for in that agreement.~~

2. A Union vessel may not carry out fishing activities under more than one chartering arrangement at a time or engage in sub-chartering.

2a. Union vessels shall operate under chartering agreements in waters under the auspices of an RFMO only if the State to which the vessel is chartered is a contracting party to that organisation.

3. A chartered Union vessel may not use the fishing opportunities of its flag Member State **during the period of the charter**. The catches of a chartered vessel shall be counted against the fishing opportunities of the chartering State.

3a. Nothing in this Regulation shall diminish the responsibilities of the flag Member State with respect to its obligations under international law, Regulation (EC) No 1224/2009, Regulation (EC) No 1005/2008 or other provisions of the Common Fisheries Policy, including reporting requirements. [Am. 59]

Article 29

Management of fishing authorisations under a chartering arrangement

When issuing a fishing authorisation to a vessel in accordance with Articles 11, 18, 22 or 26, and when the relevant fishing activities are carried out under a chartering arrangement, the flag Member State shall verify that:

- (a) the chartering State's competent authority has officially confirmed that the arrangement is in line with its national legislation; and
- (b) **the details of** the chartering arrangement is specified in the fishing authorisation **including time period, fishing opportunities and fishing zone**. [Am. 60]

Chapter VI

Control and reporting obligations

Article 30

Observer programme data

If data are collected on board a Union fishing vessel under an observer programme **in accordance with the legislation of the Union or of the RFMO**, the operator of that vessel shall send those data to its flag Member State. [Am. 61]

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Article 31

Information to third countries

1. When carrying out fishing activities under this Title, ~~and if the sustainable fisheries partnership agreement with the third country so provides,~~ an operator of a Union fishing vessel shall send the relevant catch declarations and landing declarations to ~~the third country, and send both~~ its flag Member State ~~a copy of that communication~~ **and to the third country.**

2. A flag Member State shall assess the consistency of the data sent to the third country, as referred to in paragraph 1, with the data it has received in accordance with Regulation (EC) No 1224/2009. **In the event of inconsistency of data, the Member State shall investigate whether such inconsistency constitutes IUU fishing within the meaning of point (b) of Article 3(1) of Regulation (EC) No 1005/2008 and take appropriate action, pursuant to Articles 43 to 47 of that Regulation.**

3. The non-transmission of catch declarations and landing declarations to the third country referred to in paragraph 1 shall be considered a serious infringement for the purposes of applying the sanctions and other measures provided for by the common fisheries policy. The gravity of the infringement shall be determined by the competent authority of the Member State, taking into account criteria such as the nature of the damage, its value, the economic situation of the offender and the extent of the infringement or its repetition. [Am. 62]

Article 31a

RFMO membership requirements

A third country fishing vessel may only carry out fishing activities in Union waters on stocks managed by an RFMO if the third country is a contracting party to that RFMO. [Am. 63]

TITLE III

FISHING ACTIVITIES BY THIRD COUNTRY FISHING VESSELS IN UNION WATERS

Article 32

General principles

1. A third country fishing vessel may not engage in fishing activities in Union waters unless it has been issued with a fishing authorisation by the Commission. **It shall only be issued with such an authorisation if it fulfils the eligibility criteria set out in Article 5.** [Am. 64]

2. A third country fishing vessel authorised to fish in Union waters shall comply with the rules governing the fishing activities of Union vessels in the fishing zone in which it operates, ~~and~~ **Should** the provisions laid down in the relevant fisheries agreement **be different, the provisions shall be stated explicitly either in that agreement or by means of rules agreed with the third country implementing the agreement.** [Am. 65]

3. If a third country fishing vessel is sailing through Union waters without an authorisation issued under this Regulation, its fishing gear shall be lashed and stowed so that it is not readily usable for fishing operations.

Article 33

Conditions for fishing authorisations

The Commission may only issue an authorisation to a third country fishing vessel for fishing activities in Union waters if:

(-a) **there is a surplus of allowable catch that would cover the proposed fishing opportunities as required under Article 62(2) and (3) of UNCLOS;**

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- (a) the information in ~~Annexes 1 and 2~~ **the Annex** about the fishing vessel and the associated support vessel(s) is complete and accurate; the vessel and any associated support vessel(s) have an IMO number **when so required under Union legislation**;
- (b) the ~~operator and~~ **master of** the fishing vessel, **as well as the fishing vessel concerned**, have not been subject to any sanction for a serious infringement ~~according to the national law of the Member State pursuant to Article 42 of Council Regulation (EC) No 1005/2008 and Article 90 of Council Regulation (EC) No 1224/2009~~ during the 12 months before the application for the fishing authorisation;
- (c) the fishing vessel is not on any IUU **vessel** list **adopted by a third country, an RFMO or by the Union pursuant to Regulation (EC) No 1005/2008** and/or the third country is not identified or listed as non-cooperating pursuant to Regulation (EC) No 1005/2008 or as allowing non-sustainable fishing pursuant to Regulation (EU) No 1026/2012;
- (d) the fishing vessel is eligible under the fisheries agreement with the third country concerned and, where appropriate, is on the list of vessels under that agreement. [**Am. 66**]

Article 34

Procedure for the issuing of fishing authorisations

1. The third country shall send the Commission the applications for its fishing vessels before the deadline in the agreement concerned or that set by the Commission.
2. The Commission may ask the third country for any additional information that it deems necessary.
3. When it is satisfied that the conditions set out in Article 33 are met, the Commission shall issue a fishing authorisation and inform the third country and the Member States concerned of this.

Article 35

Monitoring fishing authorisations

1. If a condition set out in Article 33 is no longer met, the Commission shall amend or withdraw the authorisation and inform the third country and the Member States concerned of this.
2. The Commission may refuse, suspend or withdraw the authorisation in cases ~~where a fundamental change of circumstances has occurred or in cases where overriding policy reasons~~
 - (a) pertaining inter alia to international standards of human rights;
 - (b) **of imperative grounds of urgency related to a serious threat to the sustainable exploitation, management and conservation of marine biological resources**;
 - (c) ~~or to the fight against~~ **where action is needed to prevent a serious infringement pursuant to Article 42 of Regulation (EC) No 1005/2008 or Article 90(1) of Regulation (EC) No 1224/2009, related to** illegal, unreported or unregulated fishing; or
 - (d) ~~warrant such action or in cases~~ where, for such or any other reason of overriding policy the Union has decided to suspend or sever relations with the third country concerned.

The Commission shall immediately inform the third country in the event that it refuses, suspends or withdraws the authorisation in accordance with the first subparagraph. [Am. 67]

Article 36

Closure of fishing activities

1. Where fishing opportunities granted to a third country are deemed to have been exhausted, the Commission shall immediately notify it and the competent inspection authorities of the Member States of this. To ensure the continuance of fishing activities of non-exhausted fishing opportunities, which may also affect the exhausted opportunities, the third

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country shall submit to the Commission technical measures preventing any negative impact on the exhausted fishing opportunities. From the date of the notification referred to in paragraph 1, the fishing authorisations issued to vessels flying the flag of that third country concerned shall be considered to be suspended for the fishing activities concerned and the vessels shall no longer be authorised to engage in those fishing activities.

2. Fishing authorisations shall be considered to be withdrawn where a suspension of fishing activities in accordance with paragraph 2 concerns all the activities for which they have been granted.

3. The third country shall ensure that the fishing vessels concerned are informed immediately of the application of this Article and that they cease all fishing activities concerned.

Article 37

Overfishing of quotas in Union waters

1. When the Commission establishes that a third country has exceeded the quotas it has been allocated for a stock or group of stocks, the Commission shall make deductions from the quotas allocated to that country for that stock or group of stocks in subsequent years. **The amount of the reduction shall be consistent with Article 105 of Regulation (EC) No 1224/2009. [Am. 68]**

2. If a deduction pursuant to paragraph 1 cannot be made on the quota for a stock or group of stocks that was overfished as such because that quota for a stock or group of stocks is not sufficiently available to the third country concerned, the Commission may, after consultation with the third country concerned, make deductions from quotas in subsequent years for other stocks or groups of stocks available to that third country in the same geographical area, or to the corresponding commercial value.

Article 38

Control and enforcement

1. A third country vessel authorised to fish in Union waters shall comply with the control rules governing the fishing activities of Union vessels in the fishing zone in which it operates.

2. A third country vessel authorised to fish in Union waters shall provide to the Commission or the body designated by it, and, where relevant, to the coastal Member State, the data which Union vessels are required to send to the flag Member State under Regulation (EC) No 1224/2009.

3. The Commission, or the body designated by it, shall send the data referred to in paragraph 2 to the coastal Member State.

4. A third country vessel authorised to fish in Union waters shall provide upon request to the Commission or the body designated by it the observer reports produced under applicable observer programmes.

5. A coastal Member State shall record all infringements committed by third country fishing vessels, including the related sanctions, in the national register provided for in Article 93 of Regulation (EC) No 1224/2009.

6. The Commission shall send the information referred to in paragraph 5 to the third country to ensure that appropriate measures are taken by the third country.

Paragraph 1 shall be without prejudice to the consultations between the Union and third countries. In this respect the Commission shall be empowered to adopt delegated acts, in accordance with Article 44, to implement into Union law the outcome of consultations with third countries in respect of access arrangements.

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TITLE IV
DATA AND INFORMATION

Article 39

Union fishing authorisation register

1. The Commission shall set up and maintain an electronic Union fishing authorisation register **containing all fishing authorisations granted in accordance with Titles II and Title III**, made of a public part and a secure part. That register shall:

- (a) record all information **set out in Annexes 1 and 2 the Annex** and display the status of each authorisation in real time;
- (b) be used for data and information exchange between the Commission and a Member State; and
- (c) be used for the purposes of sustainable management of fishing fleets only.

2. The list of fishing authorisations in the register shall be publicly accessible and contain each of the following information:

- (a) name and flag of the vessel **and its CFR and IMO numbers where required under Union legislation;**
 - (aa) name, city and country of residence of the company owner and of the beneficial owner;**
- (b) type of authorisation **including fishing opportunities;** and
- (c) authorised time and zone of fishing activity (start and end dates; fishing zone).

3. A Member State shall use the register to submit fishing authorisations to the Commission and to keep its details updated, as required under Articles 12, 19, 23 and 27. [Am. 69]

Article 40

Technical requirements

The exchange of information referred to in Titles II, III and IV shall be carried out in an electronic format. The Commission may adopt implementing acts, without prejudice to the provisions of Directive 2007/2/EC of the European Parliament and of the Council ⁽¹⁾, establishing technical operational requirements for the recording, formatting and transmission of the information referred to in those Titles. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 45(2).

To make a Union fishing authorisation register operational and to enable Member States to meet the technical transmission requirements, the Commission shall provide technical assistance to the Member States concerned. In order to do so, it shall help national authorities to forward the information that operators are required to supply for each type of authorisation and, by ... [six months after the date of entry into force of this Regulation], develop an IT application for the Member States to enable them to transfer to the Union fishing authorisation register automatically and in real time data concerning applications for authorisations and the characteristics of vessels. [Am. 70]

⁽¹⁾ Directive 2007/2/EC of the European Parliament and of the Council of 14 March 2007 establishing an Infrastructure for Spatial Information in the European Community (INSPIRE) (OJ L 108, 25.4.2007, p. 1).

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For the technical and financial support for the transfer of information, Member States may draw on financial aid from the European Maritime and Fisheries Fund pursuant to point (a) of Article 76(2) of Regulation (EU) No 508/2014 of the European Parliament and of the Council ⁽¹⁾. [Am. 71]

Article 41

Access to data

Without prejudice to Article 110 of Regulation (EC) No 1224/2009, the Member States or the Commission shall grant access to the secure part of the Union fishing authorisation register referred to in Article 39 to the relevant competent administrative services involved in the management of fishing fleets.

Article 42

Data management, protection of personal data and confidentiality

Data obtained under this Regulation shall be handled in accordance with Articles 109, 110, 111, and 113 of Regulation (EC) No 1224/2009, Regulation (EC) No 45/2001 and Directive 95/46/EC and its national implementing rules.

Article 43

Relations with third countries and RFMOs

1. When a Member State receives information from a third country or an RFMO which is relevant for the effective application of this Regulation, it shall communicate that information to the other Member States concerned and to the Commission or the body designated by it, provided that it is permitted to do so under bilateral agreements with that third country or the rules of the RFMO concerned.

2. The Commission or the body designated by it may, in the framework of fisheries agreements concluded between the Union and third countries, under the auspices of RFMOs or similar fisheries organisations to which the Union is a contracting party or a ~~non-contracting~~ cooperating **non-contracting** party, communicate relevant information concerning non-compliance with the rules of this Regulation, or serious infringements referred to in point (a) of Article 42(1) of Regulation (EC) No 1005/2008 and in Article 90(1) of Regulation (EC) No 1224/2009, to other parties to those agreements or organisations subject to the consent of the Member State that supplied the information and in accordance with Regulation (EC) No 45/2001. [Am. 72]

TITLE V

PROCEDURES, DELEGATION AND IMPLEMENTING MEASURES

Article 44

Exercise of the delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.

2. The power to adopt delegated acts referred to in Article 5(2) shall be conferred on the Commission **for a period of five years from ... [the date of entry into force of this Regulation]. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the five-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.** [Am. 73]

⁽¹⁾ Regulation (EU) No 508/2014 of the European Parliament and of the Council of 15 May 2014 on the European Maritime and Fisheries Fund and repealing Council Regulations (EC) No 2328/2003, (EC) No 861/2006, (EC) No 1198/2006 and (EC) No 791/2007 and Regulation (EU) No 1255/2011 of the European Parliament and of the Council (OJ L 149, 20.5.2014, p. 1).

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3. The delegation of power referred to in Article 5(2) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

3a. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.

4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

5. A delegated act adopted pursuant to Article 5(2) shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Article 45

Committee procedure

1. The Commission shall be assisted by the Committee for Fisheries and Aquaculture established under Article 47 of the Basic Regulation. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

2. Where reference is made to this paragraph Article 5 of Regulation (EU) No 182/2011 shall apply.

3. Where reference is made to this paragraph, Article 8 of Regulation (EU) No 182/2011, in conjunction with Article 5 thereof, shall apply.

TITLE VI

FINAL PROVISIONS

Article 46

Repeal

1. Regulation (EC) No 1006/2008 is repealed.

2. References to the repealed Regulation shall be construed as references to this Regulation.

Article 47

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at ...,

For the European Parliament
The President

For the Council
The President

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Annex 1

List of information to be provided for issuing a fishing authorisation

I	APPLICANT
1	Name of the economic operator (*)
2	Email (*)
3	Address
4	Fax
5	Tax number (SIRET, NIF...) (*)
6	Telephone
7	Name of the agent (according to protocol's provisions) (*)
8	Email (*)
9	Address
10	Fax
11	Telephone
12	Name of association or agent representing the economic operator (*)
13	Email (*)
14	Address
15	Fax
16	Telephone
17	Name(s) of master(s) (*)
18	Email (*)
19	Nationality (*)
20	Fax
21	Telephone
II	VESSEL IDENTIFICATION, TECHNICAL CHARACTERISTICS AND EQUIPMENT
22	Vessel name (*)
23	Flag State (*)

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H	VESSEL IDENTIFICATION, TECHNICAL CHARACTERISTICS AND EQUIPMENT
24	Date on which current flag was acquired (*)
25	External marking (*)
26	IMO (UVI) number (*)
27	CFR number (*)
28	International Radio Call Sign (IRCS) (*)
29	Call frequency (*)
30	Satellite telephone number
31	MMSI (*)
32	Year and place of construction (*)
33	Previous flag and date of acquisition (where applicable) (*)
34	Hull material: steel / wood / polyester / other (*)
35	VMS transponder (*)
36	Model (*)
37	Serial number (*)
38	Software version (*)
39	Satellite operator (*)
40	VMS Manufacturer (name)
41	Vessel overall length (*)
42	Vessel width (*)
43	Draught (*)
44	Tonnage (in GT) (*)
45	Main Engine Power (kW) (*)
46	Engine type
47	Mark
48	Engine serial number (*)

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III	FISHING CATEGORY FOR WHICH FISHING AUTHORISATION IS REQUESTED
49	Vessel type FAO code (*)
50	Gear type FAO code (*)
53	Fishing Areas FAO code (*)
54	Fishing Divisions — FAO — or Coastal State (*)
55	Landing port(s)
56	Transshipment port(s)
57	Target Species FAO code or Fishing category (SPPA) (*)
58	Authorisation period requested (start and end dates)
59	RFMOs register number (*) (when known)
60	Date of entry into the RFMO register (*) (when known)
61	Maximum total crew size (*):
62	From [PARTNER COUNTRY]:
63	From the ACP:
64	Method of fish preservation/transformation on board (*): Fresh fish / Cooling / Freezing / Fish meal / Oil / Filleting
65	List of support vessels: name / IMO number / CFR number
IV	CHARTERING
66	Vessel operating under chartering arrangement (*): Yes / No
67	Type of chartering arrangement
68	Period of chartering (start and end dates) (*)
69	Fishing opportunities (tons) allocated to the vessel under chartering (*)
70	Third country allocating fishing opportunities to the vessel under chartering (*)

(*) mandatory fields (for items 22 to 25 and 28 to 48, may not be filled in if the information can be automatically retrieved from the Union fleet register thanks to the CFR or IMO number)

Attachments (list documents): [Am. 74]

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Annex 2

List of information to be provided for a support vessel supporting a fishing vessel described in Annex 1

I	OPERATOR OF THE SUPPORT VESSEL
1	Name of the economic operator (*)
2	Email (*)
3	Address
4	Fax
5	Tax number (SIRET, NIF...) (*)
6	Telephone
7	Name of the agent (according to protocol's provisions) (*)
8	Email (*)
9	Address
10	Fax
11	Telephone
12	Name of association or agent representing the economic operator (*)
13	Email (*)
14	Address
15	Fax
16	Telephone
17	Name(s) of master(s) (*)
18	Email (*)
19	Nationality (*)
20	Fax
21	Telephone

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H	SUPPORT VESSEL IDENTIFICATION, TECHNICAL CHARACTERISTICS AND EQUIPMENT
22	Vessel name (*)
23	Flag State (*)
24	Date on which current flag was acquired (*)
25	External marking (*)
26	IMO (UVI) number (*)
27	CFR number (for Union vessels, if known) (*)
28	International Radio Call Sign (IRCS) (*)
29	Call frequency (*)
30	Satellite telephone number
31	MMSI (*)
32	Year and place of construction
33	Previous flag and date of acquisition (where applicable) (*)
34	Hull material: steel / wood / polyester / other
35	VMS transponder
36	Model
37	Serial number
38	Software version
39	Satellite operator
40	VMS Manufacturer (name)
41	Vessel overall length
42	Vessel width
43	Draught
44	Tonnage (in GT)
45	Main Engine Power (kW)
47	Engine type
48	Mark
49	Engine serial number

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III	INFORMATIONS ON FISHING ACTIVITIES SUPPORTED
50	Fishing Areas FAO code
51	Fishing Divisions — FAO
52	Target Species FAO code
53	RFMOs register number (*)
54	Date of entry into the RFMO register

(*) mandatory fields (for items 22 to 25 and 28 to 33, may not be filled in for a Union flagged support vessel if the information can be automatically retrieved from the Union fleet register thanks to the CFR number)

Attachments (list documents): [Am. 75]

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Annex

List of information to be provided for issuing a fishing authorisation

I	APPLICANT
1	Vessel Identifier (IMO number, CFR number, etc.)
2	Vessel name
3	Name of the economic operator (*)
4	Email (*)
5	Address
6	Fax
7	Tax number (SIRET, NIF...) (*)
8	Telephone
9	Name of the owner
10	Email (*)
11	Address
12	Fax
13	Telephone
14	Name of association or agent representing the economic operator (*)
15	Email (*)
16	Address
17	Fax
18	Telephone
19	Name(s) of master(s) (*)
20	Email (*)
21	Nationality (*)
22	Fax
23	Telephone

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II	FISHING CATEGORY FOR WHICH FISHING AUTHORISATION IS REQUESTED
<i>Type of authorisation (fisheries agreement, direct authorisation, RFMO, high seas, charter, support vessel)</i>	
24	<i>Vessel type FAO code (*)</i>
25	<i>Gear type FAO code (*)</i>
26	<i>Fishing Areas FAO code (*)</i>
27	<i>Target Species FAO code or Fishing category (SFPA) (*)</i>
28	<i>Authorisation period requested (start and end dates)</i>
29	<i>RFMOs register number (*) (when known)</i>
30	<i>List of support vessels: name / IMO number / CFR number</i>
III	CHARTERING
31	<i>Vessel operating under chartering arrangement: (*) Yes / No</i>
32	<i>Type of chartering arrangement</i>
33	<i>Period of chartering (start and end dates) (*)</i>
34	<i>Fishing opportunities (tons) allocated to the vessel under chartering (*)</i>
35	<i>Third country allocating fishing opportunities to the vessel under chartering (*)</i>

(*) *mandatory fields (for items 22 to 25 and 28 to 48, may not be filled in if the information can be automatically retrieved from the Union fleet register thanks to the CFR or IMO number)*

[Am. 76]

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P8_TA(2017)0016

**Third countries whose nationals are subject to or exempt from a visa requirement: Georgia
***I**

European Parliament legislative resolution of 2 February 2017 on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 539/2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement (Georgia) (COM(2016)0142 — C8-0113/2016 — 2016/0075(COD))

(Ordinary legislative procedure: first reading)

(2018/C 252/33)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2016)0142),
 - having regard to Article 294(2) and Article 77(2)(a) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0113/2016),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to Protocol No 1 on the role of national Parliaments in the European Union,
 - having regard to the undertaking given by the Council representative by letter of 20 December 2016 to approve Parliament's position, in accordance with Article 294(4) of the Treaty on the Functioning of the European Union,
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the report of the Committee on Civil Liberties, Justice and Home Affairs and the opinion of the Committee on Foreign Affairs (A8-0260/2016),
1. Adopts its position at first reading, hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

P8_TC1-COD(2016)0075

Position of the European Parliament adopted at first reading on 2 February 2017 with a view to the adoption of Regulation (EU) 2017/... of the European Parliament and of the Council amending Regulation (EC) No 539/2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement (Georgia)

(As an agreement was reached between Parliament and Council, Parliament's position corresponds to the final legislative act, Regulation (EU) 2017/372.)

Tuesday 14 February 2017

P8_TA(2017)0019

EU-Cook Islands sustainable fisheries partnership agreement ***

European Parliament legislative resolution of 14 February 2017 on the draft Council decision on the conclusion on behalf of the European Union of a Sustainable Fisheries Partnership Agreement between the European Union and the Government of the Cook Islands and the Implementation Protocol thereto (07592/2016 — C8-0431/2016 — 2016/0077(NLE))

(Consent)

(2018/C 252/34)

The European Parliament,

- having regard to the draft Council decision (07592/2016),
 - having regard to the draft Sustainable Fisheries Partnership Agreement between the European Union and the Government of the Cook Islands and the Implementation Protocol thereto (07594/2016),
 - having regard to the request for consent submitted by the Council in accordance with Article 43(2) and Article 218(6), second subparagraph, point (a)(v), and (7), of the Treaty on the Functioning of the European Union (C8-0431/2016),
 - having regard to its non-legislative resolution of 14 February 2017 ⁽¹⁾ on the draft Council decision,
 - having regard to Rule 99(1) and (4), and Rule 108(7) of its Rules of Procedure,
 - having regard to the recommendation of the Committee on Fisheries and the opinions of the Committee on Development and the Committee on Budgets (A8-0010/2017),
1. Gives its consent to conclusion of the Agreement;
 2. Instructs its President to forward its position to the Council, the Commission and the governments and parliaments of the Member States and of the Cook Islands.

⁽¹⁾ Texts adopted, P8_TA(2017)0020.

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P8_TA(2017)0023

List of third States and organisations with which Europol shall conclude agreements *

European Parliament legislative resolution of 14 February 2017 on the draft Council implementing decision amending Decision 2009/935/JHA as regards the list of third States and organisations with which Europol shall conclude agreements (15778/2016 — C8-0007/2017 — 2016/0823(CNS))

(Consultation)

(2018/C 252/35)

The European Parliament,

- having regard to the Council draft (15778/2016),
- having regard to Article 39(1) of the Treaty on European Union, as amended by the Treaty of Amsterdam, and Article 9 of Protocol No 36 on transitional provisions, pursuant to which the Council consulted Parliament (C8-0007/2017),
- having regard to Council Decision 2009/371/JHA of 6 April 2009 establishing the European Police Office (Europol) ⁽¹⁾, and in particular Article 26(1)(a) thereof, pursuant to which the Council consulted Parliament (C8-0007/2017),
- having regard to Council Decision 2009/934/JHA of 30 November 2009 adopting the implementing rules governing Europol's relations with partners, including the exchange of personal data and classified information ⁽²⁾, and in particular Articles 5 and 6 thereof,
- having regard to Council Decision 2009/935/JHA of 30 November 2009 determining the list of third States and organisations with which Europol shall conclude agreements ⁽³⁾, as amended by Council Decision 2014/269/EU,
- having regard to the Declaration by the President of the European Council, the President of the Commission and the Prime Minister of Denmark of 15 December 2016, which stressed the operational needs, but also the exceptional and transitional nature, of the foreseen arrangement between Europol and Denmark,
- having regard to the aforementioned Declaration, which stressed that the foreseen arrangement is conditional on Denmark's continued membership of the Union and of the Schengen area, Denmark's obligation to fully implement in Danish law Directive (EU) 2016/680 ⁽⁴⁾ on data protection in police matters by 1 May 2017 and Denmark's agreement to the application of the jurisdiction of the Court of Justice of the European Union and the competence of the European Data Protection Supervisor,
- having regard to Protocol No 22 to the Treaty on the Functioning of the European Union,
- having regard to the outcome of the Danish referendum of 3 December 2015 in relation to Protocol No 22 to the Treaty on the Functioning of the European Union,
- having regard to Rule 78c of its Rules of Procedure,
- having regard to the report of the Committee on Civil Liberties, Justice and Home Affairs (A8-0035/2017),

⁽¹⁾ OJ L 121, 15.5.2009, p. 37.

⁽²⁾ OJ L 325, 11.12.2009, p. 6.

⁽³⁾ OJ L 325, 11.12.2009, p. 12.

⁽⁴⁾ Directive (EU) 2016/680 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data by competent authorities for the purposes of the prevention, investigation, detection or prosecution of criminal offences or the execution of criminal penalties, and on the free movement of such data, and repealing Council Framework Decision 2008/977/JHA (OJ L 119, 4.5.2016, p. 89).

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1. Approves the Council draft;
 2. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
 3. Asks the Council to consult Parliament again if it intends to substantially amend the text approved by Parliament;
 4. Calls on the Council to provide, within the provisions of the future arrangement between Europol and Denmark, for an expiry date of five years after the date of entry into force thereof, in order to ensure its transitional nature with a view to full membership or the conclusion of an international agreement in accordance with Article 218 TFEU;
 5. Instructs its President to forward its position to the Council, the Commission and Europol.
-

Tuesday 14 February 2017

P8_TA(2017)0024

Subjecting the new psychoactive substance methyl 2-[[1-(cyclohexylmethyl)-1H-indole-3-carbonyl]amino]-3,3-dimethylbutanoate (MDMB-CHMICA) to control measures *

European Parliament legislative resolution of 14 February 2017 on the draft Council implementing decision on subjecting methyl 2-[[1-(cyclohexylmethyl)-1H-indole-3-carbonyl]amino]-3,3-dimethylbutanoate (MDMB-CHMICA) to control measures (12356/2016 — C8-0405/2016 — 2016/0262(NLE))

(Consultation)

(2018/C 252/36)

The European Parliament,

- having regard to the Council draft (12356/2016),
 - having regard to Article 39(1) of the Treaty on European Union, as amended by the Treaty of Amsterdam, and Article 9 of Protocol No 36 on transitional provisions, pursuant to which the Council consulted Parliament (C8-0405/2016),
 - having regard to Council Decision 2005/387/JHA of 10 May 2005 on the information exchange, risk-assessment and control of new psychoactive substances ⁽¹⁾, and in particular Article 8(3) thereof,
 - having regard to Rule 78c of its Rules of Procedure,
 - having regard to the report of the Committee on Civil Liberties, Justice and Home Affairs (A8-0024/2017),
1. Approves the Council draft;
 2. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
 3. Asks the Council to consult Parliament again if it intends to substantially amend the text approved by Parliament;
 4. Instructs its President to forward its position to the Council and the Commission.

⁽¹⁾ OJ L 127, 20.5.2005, p. 32.

Tuesday 14 February 2017

P8_TA(2017)0025

Mobilisation of the European Globalisation Adjustment Fund: application EGF/2016/005 NL/Drenthe Overijssel Retail

European Parliament resolution of 14 February 2017 on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund (application from the Netherlands — EGF/2016/005 NL/Drenthe Overijssel Retail) (COM(2016)0742 — C8-0018/2017 — 2017/2014(BUD))

(2018/C 252/37)

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2016)0742 — C8-0018/2017),
 - having regard to Regulation (EU) No 1309/2013 of the European Parliament and of the Council of 17 December 2013 on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006 ⁽¹⁾ (EGF Regulation),
 - having regard to Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 ⁽²⁾, and in particular Article 12 thereof,
 - having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management ⁽³⁾ (IIA of 2 December 2013), and in particular point 13 thereof,
 - having regard to the trilogue procedure provided for in point 13 of the IIA of 2 December 2013,
 - having regard to the letter of the Committee on Employment and Social Affairs,
 - having regard to the letter of the Committee on Regional Development,
 - having regard to the report of the Committee on Budgets (A8-0036/2017),
- A. whereas the Union has set up legislative and budgetary instruments to provide additional support to workers who are suffering from the consequences of major structural changes in world trade patterns or of the global financial and economic crisis and to assist their reintegration into the labour market;
- B. whereas the Union's financial assistance to workers made redundant should be dynamic and made available as quickly and efficiently as possible, in accordance with the Joint Declaration of the European Parliament, the Council and the Commission adopted during the conciliation meeting on 17 July 2008, and having due regard to the IIA of 2 December 2013 in respect of the adoption of decisions to mobilise the European Globalisation Adjustment Fund (EGF);
- C. whereas the adoption of the EGF Regulation reflects the agreement reached between the Parliament and the Council to reintroduce the crisis mobilisation criterion, to set the Union financial contribution to 60 % of the total estimated cost of proposed measures, to increase efficiency for the treatment of EGF applications in the Commission and by the Parliament and the Council by shortening the time for assessment and approval, to widen eligible actions and beneficiaries by introducing self-employed persons and young people and to finance incentives for setting up own businesses;

⁽¹⁾ OJ L 347, 20.12.2013, p. 855.

⁽²⁾ OJ L 347, 20.12.2013, p. 884.

⁽³⁾ OJ C 373, 20.12.2013, p. 1.

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- D. whereas the Netherlands submitted application EGF/2016/005 NL/Drenthe Overijssel Retail for a financial contribution from the EGF, following redundancies in the economic sector classified under the NACE Revision 2 Division 47 (Retail trade, except of motor vehicles and motorcycles) mainly in the NUTS level 2 regions of Drenthe (NL13) and Overijssel (NL21) and whereas 800 out of 1 096 redundant workers eligible for the EGF contribution are expected to participate in the measures;
- E. whereas the application was submitted under the intervention criteria of point (b) of Article 4(1) of the EGF Regulation, which requires at least 500 workers being made redundant over a reference period of nine months in an enterprise operating in the same economic sector defined at NACE Revision 2 Division and located in two contiguous regions defined at NUTS 2 level in a Member State;
- F. whereas there were significant changes in consumer sentiment, such as the decline in sales in the middle price category and the growing popularity of internet shopping; whereas the development of new shopping areas in many Dutch cities outside the city centres and the declining trust of consumers ⁽¹⁾ in the economy also affected negatively the position of the conventional retail sector;
- G. whereas the Netherlands argues that the Dutch financial sector is, as a global player, bound by international rules, including rules for financial reserves, and that, as a consequence of having to meet the new international standards, the banks have lower resources than before for financing the economy;
- H. Whereas 1 096 redundancies were made in the retail sector between the 1 August 2015 and the 1 May 2016 in the regions of Drenthe and Overijssel, in the Netherlands;
- I. Whereas although retail and wholesale services provide 11 % of the Union's GDP and 15 % of total employment in the Union, that sector still suffers from the crisis;
1. Agrees with the Commission that the conditions set out in point (b) of Article 4(1) of the EGF Regulation are met and that, therefore, the Netherlands are entitled to a financial contribution of EUR 1 818 750 under that Regulation, which represents 60 % of the total cost of EUR 3 031 250;
2. Notes that the Netherlands submitted the application for a financial contribution from the EGF on 12 July 2016, and that the assessment of that application was finalised by the Commission on 29 November 2016 and notified to Parliament on 23 January 2017;
3. Notes that the retail trade, except of motor vehicles and motorcycle sector, has been the subject of 6 other EGF applications, all based on the global financial and economic crisis ⁽²⁾;
4. Notes that weak financial position of the bigger department stores made it impossible to invest in other shop models in order to achieve the necessary changes and to be competitive again;
5. Points out that, in the Netherlands, the labour market is recovering slowly from the crisis and that the effects are still visible in certain sectors and, like the retail trade, some sectors have only more recently started to really suffer from the consequences of the financial and economic crisis;

⁽¹⁾ <https://www.cbs.nl/nl-nl/nieuws/2016/11/consumentenvertrouwen-daalt-opnieuw>

⁽²⁾ EGF/2010/010 CZ/Unilever, COM(2011)0061; EGF/2010/016 ES/Aragón retail, COM(2010)0615; EGF/2011/004 EL/ALDI Hellas, COM(2011)0580; EGF/2014/009_EL/Sprider stores, COM(2014)0620; EGF/2014/013_EL/Odyssefs Fokas, COM(2014)0702; EGF/2015/011_GR/Supermarket Larissa, COM(2016)0210.

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6. Notes many redundancies in the Dutch retail sector in the past few months with the main department stores of the sector suffering from bankruptcies, which triggered a total number of 27 052 ⁽¹⁾ redundancies in the period 2011-2015; notes with regret that the volume of goods sold in the retail sector followed this pattern moving from - 2 % in 2011 to - 4 % in 2013, with purchases still 2,7 % under the 2008 level ⁽²⁾;
7. Emphasises that the retail sector accounts for a considerable share of employment (17-19 %) in the NUTS 2 level regions Drenthe and Overijssel; notes that 5 200 retail shops have gone bankrupt since the start of the crisis with the largest department stores being affected only recently; regrets that this has contributed to an increase of 3 461 in the number of recipients of unemployment benefit in the retail sector of those regions between January 2015 and March 2016 ⁽³⁾;
8. Regrets that younger workers are the most affected with 67,1 % of the targeted beneficiaries being below 30 years old;
9. Stresses the long period spent by the targeted beneficiaries neither working nor in education or training, as well as the long period, of over one year, between the date when the last redundancy took place (1 May 2016) and the time when the applicant Member State will start receiving EGF support;
10. Acknowledges the fact that the Netherlands has indicated that the application, particularly the coordinated package of personalised services, has been drawn up in consultation with stakeholders, social partners, representatives of the retail sector and of the regions concerned;
11. Notes that the application does not include any allowances or incentives referred to in point (b) of Article 7(1) of the EGF Regulation; welcomes the decision to limit the costs of technical assistance to 4 % of the total costs, leaving 96 % to be used for the package of personalised services;
12. Calls on the Commission to study new ways of reducing the delay in providing EGF support through reducing the bureaucracy of the applications procedure;
13. Notes that the EGF co-funded personalised services for the redundant workers include assessments of participants' capabilities, potentials and job perspectives; job search assistance and case management; a flexible 'mobility pool' for job seekers and employers with temporary jobs; outplacement assistance; training and retraining including entrepreneurship promotion training, coaching and grants;
14. Recalls that, in line with Article 7 of the EGF Regulation, the design of the coordinated package of personalised services supported by the EGF, should anticipate future labour market perspectives and required skills and should be compatible with the shift towards a resource-efficient and sustainable economy;
15. Notes that the Dutch authorities have provided assurances that the proposed actions will not receive financial support from other Union funds or financial instruments, that any double financing will be prevented, that they will be complementary with actions funded by the Structural Funds and that the requirements in national and Union legislation concerning collective redundancies will be complied with;
16. Recalls the importance of improving the employability of all workers by means of adapted training and the recognition of skills and competences gained throughout a worker's professional career; expects the training on offer in the coordinated package to be adapted not only to the needs of the dismissed workers but also to the actual business environment;

⁽¹⁾ <http://www.consultancy.nl/nieuws/11992/de-25-grootste-faillissementen-van-retailketens-en-winkels>

⁽²⁾ Focus on consumption, Economic Agency ABN-AMRO Mathijs Deguelle and Nico Klene. Volume development retail sector. 24 January 2014. Retail sector prognoses, Economic Agency ABN-AMRO Sonny Duijn paragraph 1. 22 January 2016.

⁽³⁾ Figures by UWV April 2016

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17. Reiterates that assistance from the EGF must not replace actions which are the responsibility of companies by virtue of national law or collective agreements nor of measures for restructuring companies or sectors;
 18. Asks the Commission to ensure public access to the documents related to EGF cases;
 19. Approves the decision annexed to this resolution;
 20. Instructs its President to sign the decision with the President of the Council and arrange for its publication in the *Official Journal of the European Union*;
 21. Instructs its President to forward this resolution, including its annex, to the Council and the Commission.
-

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ANNEX

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund following an application from the Netherlands — EGF/2016/005 NL/Drenthe Overijssel Retail

(The text of this annex is not reproduced here since it corresponds to the final act, Decision (EU) 2017/559.)

Wednesday 15 February 2017

P8_TA(2017)0030

EU-Canada Comprehensive Economic and Trade Agreement ***

European Parliament legislative resolution of 15 February 2017 on the draft Council decision on the conclusion of the Comprehensive Economic and Trade Agreement (CETA) between Canada, of the one part, and the European Union and its Member States, of the other part (10975/2016 — C8-0438/2016 — 2016/0205(NLE))

(Consent)

(2018/C 252/38)

The European Parliament,

- having regard to the draft Council decision (10975/2016),
 - having regard to the draft Comprehensive Economic and Trade Agreement (CETA) between Canada, of the one part, and the European Union and its Member States, of the other part (10973/2016),
 - having regard to the request for consent submitted by the Council in accordance with Article 43(2), Article 91, Article 100(2), Article 153(2), Article 192(1), the first subparagraph of Article 207(4), point (a)(v) of the second subparagraph of Article 218(6), and Article 218(7), of the Treaty on the Functioning of the European Union (C8-0438/2016),
 - having regard to Rule 99(1) and (4), and Rule 108(7) of its Rules of Procedure,
 - having regard to the recommendation of the Committee on International Trade and the opinions of the Committee on Foreign Affairs, the Committee on Employment and Social Affairs and the Committee on the Environment, Public Health and Food Safety (A8-0009/2017),
1. Gives its consent to conclusion of the agreement;
 2. Instructs its President to forward its position to the Council, the Commission and the governments and parliaments of the Member States and of Canada.
-

Wednesday 15 February 2017

P8_TA(2017)0031

EU-Canada Strategic Partnership Agreement *****European Parliament legislative resolution of 15 February 2017 on the draft Council decision on the conclusion, on behalf of the Union, of the Strategic Partnership Agreement between the European Union and its Member States, of the one part, and Canada, of the other part (14765/2016 — C8-0508/2016 — 2016/0373(NLE))****(Consent)**

(2018/C 252/39)

The European Parliament,

- having regard to the draft Council decision (14765/2016),
 - having regard to the draft Strategic Partnership Agreement between the European Union and its Member States, of the one part, and Canada, of the other part (5368/2016),
 - having regard to the request for consent submitted by the Council in accordance with Article 31(1) and Article 37 of the Treaty on European Union and Article 212(1), Article 218(6), second subparagraph, point (a), and Article 218(8), second subparagraph, of the Treaty on the Functioning of the European Union (C8-0508/2016),
 - having regard to Rule 99(1) and (4) and Rule 108(7) of its Rules of Procedure,
 - having regard to the recommendation of the Committee on Foreign Affairs (A8-0028/2017),
1. Gives its consent to conclusion of the agreement;
 2. Instructs its President to forward its position to the Council, the Commission and the governments and parliaments of the Member States and of Canada.
-

Wednesday 15 February 2017

P8_TA(2017)0032

EU-Mongolia Framework Agreement on Partnership and Cooperation ***

European Parliament legislative resolution of 15 February 2017 on the draft Council decision on the conclusion of the Framework Agreement on Partnership and Cooperation between the European Union and its Member States, of the one part, and Mongolia, of the other part (08919/2016 — C8-0218/2016 — 2015/0114(NLE))

(Consent)

(2018/C 252/40)

The European Parliament,

- having regard to the draft Council decision (08919/2016),
 - having regard to the draft Framework Agreement on Partnership and Cooperation between the European Union and its Member States, of the one part, and Mongolia, of the other part (07902/1/2011),
 - having regard to the request for consent submitted by the Council in accordance with Articles 207 and 209 and Article 218(6), second subparagraph, point (a), of the Treaty on the Functioning of the European Union (C8-0218/2016),
 - having regard to its non-legislative resolution of 15 February 2017 ⁽¹⁾ on the draft decision,
 - having regard to Rule 99(1) and (4) and Rule 108(7) of its Rules of Procedure,
 - having regard to the recommendation of the Committee on Foreign Affairs (A8-0382/2016),
1. Gives its consent to conclusion of the agreement;
 2. Instructs its President to forward its position to the Council, the Commission and the governments and parliaments of the Member States and of Mongolia.

⁽¹⁾ Texts adopted, P8_TA(2017)0033.

Wednesday 15 February 2017

P8_TA(2017)0034

Agreement on Trade in Civil Aircraft (Product Coverage Annex) *****European Parliament legislative resolution of 15 February 2017 on the draft Council decision on the conclusion, on behalf of the European Union, of the Protocol (2015) amending the Annex to the Agreement on Trade in Civil Aircraft (11018/2016 — C8-0391/2016 — 2016/0202(NLE))****(Consent)**

(2018/C 252/41)

The European Parliament,

- having regard to the draft Council decision (11018/2016),
 - having regard to the Protocol (2015) amending the Annex to the Agreement on Trade in Civil Aircraft (11019/2016),
 - having regard to the request for consent submitted by the Council in accordance with Article 207(4) and Article 218(6), second subparagraph, point (a) of the Treaty on the Functioning of the European Union (C8-0391/2016),
 - having regard to Rule 99(1) and (4) and Rule 108(7) of its Rules of Procedure,
 - having regard to the recommendation of the Committee on International Trade (A8-0007/2017),
1. Gives its consent to conclusion of the Protocol;
 2. Instructs its President to forward its position to the Council, the Commission and the governments and parliaments of the Member States.
-

Wednesday 15 February 2017

P8_TA(2017)0035

Cost-effective emission reductions and low-carbon investments ***I

Amendments adopted by the European Parliament on 15 February 2017 on the proposal for a directive of the European Parliament and of the Council amending Directive 2003/87/EC to enhance cost-effective emission reductions and low-carbon investments (COM(2015)0337 — C8-0190/2015 — 2015/0148(COD)) ⁽¹⁾

(Ordinary legislative procedure: first reading)

(2018/C 252/42)

Amendment 1

Proposal for a directive

Recital 1

Text proposed by the Commission

- (1) Directive 2003/87/EC of the European Parliament and of the Council ⁽¹⁵⁾ established a system for greenhouse gas emission allowance trading within the Union in order to promote reductions of greenhouse gas emissions in a cost-effective and economically efficient manner.

⁽¹⁵⁾ Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, p. 32).

Amendment

- (1) Directive 2003/87/EC of the European Parliament and of the Council ⁽¹⁵⁾ established a system for greenhouse gas emission allowance trading within the Union in order to promote reductions of greenhouse gas emissions in a cost-effective and economically efficient manner **as well as the sustainable strengthening of Union industry against the risk of carbon and investment leakage.**

⁽¹⁵⁾ Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, p. 32).

⁽¹⁾ The matter was referred back for interinstitutional negotiations to the committee responsible pursuant to Rule 59(4), fourth subparagraph (A8-0003/2017).

Wednesday 15 February 2017

Amendment 2
Proposal for a directive

Recital 2

Text proposed by the Commission

- (2) The European Council of October 2014 made a commitment to reduce the overall greenhouse gas emissions of the Union by at least 40 % below 1990 levels by 2030. All sectors of the economy should contribute to achieving **these** emission reductions and the target **will** be delivered in the most cost-effective manner through the Union emission trading system (EU ETS) delivering a reduction of 43 % below 2005 levels by 2030. This was confirmed in the intended nationally determined reduction commitment of the Union and its Member States submitted to the Secretariat of the **UN** Framework Convention on Climate Change on 6 March 2015 ⁽¹⁶⁾.

⁽¹⁶⁾ <http://www4.unfccc.int/submissions/indc/Submission%20Pages/submissions.aspx>

Amendment

- (2) The European Council of October 2014 made a commitment to reduce the overall greenhouse gas emissions of the Union by at least 40 % below 1990 levels by 2030. All sectors of the economy should contribute to achieving **those** emission reductions and the target **is to** be delivered in the most cost-effective manner through the Union emission trading system (EU ETS) delivering a reduction of 43 % below 2005 levels by 2030. This was confirmed in the intended nationally determined reduction commitment of the Union and its Member States submitted to the Secretariat of the **United Nations** Framework Convention on Climate Change (UNFCCC) on 6 March 2015. ***The effort of emission reductions should be fairly shared between the sectors covered by the EU ETS.***

Amendment 3
Proposal for a directive
Recital 2 a (new)

Text proposed by the Commission

Amendment

- (2a) ***In order to honour the agreed commitment that all sectors of the economy contribute to the fulfilment of the target of reducing the overall greenhouse gas emissions of the Union by at least 40 % below 1990 levels by 2030, it is important that the EU ETS, despite being the Union's primary tool to achieve its long-term climate and energy targets, is complemented by equivalent additional actions taken in other legal acts and instruments dealing with greenhouse gas emissions from sectors not covered by the EU ETS.***

Wednesday 15 February 2017

Amendment 4
Proposal for a directive
Recital 2 b (new)

Text proposed by the Commission

Amendment

- (2b) *Under the Agreement adopted in Paris at the 21st Conference of the Parties of the UNFCCC of 12 December 2015 (the ‘Paris Agreement’), countries are required to put policies in place to achieve more than 180 Intended Nationally Determined Contributions (INDCs) that cover some 98 % of global greenhouse gas emissions. The Paris Agreement is aimed at limiting the increase in the global average temperature to well below 2° C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1,5° C above pre-industrial levels. Many of those policies are expected to involve carbon pricing or similar measures, and therefore a revision clause should be laid down in this Directive to allow the Commission, where appropriate, to propose stricter emissions reductions after the first stocktaking exercise under the Paris Agreement in 2023, an adjustment to the provisions for transitional carbon leakage to reflect the development of carbon pricing mechanisms outside the Union, and additional policy measures and tools to enhance the greenhouse gas reduction commitments of the Union and its Member States. The revision clause should also ensure that a communication is adopted within six months of the facilitative dialogue under the UNFCCC in 2018 assessing the consistency of the Union’s climate change legislation with the Paris Agreement goals.*

Wednesday 15 February 2017

Amendment 5
Proposal for a directive
Recital 2 c (new)

Text proposed by the Commission

Amendment

(2c) *In accordance with the Paris Agreement and in line with the commitment of the co-legislators expressed in Directive 2009/29/EC of the European Parliament and of the Council ^(1a) and Decision No 406/2009/EC of the European Parliament and of the Council ^(1b), all sectors of the economy are required to contribute to the reduction of carbon dioxide (CO₂) emissions. To this end, efforts to limit international maritime emissions through the International Maritime Organisation (IMO) are under way and should be encouraged, with the aim of establishing a clear IMO action plan for climate policy measures to reduce CO₂ emissions from shipping at a global level. The adoption of clear targets to reduce international maritime emissions through the IMO has become a matter of great urgency and a prerequisite for the Union to refrain from acting further on the inclusion of the maritime sector within the EU ETS. If, however, any such agreement is not reached by the end of 2021, the sector should be included under the EU ETS and a fund should be established for ship operators' contributions and collective compliance relating to CO₂ emissions already covered by the Union system for monitoring, reporting and verification (MRV system) laid down in Regulation (EU) 2015/757 of the European Parliament and of the Council ^(1c) (emissions released in Union ports and during voyages to and from such ports). A share of revenues from the auction of allowances to the maritime sector should be used to improve energy efficiency and support investments in innovative technologies for the reduction of CO₂ emissions in the maritime sector, including short sea shipping and ports.*

^(1a) Directive 2009/29/EC of the European Parliament and of the Council of 23 April 2009 amending Directive 2003/87/EC so as to improve and extend the greenhouse gas emission allowance trading scheme of the Community (OJ L 140, 5.6.2009, p. 63).

^(1b) Decision No 406/2009/EC of the European Parliament and of the Council of 23 April 2009 on the effort of Member States to reduce their greenhouse gas emissions to meet the Community's greenhouse gas emission reduction commitments up to 2020 (OJ L 140, 5.6.2009, p. 136).

^(1c) Regulation (EU) 2015/757 of the European Parliament and of the Council of 29 April 2015 on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport, and amending Directive 2009/16/EC (OJ L 123, 19.5.2015, p. 55).

Wednesday 15 February 2017

Amendment 143
Proposal for a directive

Recital 3

Text proposed by the Commission

- (3) **The European Council confirmed that** a well-functioning, reformed EU ETS with an instrument to stabilise the market will be the main European **instrument** to achieve this target, with an annual reduction factor of 2,2 % from 2021 onwards, free allocation not expiring but **existing** measures continuing after 2020 to prevent the risk of carbon leakage due to climate policy, as long as no comparable efforts are undertaken in other major economies, **without reducing the share of allowances to be auctioned**. The auction share should be expressed as a percentage figure in the legislation, to enhance planning certainty as regards investment decisions, to increase transparency **and** to render the overall system simpler and more easily understandable.

Amendment

- (3) A well-functioning, reformed EU ETS with an **enhanced** instrument to stabilise the market will be the main European **instruments** to achieve this target, with an annual reduction factor of 2,2 % from 2021 onwards, free allocation not expiring but measures continuing after 2020 to prevent the risk of carbon leakage due to climate policy, as long as no comparable efforts are undertaken in other major economies. The auction share should be expressed as a percentage figure in the legislation, **which should decline on application of a cross-sectoral correction factor** to enhance planning certainty as regards investment decisions, to increase transparency, to render the overall system simpler and more easily understandable, **and to protect those sectors most at risk of carbon leakage from a cross-sectoral correction factor. Those provisions should be kept under review in line with the Paris Agreement and adjusted accordingly if necessary to fulfil the Union's climate obligations pursuant to that agreement.**

Amendment 7

Proposal for a directive

Recital 3 a (new)

Text proposed by the Commission

Amendment

- (3a) **Least Developed Countries (LDCs) are particularly vulnerable to the effects of climate change and are responsible only for very low levels of greenhouse gas emissions. Therefore, particular priority should be given to addressing the needs of LDCs through the use of EU ETS allowances to finance climate action, in particular adaptation to the impacts of climate change through the UNFCCC Green Climate Fund.**

Wednesday 15 February 2017

Amendment 8
Proposal for a directive

Recital 4

Text proposed by the Commission

- (4) It is a key Union priority to establish a resilient Energy Union to provide secure, sustainable, competitive and affordable energy to its citizens. Achieving this requires continuation of ambitious climate action with the EU ETS as the cornerstone of **Europe's** climate policy, and progress on the other aspects of Energy Union⁽¹⁷⁾. Implementing the ambition decided in the 2030 framework contributes to delivering a meaningful carbon price and continuing to stimulate cost-efficient greenhouse gas emission reductions.

⁽¹⁷⁾ COM(2015)0080, establishing a Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy

Amendment

- (4) It is a key Union priority to establish a resilient Energy Union to provide secure, sustainable, competitive and affordable energy to its citizens **and industries**. Achieving this requires continuation of ambitious climate action with the EU ETS as the cornerstone of **Union's** climate policy, and progress on the other aspects of Energy Union⁽¹⁷⁾. **The interaction of the EU ETS with other Union and national climate and energy policies that have an impact on the demand for EU ETS allowances needs to be taken into account.** Implementing the ambition decided in the 2030 framework **and adequately addressing the progress on other aspects of the Energy Union** contributes to delivering a meaningful carbon price and **to** continuing to stimulate cost-efficient greenhouse gas emission reductions.

⁽¹⁷⁾ COM(2015)0080, establishing a Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy

Amendment 9
Proposal for a directive

Recital 4 a (new)

Text proposed by the Commission

Amendment

- (4a) **Increased ambition in energy efficiency compared to the 27 % target adopted by the Council should lead to more free allowances for industry at risk of carbon leakage.**

Wednesday 15 February 2017

Amendment 10
Proposal for a directive

Recital 5

Text proposed by the Commission

- (5) Article 191(2) of the Treaty on the Functioning of the European Union requires that Union policy is based on the principle that the polluter should pay and, on this basis, Directive 2003/87/EC provides for a transition to full auctioning over time. Avoiding carbon leakage is a justification to postpone full **transition**, and targeted free allocation of allowances to industry is justified in order to address genuine risks of increases in greenhouse gas emissions in third countries where industry is not subject to comparable carbon constraints as long as comparable climate policy measures are not undertaken by other major economies.

Amendment

- (5) Article 191(2) of the Treaty on the Functioning of the European Union requires that Union policy is based on the principle that the polluter should pay and, on this basis, Directive 2003/87/EC provides for a transition to full auctioning over time. Avoiding carbon leakage is a justification to **temporarily** postpone full **auctioning**, and targeted free allocation of allowances to industry is **a justified exception to the principle that the polluter should pay, provided that no over-allocation occurs**, in order to address genuine risks of increases in greenhouse gas emissions in third countries where industry is not subject to comparable carbon constraints as long as comparable climate policy measures are not undertaken by other major economies. **To that end, allocation of free allowances should be more dynamic in accordance with thresholds provided for in this Directive.**

Wednesday 15 February 2017

Amendment 11
Proposal for a directive

Recital 6

Text proposed by the Commission

- (6) The auctioning of allowances remains the general rule, with free allocation as the exception. Consequently, **and as confirmed by the European Council**, the share of allowances to be auctioned, which **was** 57 % over the period **2013-2020**, should **not** be reduced. The Commission's Impact Assessment ⁽¹⁸⁾ provides details on the auction share and specifies that this 57 % share is made up of allowances auctioned on behalf of Member States, including allowances set aside for new entrants but not allocated, allowances for modernising electricity generation in some Member States and allowances which are to be auctioned at a later point in time because of their placement in the Market Stability Reserve established by **Decision (EU) 2015/...** of the European Parliament and of the Council ⁽¹⁹⁾.

⁽¹⁸⁾ SEC(2015)XX

⁽¹⁹⁾ Decision (EU) 2015/... of the European Parliament and of the Council of ... concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme and amending Directive 2003/87/EC (OJ L [...], [...], p. [...]).

Amendment

- (6) The auctioning of allowances remains the general rule, with free allocation as the exception. Consequently, the share of allowances to be auctioned, which **should be** 57 % over the period **2021-2030**, should be reduced **on application of the cross sectoral correction factor to protect those sectors most exposed to the risk of carbon leakage**. The Commission's Impact Assessment provides details on the auction share and specifies that this 57 % share is made up of allowances auctioned on behalf of Member States, including allowances set aside for new entrants but not allocated, allowances for modernising electricity generation in some Member States and allowances which are to be auctioned at a later point in time because of their placement in the Market Stability Reserve established by **Decision (EU) 2015/1814** of the European Parliament and of the Council ⁽¹⁹⁾. **A just Transition Fund should be established to support regions with a high share of workers in carbon-dependent sectors and a GDP per capita well below the Union average.**

⁽¹⁹⁾ Decision (EU) 2015/1814 of the European Parliament and of the Council of **6 October 2015** concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme and amending Directive 2003/87/EC (OJ L 264, 9.10.2015, p. 1).

Wednesday 15 February 2017

Amendment 12
Proposal for a directive

Recital 7

Text proposed by the Commission

- (7) To preserve the environmental benefit of emission reductions in the Union while actions by other countries do not provide comparable incentives to industry to reduce emissions, free allocation should continue to installations in sectors and sub-sectors at genuine risk of carbon leakage. Experience gathered during the operation of the EU ETS confirmed that sectors and sub-sectors are at risk of carbon leakage to varying degrees, and that free allocation has prevented carbon leakage. While some sectors and sub-sectors can be deemed at a higher risk of carbon leakage, others are able to pass on a considerable share of the costs of allowances to cover their emissions in product prices without losing market share and only bear the remaining part of the costs so that they are at a low risk of carbon leakage. The Commission should determine and differentiate the relevant sectors based on their trade intensity and their emissions intensity to better identify sectors at a genuine risk of carbon leakage. Where, based on these criteria, a threshold determined by taking into account the respective possibility for sectors and sub-sectors concerned to pass on costs in product prices is exceeded, the sector or sub-sector should be deemed at risk of carbon leakage. Others should be considered at a low risk or at no risk of carbon leakage. Taking into account the possibilities for sectors and sub-sectors outside of electricity generation to pass on costs in product prices should also reduce windfall profits.

Amendment

- (7) To preserve the environmental benefit of emission reductions in the Union while actions by other countries do not provide comparable incentives to industry to reduce emissions, free allocation should **temporarily** continue to installations in sectors and sub-sectors at genuine risk of carbon leakage. Experience gathered during the operation of the EU ETS confirmed that sectors and sub-sectors are at risk of carbon leakage to varying degrees, and that free allocation has prevented carbon leakage. While some sectors and sub-sectors can be deemed at a higher risk of carbon leakage, others are able to pass on a considerable share of the costs of allowances to cover their emissions in product prices without losing market share and only bear the remaining part of the costs so that they are at a low risk of carbon leakage. The Commission should determine and differentiate the relevant sectors based on their trade intensity and their emissions intensity to better identify sectors at a genuine risk of carbon leakage. Where, based on these criteria, a threshold determined by taking into account the respective possibility for sectors and sub-sectors concerned to pass on costs in product prices is exceeded, the sector or sub-sector should be deemed at risk of carbon leakage. Others should be considered at a low risk or at no risk of carbon leakage. Taking into account the possibilities for sectors and sub-sectors outside of electricity generation to pass on costs in product prices should also reduce windfall profits. **The risk of carbon leakage in sectors and subsectors for which free allocation is calculated on the basis of the benchmark values for aromatics, hydrogen and syngas should also be assessed considering that these products are produced both in chemical plants and refineries.**

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Amendment 13
Proposal for a directive

Recital 8

Text proposed by the Commission

- (8) In order to reflect technological progress in the sectors concerned and adjust them to the relevant period of allocation, provision should be made for the values of the benchmarks for free allocations to installations, determined on the basis of data from the years **2007-8**, to be updated in line with observed average improvement. For reasons of predictability, this should be done through applying a factor that represents the **best** assessment of progress **across** sectors, which should then take into account robust, objective and verified data from installations so that sectors whose rate of improvement differs considerably from this factor have a benchmark value closer to their actual rate of improvement. Where the data shows a difference from factor reduction of more than **0,5 %** of the **2007-8 value** higher or lower per year over the relevant period, the related benchmark value **shall** be adjusted by that percentage. To ensure a level playing field for the production of aromatics, hydrogen and syngas in refineries and chemical plants, the benchmark values for aromatics, hydrogen and syngas should continue to be aligned to the refineries benchmarks.

Amendment

- (8) In order to reflect technological progress in the sectors concerned and adjust them to the relevant period of allocation, provisions should be made for the values of the benchmarks for free allocations to installations, determined on the basis of data from the years **2007 and 2008**, to be updated in line with observed average improvement. For reasons of predictability, this should be done through applying a factor that represents the **actual** assessment of progress **by the 10 % most efficient installations in** sectors, which should then take into account robust, objective and verified data from installations so that sectors whose rate of improvement differs considerably from this factor have a benchmark value closer to their actual rate of improvement. Where the data shows a difference from factor reduction of more than **1,75 %** of the **value corresponding to the years of 2007 and 2008 (either higher or lower)** per year over the relevant period, the related benchmark value **should** be adjusted by that percentage. **Where, however, the data shows an improvement rate of either 0,25 or less over the relevant period, the related benchmark value should be adjusted by that percentage.** To ensure a level playing field for the production of aromatics, hydrogen and syngas in refineries and chemical plants, the benchmark values for aromatics, hydrogen and syngas should continue to be aligned to the refineries benchmarks.

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Amendment 14
Proposal for a directive
Recital 9

Text proposed by the Commission

- (9) Member States should partially compensate, ***in accordance with state aid rules***, certain installations in sectors or sub-sectors which have been determined to be exposed to a significant risk of carbon leakage because of costs related to greenhouse gas emissions passed on in electricity prices. ***The Protocol and accompanying decisions adopted by the Conference of the Parties in Paris need to provide for the dynamic mobilisation of climate finance, technology transfer and capacity building for eligible Parties, particularly those with least capabilities.*** Public sector climate finance will continue to play an important role in mobilising resources after 2020. Therefore, auction revenues should also be used for climate financing actions in vulnerable third countries, including adaptation to the impacts of climate. The amount of climate finance to be mobilised will also depend on the ambition and quality of the proposed ***Intended Nationally Determined Contributions (INDCs)***, subsequent investment plans and national adaptation planning processes. Member States should also use auction revenues to promote skill formation and reallocation of labour affected by the transition of jobs in a decarbonising economy.

Amendment

- (9) ***In pursuing the goal of a level playing field***, Member States should partially compensate, ***through a centralised system at Union level***, certain installations in sectors or sub-sectors which have been determined to be exposed to a significant risk of carbon leakage because of costs related to greenhouse gas emissions passed on in electricity prices. Public sector climate finance will continue to play an important role in mobilising resources after 2020. Therefore, auction revenues should also be used for climate financing actions in vulnerable third countries, including adaptation to the impacts of climate ***change***. The amount of climate finance to be mobilised will also depend on the ambition and quality of the proposed ***INDCs***, subsequent investment plans and national adaptation planning processes. Member States should also ***address the social aspects of decarbonising their economies and*** use auction revenues to promote skill formation and reallocation of labour affected by the transition of jobs in a decarbonising economy. ***It should be possible for Member States to add to the compensation received through the centralised system at Union level. Such financial measures should not exceed the levels referred to in the relevant state aid guidelines.***

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Amendment 15
Proposal for a directive

Recital 10

Text proposed by the Commission

- (10) The main long-term incentive from this Directive for **the** capture and storage **of CO₂** (CCS), new renewable energy technologies and breakthrough innovation in low-carbon technologies and processes is the carbon price signal it creates and that allowances will not need to be surrendered for CO₂ emissions which are permanently stored or avoided. In addition, to supplement the resources already being used to accelerate demonstration of commercial CCS facilities and innovative renewable energy technologies, EU ETS allowances should be used to provide guaranteed rewards for deployment of CCS facilities, new renewable energy technologies and industrial innovation in low-carbon technologies and processes in the Union for CO₂ stored or avoided on a sufficient scale, provided an agreement on knowledge sharing is in place. The majority of this support should be dependent on verified avoidance of greenhouse gas emissions, while some support may be given when pre-determined milestones are reached taking into account the technology deployed. The maximum percentage of project costs to be supported may vary by category of project.

Amendment

- (10) The main long-term incentive from this Directive for **carbon** capture and storage (CCS) **and carbon capture and use (CCU)**, new renewable energy technologies and breakthrough innovation in low-carbon technologies and processes is the carbon price signal it creates and that allowances will not need to be surrendered for CO₂ emissions which are permanently stored or avoided. In addition, to supplement the resources already being used to accelerate demonstration of commercial CCS **and CCU** facilities and innovative renewable energy technologies, EU ETS allowances should be used to provide guaranteed rewards for deployment of **CCS and CCU** facilities, new renewable energy technologies and industrial innovation in low-carbon technologies and processes in the Union for CO₂ stored or avoided on a sufficient scale, provided an agreement on knowledge sharing is in place. The majority of this support should be dependent on verified avoidance of greenhouse gas emissions, while some support may be given when pre-determined milestones are reached taking into account the technology deployed. The maximum percentage of project costs to be supported may vary by category of project.

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Amendment 16
Proposal for a directive

Recital 11

Text proposed by the Commission

- (11) A Modernisation Fund should be established from 2 % of the total EU ETS allowances, and auctioned in accordance with the rules and modalities for auctions taking place on the Common Auction Platform set out in Regulation 1031/2010. Member States **who** in 2013 had a GDP per capita at market exchange rates **of** below 60 % **below** the Union average should be eligible for funding from the Modernisation Fund **and** derogate **up to 2030** from the principle of full auctioning for electricity generation by using the option of free allocation in order to transparently promote real investments modernising their energy sector while avoiding distortions of the internal energy market. The rules for governing the Modernisation Fund should provide a coherent, comprehensive and transparent framework to ensure the most efficient implementation possible, taking into account the need for easy access by all participants. **The function of the governance structure should be** commensurate with the purpose of ensuring the appropriate use of the funds. That governance structure should be composed of an investment board and a management committee **and** due account should be taken of the expertise of the EIB in the decision-making process unless support is provided to small projects through loans from **a** national promotional banks or through grants via a national programme sharing the objectives of the Modernisation Fund. Investments financed from the fund should be proposed by the Member States. To ensure that the investment needs in low income Member States are adequately addressed, the distribution of funds will take into account in equal shares verified emissions and GDP criteria. The financial assistance from the Modernisation Fund could be provided through different forms.

Amendment

- (11) A Modernisation Fund should be established from 2 % of the total EU ETS allowances, and auctioned in accordance with the rules and modalities for auctions taking place on the Common Auction Platform set out in Regulation **(EU) No** 1031/2010. Member States **which** in 2013 had a GDP per capita at market exchange rates below 60 % **of** the Union average should be eligible for funding from the Modernisation Fund. **Member States which in 2014 had a GDP per capita in EUR at market prices below 60 % of the Union average should be able, up to 2030, to** derogate from the principle of full auctioning for electricity generation by using the option of free allocation in order to transparently promote real investments modernising **and diversifying** their energy sector, **in line with the Union 2030 and 2050 climate and energy goals**, while avoiding distortions of the internal energy market. The rules for governing the Modernisation Fund should provide a coherent, comprehensive and transparent framework to ensure the most efficient implementation possible, taking into account the need for easy access by all participants. **Such rules should be transparent, balanced and** commensurate with the purpose of ensuring the appropriate use of the funds. That governance structure should be composed of an investment board, **an advisory board** and a management committee. Due account should be taken of the expertise of the EIB in the decision-making process unless support is provided to small projects through loans from national promotional banks or through grants via a national programme sharing the objectives of the Modernisation Fund. Investments financed from the fund should be proposed by the Member States **and all financing from the fund should comply with specific eligibility criteria**. To ensure that the investment needs in low income Member States are adequately addressed, the distribution of funds will take into account in equal shares verified emissions and GDP criteria. The financial assistance from the Modernisation Fund could be provided through different forms.

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Amendment 17
Proposal for a directive

Recital 12

Text proposed by the Commission

- (12) The European Council confirmed that the modalities, including transparency, of the optional free allocation to modernise the energy sector in certain Member States should be improved. Investments with a value of €10 million or more should be selected by the Member State concerned through a competitive bidding process on the basis of clear and transparent rules to ensure that free allocation is used to promote real investments modernising the energy sector in line with the Energy Union objectives. Investments with a value of less than €10 million should also be eligible for funding from the free allocation. The Member State concerned should select such investments based on clear and transparent criteria. The **results of this** selection process should be subject to public consultation. The public should be duly kept informed at the stage of the selection of investment projects as well as of their implementation.

Amendment

- (12) The European Council confirmed that the modalities, including transparency, of the optional free allocation to modernise **and diversify** the energy sector in certain Member States should be improved. Investments with a value of **EUR** 10 million or more should be selected by the Member State concerned through a competitive bidding process on the basis of clear and transparent rules to ensure that free allocation is used to promote real investments modernising **or diversifying** the energy sector in line with the Energy Union objectives, **including that of promoting the Third Energy Package**. Investments with a value of less than **EUR** 10 million should also be eligible for funding from the free allocation. The Member State concerned should select such investments based on clear and transparent criteria. The selection process should be subject to public consultation **and the results of such selection process, including rejected projects, should be made publically available**. The public should be duly kept informed at the stage of the selection of investment projects as well as of their implementation. **Member States should have the possibility of transferring part of or all the corresponding allowances to the Modernisation Fund if they are eligible to use both instruments. The derogation should be terminated by the end of the trading period in 2030.**

Amendment 18

Proposal for a directive

Recital 13

Text proposed by the Commission

- (13) EU ETS funding should be coherent with other Union funding programmes, including European Structural and Investment Funds, so as to ensure the effectiveness of public spending.

Amendment

- (13) EU ETS funding should be coherent with other Union funding programmes, including **Horizon 2020, the European Fund for Strategic Investments**, European Structural and Investment Funds, **and the European Investment Bank (EIB) Climate Investment Strategy**, so as to ensure the effectiveness of public spending.

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Amendment 19
Proposal for a directive

Recital 14

Text proposed by the Commission

- (14) The existing provisions which are in place for small installations to be excluded from the EU ETS **allow the installations which are excluded to remain so, and** it should be made possible for Member States to update their list of excluded installations and for Member States currently not making use of this option to do so at the beginning of each trading period.

Amendment

- (14) The existing provisions which are in place for small installations to be excluded from the EU ETS **should be extended to cover installations operated by small to medium enterprises (SMEs) emitting less than 50 000 tonnes of CO₂ equivalent in each of the three years preceding the year of the application for exclusion.** It should be made possible for Member States to update their list of excluded installations and for Member States currently not making use of this option to do so at the beginning of each trading period **and halfway through the period. It should also be possible for installations emitting less than 5 000 tonnes of CO₂ equivalent in each of the three years preceding the beginning of each trading period to be excluded from the EU ETS, subject to revision every five years. Member States should ensure that alternative equivalent measures for installations that have opted out do not result in higher compliance costs. Monitoring, reporting and verification requirements should be simplified for small emitters covered by the EU ETS.**

Amendment 20
Proposal for a directive

Recital 16 a (new)

Text proposed by the Commission

Amendment

- (16a) **In order to considerably reduce the administrative burden faced by companies, it should be left open to the Commission to consider measures such as automating the submission and verification of emissions reports, fully exploiting the potential of information and communication technologies.**

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Amendment 21
Proposal for a directive
Recital 17 a (new)

Text proposed by the Commission

Amendment

- (17a) *The delegated acts referred to in Articles 14 and 15 should simplify the rules of monitoring, reporting and verification as far as possible in order to reduce red tape for operators. The delegated act referred to in Article 19 (3) should facilitate access to and the use of the registry, especially for small operators.*

Amendment 22
Proposal for a directive
Article 1 — point - 1 (new)

Text proposed by the Commission

Amendment

- (-1) *Throughout the Directive, the term ‘Community scheme’ is replaced by ‘EU ETS’ and any necessary grammatical changes are made.*

Amendment 23
Proposal for a directive
Article 1 — point - 1 a (new)

Text proposed by the Commission

Amendment

- (-1a) *Throughout the Directive, the term ‘Community-wide’ is replaced by ‘Union-wide’.*

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Amendment 24

Proposal for a directive

Article 1 — point - 1 b (new)

Text proposed by the Commission

Amendment

(-1b) Throughout the Directive, except in the cases referred to in points (-1) and (-1a) and in Article 26(2), the term ‘Community’ is replaced by ‘Union’ and any necessary grammatical changes are made.

Amendment 25

Proposal for a directive

Article 1 — point - 1 c (new)

Text proposed by the Commission

Amendment

(-1c) Throughout the Directive, the words ‘regulatory procedure referred to in Article 23(2)’ are replaced by the words ‘examination procedure referred to in Article 30c(2)’.

Amendment 26

Proposal for a directive

Article 1 — point - 1 d (new)

Text proposed by the Commission

Amendment

(-1d) In Article 3 g, in point (d) of Article 5(1), in point (c) of Article 6(2), in the second subparagraph of Article 10a (2), in Article 14(2), (3) and (4), in Article 19(1) and (4) and in Article 29a(4) the word ‘regulation’ is replaced by the word ‘act’ and any necessary grammatical changes are made.

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Amendment 28**Proposal for a directive****Article 1 — point - 1 f (new)**

Directive 2003/87/EC

Article 3 — point h

*Present text**Amendment***(-1f) In Article 3, point (h) is replaced by the following:**

'(h) "new entrant" means:

— any installation carrying out one or more of the activities indicated in Annex I, which has obtained a greenhouse gas emissions permit for the first time after 30 June **2011**,

— any installation carrying out an activity which is included in the **Community** scheme pursuant to Article 24(1) or (2) for the first time, or

— any installation carrying out one or more of the activities indicated in Annex I or an activity which is included in the **Community** scheme pursuant to Article 24(1) or (2), which has had a significant extension after 30 June **2011**, only in so far as this extension is concerned;

'(h) "new entrant" means:

— any installation carrying out one or more of the activities indicated in Annex I, which has obtained a greenhouse gas emissions permit for the first time after 30 June **2018**,

— any installation carrying out an activity which is included in the **Union** scheme pursuant to Article 24(1) or (2) for the first time, or

— any installation carrying out one or more of the activities indicated in Annex I or an activity which is included in the **Union** scheme pursuant to Article 24(1) or (2), which has had a significant extension after 30 June **2018**, only in so far as this extension is concerned;

Amendment 29**Proposal for a directive****Article 1 — point - 1 g (new)**

Directive 2003/87/EC

Article 3 — point u a (new)

*Text proposed by the Commission**Amendment***(-1 g) In Article 3, the following point is added:**

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Text proposed by the Commission

Amendment

- (ua) “small emitter” means an installation with low emissions which is operated by a small or medium-sized enterprise^(1a) and that meets at least one of the following criteria:**
- **the average annual verified emissions of that installation reported to the relevant competent authority during the trading period immediately preceding the current trading period, with the exclusion of CO₂ stemming from biomass and before any subtraction of transferred CO₂, is less than 50 000 tonnes of carbon dioxide equivalent per year;**
 - **the average annual emissions data referred to in the first indent are not available in relation to that installation or are no longer applicable to that installation because of changes in the installation’s boundaries or changes to the operating conditions of the installation, but the annual emissions of that installation for the following five years, with the exclusion of CO₂ stemming from biomass and before subtraction of transferred CO₂, are expected to be less than 50 000 tonnes of carbon dioxide equivalent per year.’**

^(1a) As defined in Annex of recommendation 2003/361/EC

Amendment 30

Proposal for a directive

Article 1 — point - 1 h (new)

Directive 2003/87/EC

Article 3c — paragraph 2

Present text

Amendment

(-1h) In Article 3c, paragraph 2 is replaced by the following:

‘2. For the period referred to in Article 13(1) beginning on 1 January 2013, and, in the absence of any amendments following the review referred to in Article 30(4), for each subsequent period, the total quantity of allowances to be allocated to aircraft operators shall be equivalent to 95 % of the historical aviation emissions multiplied by the number of years in the period.

‘2. For the period referred to in Article 13 beginning on 1 January 2013, and, in the absence of any amendments following the review referred to in Article 30(4), for each subsequent period, the total quantity of allowances to be allocated to aircraft operators shall be equivalent to 95 % of the historical aviation emissions multiplied by the number of years in the period.

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Present text

Amendment

The total quantity of allowances to be allocated to aircraft operators in 2021 shall be 10 % lower than the average allocation for the period from 1 January 2014 to 31 December 2016, and then decrease annually at the same rate as that of the total cap for the EU ETS referred to in the second subparagraph of Article 10(1) so as to bring the cap for the aviation sector more in line with the other EU ETS sectors by 2030.

For aviation activities to and from aerodromes located in countries outside the EEA, the quantity of allowances to be allocated from 2021 onwards may be adjusted taking into account the future global market-based mechanism agreed by the International Civil Aviation Organisation (ICAO) in its 39th assembly. By 2019, the Commission shall present a legislative proposal to the European Parliament and the Council concerning those activities following the 40th assembly of the ICAO.

This percentage may be reviewed as part of the general review of this Directive.'

This percentage may be reviewed as part of the general review of this Directive.'

Amendment 31

Proposal for a directive

Article 1 — point - 1 i (new)

Directive 2003/87/EC

Article 3c — paragraph 4

Present text

Amendment

(-1i) In Article 3c(4), the last sentence is replaced by the following:

That decision shall be considered within the Committee referred to in Article **23(1)**.

That decision shall be considered within the Committee referred to in Article **30c(1)**.

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Amendment 32

Proposal for a directive

Article 1 — point - 1 j (new)

Directive 2003/87/EC

Article 3d — paragraph 2

Present text

Amendment

(-1j) In Article 3d, paragraph 2 is replaced by the following:

'2. From 1 January **2013**, **15** % of allowances shall be auctioned. ***This percentage may be increased as part of the general review of this Directive.***

'2. From 1 January **2021**, **50** % of allowances shall be auctioned.'

Amendment 33

Proposal for a directive

Article 1 — point 1

Directive 2003/87/EC

Article 3d — paragraph 3

Text proposed by the Commission

Amendment

(1) In Article **3d(3)**, the ***second subparagraph*** is replaced by the following:

(1) In Article **3d, paragraph 3** is replaced by the following:

'The Commission ***shall be*** empowered to adopt ***a*** delegated ***act*** in accordance with Article **23**.'

'**3.** The Commission ***is*** empowered to adopt delegated ***acts*** in accordance with Article **30b** to ***supplement this Directive by laying down detailed arrangements for the auctioning by Member States of allowances not required to be issued free of charge in accordance with paragraphs 1 and 2 of this Article or Article 3f(8). The number of allowances to be auctioned in each period by each Member State shall be proportionate to its share of the total attributed aviation emissions for all Member States for the reference year reported pursuant to Article 14(3) and verified pursuant to Article 15. For the period referred to in Article 3c(1), the reference year shall be 2010 and for each subsequent period referred to in Article 3c the reference year shall be the calendar year ending 24 months before the start of the period to which the auction relates.***

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Amendment 34**Proposal for a directive****Article 1 — point 1 a (new)**

Directive 2003/87/EC

Article 3d — paragraph 4 — subparagraph 1

Present text

Amendment

(1a) In Article 3d(4), the first subparagraph is replaced by the following:

‘4. **It shall be for Member States to determine the use to be made of revenues generated from the auctioning of allowances. Those revenues should** be used to tackle climate change in the Union and third countries, inter alia, to reduce greenhouse gas emissions, to adapt to the impacts of climate change in the Union and third countries, especially developing countries, to fund research and development for mitigation and adaptation, including in particular in the fields of aeronautics and air transport, to reduce emissions through low-emission transport and to cover the cost of administering the **Community** scheme. The proceeds of auctioning **should** also be used to fund contributions to the Global Energy Efficiency and Renewable Energy Fund, and measures to avoid deforestation.’

‘4. **All** revenues **shall** be used to tackle climate change in the Union and third countries, inter alia, to reduce greenhouse gas emissions, to adapt to the impacts of climate change in the Union and third countries, especially developing countries, to fund research and development for mitigation and adaptation, including in particular in the fields of aeronautics and air transport, to reduce emissions through low-emission transport and to cover the cost of administering the **Union** scheme. The proceeds of auctioning **may** also be used to fund contributions to the Global Energy Efficiency and Renewable Energy Fund, and measures to avoid deforestation.’

Amendment 35**Proposal for a directive****Article 1 — point 1 b (new)**

Directive 2003/87/EC

Article 3e — paragraph 1 a (new)

Present text

Amendment

(1b) In Article 3e, the following paragraph is added:

‘1a. From 2021 onwards, no free allocation of allowances under this Directive shall be granted to the aviation sector unless it is confirmed by a subsequent decision adopted by the European Parliament and the Council, since ICAO Resolution A-39/3 envisages that a global market-based measure is to apply from 2021. In that respect, the co-legislators shall take into account the interaction between that market-based measure and the EU ETS.’

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Amendment 36**Proposal for a directive****Article 1 — point 2 a (new)**

Directive 2003/87/EC

Chapter II a (new)

Text proposed by the Commission

Amendment

(2a) The following Chapter is inserted:**‘CHAPTER IIa****Inclusion of shipping in the absence of progress at international level****Article 3ga****Introduction**

As from 2021, in the absence of a comparable system operating under the IMO, CO₂ emissions emitted in Union ports and during voyages to and from Union ports of call, shall be accounted for through the system set out in this Chapter, to be operational from 2023.

Article 3gb**Scope**

By 1 January 2023, the provisions of this Chapter shall apply to the allocation and issue of allowances in respect of CO₂ emissions from ships within, arriving at or departing from ports under the jurisdiction of a Member State in accordance with the provisions laid down in Regulation (EU) 2015/757. Articles 12 and 16 shall apply to maritime activities in the same manner as to other activities.

Article 3gc**Extra allowances for maritime sector**

By 1 August 2021, the Commission shall adopt delegated acts in accordance with Article 30b in order to supplement this Directive by setting the total quantity of allowances for the maritime sector in line with other sectors, the method of allocation of allowances for that sector through auctioning and the special provisions with regard to the administering Member State. When the maritime sector is included in the EU ETS, the total amount of allowances shall be increased by that amount.

20 % of the revenues generated from the auctioning of allowances referred to in Article 3gd shall be used through the fund established under that Article (“Maritime Climate Fund”) to improve energy efficiency and support investments in innovative technologies to reduce CO₂ emissions in the maritime sector, including short sea shipping and ports.

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Text proposed by the Commission

Amendment

Article 3gd**Maritime Climate Fund**

1. A fund aimed at compensating for maritime emissions, improving energy efficiency and facilitating investments in innovative technologies to reduce CO₂ emissions of the maritime sector shall be established at Union level.
2. Ship operators may pay, on a voluntary basis, an annual membership contribution to the fund in accordance with their total emissions reported for the preceding calendar year under Regulation (EU) 2015/757. By way of derogation from Article 12(3), the fund shall surrender allowances collectively on behalf of ship operators which are members of the fund. The contribution per tonne of emissions shall be set by the fund by 28 February each year, and shall not be less than the level of the market price for allowances in the preceding year.
3. The fund shall acquire allowances equal to the collective total quantity of emissions of its members during the preceding calendar year and surrender them in the registry established under Article 19 by 30 April each year for subsequent cancellation. Contributions shall be made public.
4. The fund shall also improve energy efficiency and facilitate investments in innovative technologies to reduce CO₂ emissions in the maritime sector, including short sea shipping and ports, through the revenues referred to in Article 3gc. All investments supported by the fund shall be made public and be consistent with the aims of this Directive.
5. The Commission is empowered to adopt a delegated act in accordance with Article 30b to supplement this Directive concerning the implementation of this Article.

Article 3ge**International cooperation**

In the event that an international agreement on global measures to reduce greenhouse gas emissions from maritime transport is reached, the Commission shall review this Directive and shall, if appropriate, propose amendments in order to ensure alignment with that international agreement.'

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Amendment 37

Proposal for a directive

Article 1 — point 2 b (new)

Directive 2003/87/EC

Article 5 — subparagraph 1 — point d a (new)

Text proposed by the Commission

Amendment

(2b) In Article 5, subparagraph 1, the following point is added:

'(da) all CCU technologies that will be used in the installation in order to help reduce emissions',

Amendment 38

Proposal for a directive

Article 1 — point 2 c (new)

Directive 2003/87/EC

Article 6 — paragraph 2 — points e a and e b (new)

Text proposed by the Commission

Amendment

(2c) In Article 6(2), the following points are added:

'(ea) all legal requirements on social responsibility and reporting in order to ensure equal and effective implementation of environmental regulations and ensure that competent authorities and stakeholders, including workers' representatives, representatives of civil society and local communities, have access to all relevant information, as laid down in the Aarhus Convention and implemented in Union and national law, including this Directive;

(eb) an obligation to publish every year comprehensive information in respect of combating climate change and compliance with Union directives in the field of the environment, health and safety at work; that information shall be accessible to workers' representatives and to the representatives of civil society from local communities in the vicinity of the installation.'

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Amendment 39**Proposal for a directive****Article 1 — point 2 d (new)**

Directive 2003/87/EC

Article 7

*Present text**Amendment***(2d) Article 7 is replaced by the following:**

'Article 7

'Article 7

The operator shall inform the competent authority of any planned changes to the nature or functioning of the installation, or any extension or significant reduction of its capacity, which may require updating the greenhouse gas emissions permit. Where appropriate, the competent authority shall update the permit. Where there is a change in the identity of the installation's operator, the competent authority shall update the permit **to include the name and address** of the new operator.'

Without undue delay, the operator shall inform the competent authority of any planned changes to the nature or functioning of the installation, or any extension or significant reduction of its capacity, which may require updating the greenhouse gas emissions permit. Where appropriate, the competent authority shall update the permit. Where there is a change in the identity of the installation's operator, the competent authority shall update the permit **with the relevant identity and contact information** of the new operator.'

Amendment 142**Proposal for a directive****Article 1 — point 3**

Directive 2003/87/EC

Article 9 — paragraphs 2 and 3

*Text proposed by the Commission**Amendment*

Starting in 2021, the linear factor shall be 2,2 %.

Starting in 2021, the linear factor shall be 2,2 % **and shall be kept under review with a view to increasing it to 2,4 % by 2024 at the earliest.**

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Amendment 41

Proposal for a directive

Article 1 — point 4 — point a

Directive 2003/87/EC

Article 10 — paragraph 1 — subparagraph 1

Text proposed by the Commission

(a) three new subparagraphs are added to paragraph 1:

Amendment

(a) paragraph 1 is replaced by the following:

'1. From 2019 onwards, Member States shall either auction or cancel allowances that are not allocated free of charge in accordance with Articles 10a and 10c and are not placed in the MSR.'

Amendment 42

Proposal for a directive

Article 1 — point 4 — point a

Directive 2003/87/EC

Article 10 — paragraph 1 — subparagraph 2

Text proposed by the Commission

From 2021 onwards, the share of allowances to be auctioned **by Member States** shall be 57 %.

Amendment

From 2021 onwards, the share of allowances to be auctioned **or cancelled** shall be 57 %, **and that share shall decrease by no more than five percentage points over the entire ten year period beginning on 1 January 2021 pursuant to Article 10a(5). Such an adjustment shall take place solely in the form of a reduction in allowances auctioned pursuant to point (a) of the first subparagraph of paragraph 2. Where no adjustment occurs, or where less than five percentage points are required to make an adjustment, the remaining quantity of allowances shall be cancelled. Such cancellation shall not exceed 200 million allowances.**

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Amendment 43**Proposal for a directive****Article 1 — point 4 — point a**

Directive 2003/87/EC

Article 10 — paragraph 1 — subparagraph 3

Text proposed by the Commission

2 % of the total quantity of allowances between 2021 and 2030 shall be auctioned to establish a fund to improve energy efficiency and modernise the energy systems of certain **member states** as set out in Article 10d of this Directive ('the Modernisation Fund').

Amendment

2 % of the total quantity of allowances between 2021 and 2030 shall be auctioned **in order** to establish a fund to improve energy efficiency and modernise the energy systems of certain **Member States** as set out in Article 10d of this Directive ('the Modernisation Fund'). **The quantity set out in this subparagraph shall form part of the 57 % share of allowances to be auctioned as set out in the second subparagraph.**

Amendment 44**Proposal for a directive****Article 1 — point 4 — point a**

Directive 2003/87/EC

Article 10 — paragraph 1 — subparagraph 3 a (new)

*Text proposed by the Commission**Amendment*

In addition, 3 % of the total quantity of allowances to be issued between 2021 and 2030 shall be auctioned in order to compensate sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs actually incurred as a result of greenhouse gas emission costs being passed on in electricity prices as set out in Article 10a(6) of this Directive. Two thirds of the quantity set out in this subparagraph shall form part of the 57 % share of allowances to be auctioned as referred to in the second subparagraph.

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Amendment 45

Proposal for a directive

Article 1 — point 4 — point a

Directive 2003/87/EC

Article 10 — paragraph 1 — subparagraph 3 b (new)

Text proposed by the Commission

Amendment

A Just Transition Fund shall be created as of 1 January 2021 as a complement to the European Regional Development Fund and the European Social Fund and shall be funded through the pooling of 2 % of the auctioning revenues.

The revenues of those auctions shall remain at Union level, and shall be used to support regions which combine a high share of workers in carbon-dependent sectors and a GDP per capita well below the Union average. Such measures shall respect the principle of subsidiarity.

Those auctioning revenues aimed at just transition may be put to use in different ways, such as:

- creating redeployments and/or mobility cells,***
- education/training initiatives to re-skill or upskill workers,***
- support in job-seeking,***
- business creation, and***
- monitoring and pre-emptive measures to avoid or minimise the negative impact of the restructuring process on physical and mental health.***

Since the core activities to be financed by a Just Transition Fund are strongly related to the labour market, social partners shall be actively involved in the fund management in a manner based on the model of the European Social Fund committee and the participation of local social partners shall be a key requirement for projects to get funding.

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Amendment 46**Proposal for a directive****Article 1 — point 4 — point a**

Directive 2003/87/EC

Article 10 — paragraph 1 — subparagraph 4

Text proposed by the Commission

The total remaining quantity of allowances to be auctioned by Member States shall be distributed in accordance with paragraph 2

Amendment

The total remaining quantity of allowances to be auctioned by Member States, **after deducting the quantity of allowances referred to in the first subparagraph of Article 10a(8)** shall be distributed in accordance with paragraph 2.

Amendment 47**Proposal for a directive****Article 1 — point 4 — point a**

Directive 2003/87/EC

Article 10 — paragraph 1 — subparagraph 4 a (new)

*Text proposed by the Commission**Amendment*

On 1 January 2021, 800 million allowances placed in the MSR shall be cancelled.

Amendment 48**Proposal for a directive****Article 1 — point 4 — point b — point ii**

Directive 2003/87/EC

Article 10 — paragraph 2 — point b

Text proposed by the Commission

(b) 10 % of the total quantity of allowances to be auctioned being distributed amongst certain Member States for the purpose of solidarity and growth within the Community, thereby increasing the amount of allowances that those Member States auction under point (a) by the percentages specified in Annex IIa.

Amendment

(b) 10 % of the total quantity of allowances to be auctioned being distributed amongst certain Member States for the purpose of solidarity and growth within the Community, thereby increasing the amount of allowances that those Member States auction under point (a) by the percentages specified in Annex IIa. **For those Member States eligible to benefit from the Modernisation Fund as set out in Article 10d, their share of allowances specified in Annex IIa shall be transferred to their share in the Modernisation Fund.**

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Amendment 49

Proposal for a directive

Article 1 — point 4 — point b a (new)

Directive 2003/87/EC

Article 10 — paragraph 3 — introductory part

Present text

Amendment

(ba) in paragraph 3, the introductory part is replaced by the following:

'3. Member States shall determine the use of revenues generated from the auctioning of allowances. **At least 50 %** of the revenues generated from the auctioning of allowances referred to in paragraph 2, **including all revenues from the auctioning referred to in paragraph 2, points (b) and (c)**, or the equivalent in financial value of these revenues, **should** be used for one or more of the following:'

'3. Member States shall determine the use of revenues generated from the auctioning of allowances. **100 %** of the **total** revenues generated from the auctioning of allowances referred to in paragraph 2 or the equivalent in financial value of these revenues, **shall** be used for one or more of the following:'

Amendment 50

Proposal for a directive

Article 1 — point 4 — point b b (new)

Directive 2003/87/EC

Article 10 — paragraph 3 — point b

Present text

Amendment

(bb) in paragraph 3, point (b) is replaced by the following:

'(b) to develop renewable energies to meet the commitment of the **Community to using 20 %** renewable energies by **2020**, as well as to develop other technologies contributing to the transition to a safe and sustainable low-carbon economy and to help meet the commitment of the **Community** to increase energy efficiency **by 20 %** by **2020**;'

'(b) to develop renewable energies to meet the commitment of the **Union to** renewable energies by **2030**, as well as to develop other technologies contributing to the transition to a safe and sustainable low-carbon economy and to help meet the commitment of the **Union** to increase energy efficiency by **2030 at the levels agreed in appropriate legislative acts**;'

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Amendment 51**Proposal for a directive****Article 1 — point 4 — point b c (new)**

Directive 2003/87/EC

Article 10 — paragraph 3 — point f

*Present text**Amendment***(bc) in paragraph 3, point (f) is replaced by the following:**

'(f) to encourage a shift to low-emission and public forms of transport;'

'(f) to encourage a shift to low emission and public forms of transport **and support** — **as long as CO2 costs are not similarly reflected for other surface transport modes — electrified transport modes such as railways or other electrified surface transport modes taking into account their indirect EU ETS costs;**'

Amendment 52**Proposal for a directive****Article 1 — point 4 — point b d (new)**

Directive 2003/87/EC

Article 10 — paragraph 3 — point h

*Present text**Amendment***(bd) in paragraph 3, point (h) is replaced by the following:**

'(h) measures intended to increase energy efficiency and insulation or to provide financial support in order to address social aspects in lower and middle income households;'

'(h) measures intended to increase energy efficiency, **district heating systems** and insulation or to provide financial support in order to address social aspects in lower and middle income households;'

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Amendment 53

Proposal for a directive

Article 1 — point 4 — point c

Directive 2003/87/EC

Article 10 — paragraph 3 — point j

Text proposed by the Commission

- (j) to fund financial measures in favour of sectors or subsectors that are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed on in electricity prices, provided that these measures meet the conditions set out in Article 10a(6);

Amendment

- (j) to fund financial measures in favour of sectors or subsectors that are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed on in electricity prices, provided that **not more than 20 % of revenues are used for this purpose, and that** these measures meet the conditions set out in Article 10a(6);

Amendment 54

Proposal for a directive

Article 1 — point 4 — point c

Directive 2003/87/EC

Article 10 — paragraph 3 — point l

Text proposed by the Commission

- (l) to promote skill formation and reallocation of labour affected by the transition of jobs **in a decarbonising economy** in close coordination with the social partners.

Amendment

- (l) to **address the social impact of the decarbonisation of their economies and** promote skill formation and reallocation of labour affected by the transition of jobs in close coordination with the social partners.

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Amendment 55**Proposal for a directive****Article 1 — point 4 — point c a (new)**

Directive 2003/87/EC

Article 10 — paragraph 3 — subparagraph 1 a (new)

Text proposed by the Commission

Amendment

(ca) in paragraph 3, the following subparagraph is inserted:

'This information shall be provided through a standardised template prepared by the Commission, including information on the use of auctioning revenues for the different categories and the additionality of the use of the funds. The Commission shall make this information public on its website.'

Amendment 56**Proposal for a directive****Article 1 — point 4 — point c b (new)**

Directive 2003/87/EC

Article 10 — paragraph 3 — subparagraph 2

Present text

Amendment

(cb) in paragraph 3, the second subparagraph is replaced by the following:

'Member States shall be deemed to have fulfilled the provisions of this paragraph if they have in place and implement fiscal or financial support policies, including in particular in developing countries, or domestic regulatory policies, which leverage financial support, established for the purposes set out in the first subparagraph and which have a value equivalent to **at least 50 % of** the revenues generated from the auctioning of allowances referred to in paragraph 2, **including all revenues from the auctioning referred to in paragraph 2, points (b) and (c).'**

'Member States shall be deemed to have fulfilled the provisions of this paragraph if they have in place and implement fiscal or financial support policies, including in particular in developing countries, or domestic regulatory policies, which leverage **additional** financial support, established for the purposes set out in the first subparagraph and which have a value equivalent to **100 %** of the revenues generated from the auctioning of allowances referred to in paragraph 2 **and have reported those policies in a standardised template provided by the Commission.'**

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Amendment 57

Proposal for a directive

Article 1 — point 4 — point d

Directive 2003/87/EC

Article 10 — paragraph 4 — subparagraphs 1, 2 and 3

Text proposed by the Commission

(d) the third **subparagraph of paragraph 4** is replaced by the following:

‘The Commission **shall be** empowered to adopt **a** delegated **act** in accordance with Article **23**.’;

Amendment

(d) **in paragraph 4**, the **first, second and third subparagraphs are** replaced by the following:

‘4. The Commission is empowered to adopt delegated acts in accordance with Article 30b to supplement this Directive by laying down detailed arrangements for timing, administration and other aspects of auctioning to ensure that it is conducted in an open, transparent, harmonised and non-discriminatory manner. To this end, the process shall be predictable, in particular as regards the timing and sequencing of auctions and the estimated volumes of allowances to be made available. Where an assessment concludes in relation to the individual industrial sectors that no significant impact on sectors or subsectors exposed to a significant risk of carbon leakage is to be expected, the Commission may, in exceptional circumstances, adapt the timetable for the period referred to in Article 13(1) beginning on 1 January 2013 so as to ensure the orderly functioning of the market. The Commission shall make no more than one such adaptation for a maximum number of 900 million allowances.

Auctions shall be designed to ensure that:

- (a) operators, and in particular any SMEs covered by the EU ETS, have full, fair and equitable access;**
- (b) all participants have access to the same information at the same time and that participants do not undermine the operation of the auction;**
- (c) the organisation and participation in auctions is cost-efficient and undue administrative costs are avoided; and**
- (d) small emitters have access to allowances.’**

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Amendment 58**Proposal for a directive****Article 1 — point 4 — point d a (new)**

Directive 2003/87/EC

Article 10 — paragraph 4 — subparagraph 4 a (new)

Text proposed by the Commission

Amendment

(da) in paragraph 4, the following subparagraph is added:

‘Every two years Member States shall report to the Commission the closure of electricity generation in their territory capacity due to national measures. The Commission shall calculate the equivalent number of allowances that those closures represent and inform the Member States. Member States may cancel a corresponding volume of allowances out of the total quantity distributed in accordance with paragraph 2.’

Amendment 59**Proposal for a directive****Article 1 — point 4 — point d b (new)**

Directive 2003/87/EC

Article 10 — paragraph 5

Present text

Amendment

(db) paragraph 5 is replaced by the following:

‘5. The Commission shall monitor the functioning of the **European carbon market**. Each year, it shall submit a report to the European Parliament and to the Council on **the functioning of the carbon market** including the implementation of the auctions, liquidity and the volumes traded. **If necessary**, Member States shall ensure that any relevant information is submitted to the Commission at least two months before the Commission adopts the report.’

‘5. The Commission shall monitor the functioning of the **EU ETS**. Each year, it shall submit a report to the European Parliament and to the Council on **its** functioning including the implementation of the auctions, liquidity and the volumes traded. **The report shall also address the interaction of the EU ETS with other Union climate and energy policies, including how those policies impact upon the supply-demand balance of the EU ETS and their compliance with the Union’s 2030 and 2050 climate and energy goals. The report shall also take into account the risk of carbon leakage and the impact on investment within the Union.** Member States shall ensure that any relevant information is submitted to the Commission at least two months before the Commission adopts the report.’

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Amendment 60

Proposal for a directive

Article 1 — point 5 — point a

Directive 2003/87/EC

Article 10a — paragraph 1 — subparagraphs 1 and 2

Text proposed by the Commission

- (a) the second **paragraph of paragraph 1** is replaced by the following:

‘The Commission **shall be** empowered to adopt a delegated act in accordance with **Article 23**. This act shall also provide for additional allocation from the new entrants reserve for significant production **increases by applying the same thresholds and allocation adjustments as apply in respect of partial cessations of operation.**’

Amendment

- (a) **in paragraph 1, the first and second subparagraphs are** replaced by the following:

‘1. The Commission is empowered to adopt a delegated act in accordance with **30b to supplement this Directive by setting Union-wide and fully harmonised measures for the allocation of the allowances referred to in paragraphs 4, 5 and 7, including any necessary provisions for a harmonised application of paragraph 19.** This act shall also provide for additional allocation from the new entrants reserve for significant production **changes. It shall, in particular, provide that any decrease or increase of at least 10 % in production expressed as a rolling average of verified production data for the two preceding years compared to the production activity reported in accordance with Article 11 is adjusted with a corresponding amount of allowances by placing allowances into, or releasing them from, the reserve referred to in paragraph 7.**

When preparing the delegated act referred to in the first subparagraph, the Commission shall take into account the need to limit administrative complexity and prevent gaming of the system. For that purpose it may, as appropriate, use flexibility in the application of the thresholds set out in this paragraph where justified to do so due to specific circumstances.’

Amendment 61

Proposal for a directive

Article 1 — point 5 — point a a (new)

Directive 2003/87/EC

Article 10a — paragraph 1 — subparagraph 3

Present text

Amendment

- (aa) **in paragraph 1, the third subparagraph is replaced by the following:**

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Present text

'The measures referred to in the first subparagraph shall, to the extent feasible, determine **Community**-wide ex-ante benchmarks so as to ensure that allocation takes place in a manner that provides incentives for reductions in greenhouse gas emissions and energy efficient techniques, by taking account of the most efficient techniques, substitutes, alternative production processes, high efficiency cogeneration, efficient energy recovery of waste gases, use of biomass **and capture and storage of CO₂**, where such facilities are available, and shall not provide incentives to increase emissions. No free allocation shall be made in respect of any electricity production, except for cases falling within Article 10c and electricity produced from waste gases.'

Amendment

'The measures referred to in the first subparagraph shall, to the extent feasible, determine **Union**-wide ex-ante benchmarks so as to ensure that allocation takes place in a manner that provides incentives for reductions in greenhouse gas emissions and energy efficient techniques, by taking account of the most efficient techniques, substitutes, alternative production processes, high efficiency cogeneration, efficient energy recovery of waste gases, use of biomass, **CCS and CCU**, where such facilities are available, and shall not provide incentives to increase emissions. No free allocation shall be made in respect of any electricity production, except for cases falling within Article 10c and electricity produced from waste gases.'

Amendment 62

Proposal for a directive

Article 1 — point 5 — point b

Directive 2003/87/EC

Article 10a — paragraph 2 — subparagraph 3 — introductory part

Text proposed by the Commission

The benchmark values for free allocation shall be adjusted in order to avoid windfall profits and reflect technological progress in the period between 2007-8 and each later period for which free allocations are determined in accordance with Article 11(1). This adjustment shall reduce the benchmark values set by the act adopted pursuant to Article 10a by 1 % of the value that was set based on 2007-8 data in respect of each year between 2008 and the middle of the relevant period of free allocation, unless:

Amendment

The Commission is empowered to adopt delegated acts in accordance with Article 30b to supplement this Directive for the purpose of determining the revised benchmark values for free allocation. Those acts shall be in accordance with the delegated acts adopted pursuant to paragraph 1 of this Article and shall comply with the following:

Amendment 63

Proposal for a directive

Article 1 — point 5 — point b

Directive 2003/87/EC

Article 10a — paragraph 2 — subparagraph 3 — point -i (new)

Text proposed by the Commission

Amendment

(-i) For the period from 2021 to 2025, the benchmark values shall be determined on the basis of information submitted pursuant to Article 11 for the years 2016-2017;

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Amendment 64

Proposal for a directive

Article 1 — point 5 — point b

Directive 2003/87/EC

Article 10a — paragraph 2 — subparagraph 3 — point -i a (new)

Text proposed by the Commission

Amendment

- (-ia) *On the basis of a comparison of the benchmark values based on this information with the benchmark value contained in Commission Decision 2011/278/EU, the Commission shall determine the annual reduction rate for each benchmark and apply it to the benchmark values applicable in the period 2013-2020 in respect of each year between 2008 and 2023 to determine the benchmark values for the years 2021-2025;*

Amendment 65

Proposal for a directive

Article 1 — point 5 — point b

Directive 2003/87/EC

Article 10a — paragraph 2 — subparagraph 3 — point i

Text proposed by the Commission

Amendment

- (i) *On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to above by more than 0,5 % of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0,5 % or 1,5 % in respect of each year between 2008 and the middle of the period for which free allocation is to be made;*

- (i) *Where, on the basis of information submitted pursuant to Article 11 the rate of improvement does not exceed 0,25 %, the benchmark value shall therefore be reduced by that percentage in the period 2021-2025, in respect of each year between 2008 and 2023;*

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Amendment 66**Proposal for a directive****Article 1 — point 5 — point b**

Directive 2003/87/EC

Article 10a — paragraph 2 — subparagraph 3 — point ii

*Text proposed by the Commission**Amendment*

(ii) *By way of derogation regarding the benchmark values for aromatics, hydrogen and syngas, these benchmark values shall be adjusted by the same percentage as the refineries benchmarks in order to preserve a level playing field for producers of these products.*

(ii) *Where, on the basis of information submitted pursuant to Article 11 the rate of improvement exceeds 1,75 %, the benchmark value shall therefore be reduced by that percentage in the period 2021-2025, in respect of each year between 2008 and 2023.*

Amendment 67**Proposal for a directive****Article 1 — point 5 — point b**

Directive 2003/87/EC

Article 10a — paragraph 2 — subparagraph 4

*Text proposed by the Commission**Amendment*

The Commission shall adopt an implementing act for this purpose in accordance with Article 22a.

deleted

Amendment 68**Proposal for a directive****Article 1 — point 5 — point b a (new)**

Directive 2003/87/EC

Article 10a — paragraph 2 — subparagraph 3 a (new)

*Text proposed by the Commission**Amendment*

(ba) in paragraph 2, the following subparagraph is added:

'For the period between 2026 and 2030, the benchmark values shall be determined in the same manner on the basis of information submitted pursuant to Article 11 for the years 2021-2022 and with the annual reduction rate applying in respect of each year between 2008 and 2028.'

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Amendment 69

Proposal for a directive

Article 1 — point 5 — point b b (new)

Directive 2003/87/EC

Article 10a — paragraph 2 — subparagraph 3 b (new)

Text proposed by the Commission

Amendment

(bb) in paragraph 2, the following subparagraph is added:

(ii) By way of derogation regarding the benchmark values for aromatics, hydrogen and syngas, these benchmark values shall be adjusted by the same percentage as the refineries benchmarks in order to preserve a level playing field for producers of these products.

'By way of derogation regarding the benchmark values for aromatics, hydrogen and syngas, these benchmark values shall be adjusted by the same percentage as the refineries benchmarks in order to preserve a level playing field for producers of these products.'

Amendment 165

Proposal for a directive

Article 1 — point 5 — point b c (new)

Directive 2003/87/EC

Article 10a — paragraph 3

Present text

Amendment

bc) in paragraph 3, the following subparagraph is added:

Subject to paragraphs 4 and 8, and notwithstanding Article 10c, no free allocation shall be given to electricity generators, to installations for the capture of CO₂, to pipelines for transport of CO₂ or to CO₂ storage sites.

Subject to paragraphs 4 and 8, and notwithstanding Article 10c, no free allocation shall be given to electricity generators, to installations for the capture of CO₂, to pipelines for transport of CO₂ or to CO₂ storage sites. **Electricity generators producing electricity from waste gas are not electricity generators within the meaning of Article 3(u) of this Directive. In benchmark calculations, the full carbon content of waste gases used for electricity production shall be taken into account.**

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Amendment 70**Proposal for a directive****Article 1 — point 5 — point b d (new)**

Directive 2003/87/EC

Article 10a — paragraph 4

Present text

Amendment

(bd) paragraph 4 is replaced by the following:

'4. Free allocation shall be given to district heating as well as to high efficiency cogeneration, as defined by Directive 2004/8/EC, for economically justifiable demand, in respect of the production of heating or cooling. **In each year subsequent to 2013, the total allocation to such installations in respect of the production of that heat shall be adjusted by the linear factor referred to in Article 9.'**

'4. Free allocation shall be given to district heating as well as to high efficiency cogeneration, as defined by Directive 2004/8/EC, for economically justifiable demand, in respect of the production of heating or cooling.'

Amendment 71**Proposal for a directive****Article 1 — point 5 — point c**

Directive 2003/87/EC

Article 10a — paragraph 5

Text proposed by the Commission

Amendment

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year **where the sum of free allocations** does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations **to respect the Member State auctioning share in later years.** Where, nonetheless, **the maximum level is reached,** free allocations shall be adjusted accordingly. **Any such adjustment shall be done in a uniform manner.**

5. Where the sum of free allocations in **a given** year does not reach the maximum level, **respecting** the Member States' auctioning share **set out in Article 10(1),** the remaining allowances up to that level shall be used to prevent or limit **the** reduction of free allocations **in subsequent years. Where, however, the maximum level is reached, an amount of allowances equivalent to a reduction of up to five percentage points of the share of allowances to be auctioned by Member States over the entire ten year period beginning on 1 January 2021, pursuant to Article 10(1), shall be distributed free of charge to sectors and sub-sectors pursuant to Article 10b.** Where, nonetheless, **this reduction is insufficient to meet the demand of sectors or sub-sectors pursuant to Article 10b,** free allocations shall be adjusted accordingly **by a uniform cross-sectoral correction factor to sectors with an intensity of trade with third countries below 15 % or a carbon intensity below 7Kg CO₂/Euro GVA.**

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Amendment 72

Proposal for a directive

Article 1 — point 5 — point d

Directive 2003/87/EC

Article 10a — paragraph 6 — subparagraph 1

Text proposed by the Commission

Member States should adopt financial measures in favour of sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed on in electricity prices, **taking into account any effects on the internal market. Such financial measures to compensate part of these costs shall be in accordance with state aid rules.**

Amendment

6. A centralised arrangement at Union level shall be adopted to compensate sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed on in electricity prices.

Compensation shall be proportionate to greenhouse gas emission costs actually passed through in electricity prices and shall be applied in accordance with the criteria laid down in the relevant state aid guidelines in order to avoid negative effects on the internal market as well as overcompensation of costs incurred.

Where the amount of compensation available is not sufficient to compensate eligible indirect costs, the amount of compensation available for all eligible installations shall be reduced in a uniform manner.

The Commission is empowered to adopt a delegated act in accordance with Article 30b to supplement this Directive for the purpose referred to in this paragraph by putting in place arrangements for the creation and operation of the fund.

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Amendment 73**Proposal for a directive****Article 1 — point 5 — point d a (new)**

Directive 2003/87/EC

Article 10a — paragraph 6 — subparagraph 1a (new)

Text proposed by the Commission

Amendment

(da) in paragraph 6, a new subparagraph is inserted:

'Member States may also adopt national financial measures in favour of sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed on in electricity prices, taking into account any effects on the internal market. Such financial measures to compensate part of those costs shall be in accordance with state aid rules and Article 10(3) of this Directive. Those national measures, when combined with the support referred to in the first subparagraph, shall not exceed the maximum level of compensation referred to in the relevant state aid guidelines and shall not create new market distortions. The existing ceilings on state aid compensation shall continue to decline throughout the trading period.'

Amendment 74**Proposal for a directive****Article 1 — point 5 — point e — point i**

Directive 2003/87/EC

Article 10a — paragraph 7 — subparagraph 1

Text proposed by the Commission

Amendment

Allowances from the maximum amount referred to Article 10a (5) of this Directive which were not allocated for free up to 2020 shall be set aside for new entrants and significant production increases, together with 250 million allowances placed in the market stability reserve pursuant to Article 1(3) of Decision (EU) 2015/... of the European Parliament and of the Council(*).

7. 400 million allowances shall be set aside for new entrants and significant production increases.

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Amendment 75

Proposal for a directive

Article 1 — point 5 — point e — point i

Directive 2003/87/EC

Article 10a — paragraph 7 — subparagraph 2

Text proposed by the Commission

From 2021, allowances not allocated to installations because of the application of paragraphs 19 and 20 shall be added to the reserve.

Amendment

From 2021 **onwards, any** allowances not allocated to installations because of the application of paragraphs 19 and 20 shall be added to the reserve.

Amendment 76

Proposal for a directive

Article 1 — point 5 — point f — introductory part

Directive 2003/87/EC

Article 10a — paragraph 8

Text proposed by the Commission

(f) **in** paragraph 8, **the first, second and third subparagraphs of paragraph 8 are** replaced by the following:

Amendment

(f) paragraph 8 **is** replaced by the following:

Amendment 77

Proposal for a directive

Article 1 — point 5 — point f — subparagraph 1

Directive 2003/87/EC

Article 10a — paragraph 8 — subparagraph 1

Text proposed by the Commission

400 million allowances shall be available to **support** innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe **capture and geological storage (CCS) of CO₂** as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

Amendment

8. 600 million allowances shall be available to **leverage investments in** innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, **including bio-based materials and products substituting carbon intensive materials**, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe **CCS and CCU** as well as demonstration projects of innovative renewable energy technologies **and energy storage**, in the territory of the Union.

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Amendment 78**Proposal for a directive****Article 1 — point 5 — point f**

Directive 2003/87/EC

Article 10a — paragraph 8 — subparagraph 2

Text proposed by the Commission

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development of a wide range of **CCS and** innovative renewable energy technologies that are not yet commercially viable **in geographically balanced locations**. In order to promote innovative projects, up to **60 %** of the relevant costs of projects may be supported, out of which up to **40 %** may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

Amendment

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development of a wide range of innovative renewable energy technologies, **CCS and CCU** that are not yet commercially viable. **Projects shall be selected on the basis of their impact on energy systems or industrial processes within a Member State, a group of Member States or the Union.** In order to promote innovative projects, up to **75 %** of the relevant costs of projects may be supported, out of which up to **60 %** may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed. **Allowances shall be allocated to projects according to their needs to reach pre-determined milestones.**

Amendment 79**Proposal for a directive****Article 1 — point 5 — point f**

Directive 2003/87/EC

Article 10a — paragraph 8 — subparagraph 3

Text proposed by the Commission

In addition, 50 million unallocated allowances from the **market stability reserve established by Decision (EU) 2015/...** shall supplement any existing resources remaining under this paragraph for projects referred to **above**, with projects in all Member States including small-scale projects, before 2021. Projects shall be selected on the basis of objective and transparent criteria.

Amendment

In addition, 50 million unallocated allowances from the **MSR** shall supplement any existing resources remaining under this paragraph **as a consequence of funds resulting from NER300 allowance auctions for the period between 2013 and 2020 not having been used**, for projects referred to **in the first and second subparagraphs**, with projects in all Member States including small-scale projects, before 2021 **and from 2018 onwards**. Projects shall be selected on the basis of objective and transparent criteria, **taking into account their relevance in relation to the decarbonisation of the sectors concerned.**

Projects supported under this subparagraph may also receive further support under the first and second subparagraphs.

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Amendment 80

Proposal for a directive

Article 1 — point 5 — point f

Directive 2003/87/EC

Article 10a — paragraph 8 — subparagraph 4

Text proposed by the Commission

The Commission **shall be** empowered to adopt **a** delegated **act** in accordance with Article 23.

Amendment

The Commission **is** empowered to adopt delegated **acts** in accordance with Article 30b **to supplement this Directive by setting the criteria to be used for the selection of projects that are eligible to benefit from the allowances referred to in this paragraph, taking due account of the following principles:**

- (i) **Projects shall focus on the design and development of breakthrough solutions and implementation of demonstration programmes;**
- (ii) **The activities shall run close-to-market in production plants to demonstrate the viability of breakthrough technologies in overcoming technological as well as non-technological barriers;**
- (iii) **Projects shall address technological solutions that have the potential to be of widespread application, and may combine different technologies;**
- (iv) **Solutions and technologies shall ideally have the potential to be transferred within the sector and possibly to other sectors;**
- (v) **Projects where the anticipated emissions reductions are significantly below the relevant benchmark value shall be prioritised. Eligible projects shall either contribute to emissions reductions below the benchmark values referred to in paragraph 2 or shall have future prospects to significantly lower the cost of transitioning towards low-emissions energy production; and**
- (vi) **CCU projects shall deliver a net reduction in emissions and a permanent storage of CO₂ across their lifetime.**

Amendment 82

Proposal for a directive

Article 1 — point 5 — point i a (new)

Directive 2003/87/EC

Article 10a — paragraph 20

Present text

Amendment

- (ia) **paragraph 20 is replaced by the following:**

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Present text

Amendment

'20. The Commission shall, as part of the measures adopted under paragraph 1, include measures for defining installations that partially cease to operate or significantly reduce their capacity, and measures for adapting, as appropriate, the level of free allocations given to them accordingly.'

'20. The Commission shall, as part of the measures adopted under paragraph 1, include measures for defining installations that partially cease to operate or significantly reduce their capacity, and measures for adapting, as appropriate, the level of free allocations given to them accordingly.

Those measures shall provide flexibility for industry sectors where capacity is regularly transferred between operating installations in the same company.'

Amendment 83

Proposal for a directive

Article 1 — point 6

Directive 2003/87/EC

Article 10b — title

Present text

Amendment

Measures to support certain energy-intensive industries in the event of carbon leakage

Transitional measures to support certain energy intensive industries in the event of carbon leakage

Amendment 85

Proposal for a directive

Article 1 — point 6

Directive 2003/87/EC

Article 10b — paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. After the adoption of the revision of the Directive 2012/27/EU of the European Parliament and of the Council^(*), the Commission shall reassess the share of emission reductions in the EU ETS and the Decision No 406/2009/EC of the European Parliament and of the Council^(**). Additional reductions by an increased energy efficiency target shall be used to protect industry at risk of carbon or investment leakage.

^(*) Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2012, p. 1).

^(**) Decision No 406/2009/EC of the European Parliament and of the Council of 23 April 2009 on the effort of Member States to reduce their greenhouse gas emissions to meet the Community's greenhouse gas emission reduction commitments up to 2020 (OJ L 140, 5.6.2009, p. 136).

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Amendment 144

Proposal for a directive

Article 1 — point 6

Directive 2003/87/EC

Article 10b — paragraphs 1 b and 1 c (new)

Text proposed by the Commission

Amendment

(1b) *Following up to Article 6(2) of the Paris Agreement, the Commission shall assess in its report, to be prepared in accordance with Article 28aa, the development of climate mitigation policies, including market-based approaches, in third countries and regions and the effect of these policies on the competitiveness of European industry.*

(1c) *If this report concludes that a significant risk of carbon leakage remains, the Commission shall, if appropriate, come forward with a legislative proposal introducing a carbon border adjustment, fully compatible with WTO rules, based on a feasibility study to be initiated at the publication of this Directive in the OJ. This mechanism would include in the EU ETS importers of products which are produced by the sectors or sub-sectors determined in accordance with Article 10a.*

Amendment 86

Proposal for a directive

Article 1 — point 6

Directive 2003/87/EC

Article 10b — paragraph 2

Text proposed by the Commission

Amendment

2. Sectors and sub-sectors where the product from multiplying their intensity of trade with third countries by their emission intensity is above **0,18** may be included in the group referred to in paragraph 1, on the basis of a qualitative assessment using the following criteria:

(a) the extent to which it is possible for individual installations in the sector or sub-sectors concerned to reduce emission levels or electricity consumption;

(b) current and projected market characteristics;

2. Sectors and sub-sectors where the product from multiplying their intensity of trade with third countries by their emission intensity is above **0,12** may be included in the group referred to in paragraph 1, on the basis of a qualitative assessment using the following criteria:

(a) the extent to which it is possible for individual installations in the sector or sub-sectors concerned to reduce emission levels or electricity consumption **taking into account associated increases in costs of production;**

(b) current and projected market characteristics;

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Text proposed by the Commission

Amendment

(c) profit margins as a potential indicator of long-run investment or relocation decisions.

(c) profit margins as a potential indicator of long-run investment or relocation decisions;

(ca) *commodities which are traded on worldwide markets for a common reference price.*

Amendment 87

Proposal for a directive

Article 1 — point 6

Directive 2003/87/EC

Article 10b — paragraph 3

Text proposed by the Commission

Amendment

3. **Other sectors and sub-sectors are** considered to be able to pass on more of the cost of allowances in product prices, and shall be allocated allowances free of charge for the period up to 2030 at 30 % of the quantity determined in accordance with the measures adopted pursuant to Article 10a.

3. **The district heating sector is** considered to be able to pass on more of the cost of allowances in product prices, and shall be allocated allowances free of charge for the period up to 2030 at 30 % of the quantity determined in accordance with the measures adopted pursuant to Article 10a. **Other sectors and sub-sectors shall not be allocated any allowances free of charge.**

Amendment 88

Proposal for a directive

Article 1 — point 6

Directive 2003/87/EC

Article 10b — paragraph 4

Text proposed by the Commission

Amendment

4. By 31 December 2019, the Commission shall adopt a delegated **act for the preceding paragraphs** for activities at a 4-digit level (NACE-4 code) **as concerns paragraph 1, in accordance with Article 23**, based on data for the **three** most recent calendar years available.

4. By 31 December 2019, the Commission shall adopt delegated **acts in accordance with Article 30b to supplement this Directive in relation to paragraph 1 concerning the activities at a 4-digit level (NACE-4 code) or, where justified on the basis of objective criteria developed by the Commission, at the relevant level of disaggregation based on public and sector-specific data to comprise those activities covered by the EU ETS. The assessment of trade intensity shall be** based on data for the **five** most recent calendar years available.

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Amendment 89

Proposal for a directive

Article 1 — point 6

Directive 2003/87/EC

Article 10c — paragraph 1

Text proposed by the Commission

1. By derogation from Article 10a(1) to (5), Member States which had in 2013 a GDP per capita in € at market prices below 60 % of the Union average may give **a** transitional free allocation to installations for electricity **production** for the modernisation of the energy sector.

Amendment

1. By **way of** derogation from Article 10a(1) to (5), Member States which had in 2013 a GDP per capita in **EUR** at market prices below 60 % of the Union average may give transitional free allocation to installations for electricity **generation** for the modernisation, **diversification and sustainable transformation** of the energy sector. **This derogation shall end on 31 December 2030.**

Amendment 90

Proposal for a directive

Article 1 — point 6

Directive 2003/87/EC

Article 10c — paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. Member States not eligible pursuant to paragraph 1 but which had in 2014 a GDP per capita in EUR at market prices below 60 % of the Union average may also make use of the derogation referred to in that paragraph up to the total quantity referred to in paragraph 4, provided that the corresponding number of allowances is transferred to the Modernisation Fund and the revenues are used to support investments in accordance with Article 10d.

Amendment 91

Proposal for a directive

Article 1 — point 6

Directive 2003/87/EC

Article 10c — paragraph 1 b (new)

Text proposed by the Commission

Amendment

1b. Member States which are eligible under this Article to grant free allocation to installations for energy generation, may choose to transfer the corresponding number of allowances or part of them to the Modernisation Fund and allocate them pursuant to the provisions of Article 10d. In such a case, they shall inform the Commission before the transfer.

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Amendment 92**Proposal for a directive****Article 1 — point 6**

Directive 2003/87/EC

Article 10c — paragraph 2 — subparagraph 1 — point b

Text proposed by the Commission

-
- (b) ensure that only projects which contribute to the diversification of their energy mix and sources of supply, the necessary restructuring, environmental upgrading and retrofitting of the infrastructure, clean technologies **and** modernisation of the energy production, transmission and distribution sectors are eligible to bid;

Amendment

-
- (b) ensure that only projects which contribute to the diversification of their energy mix and sources of supply, the necessary restructuring, environmental upgrading and retrofitting of the infrastructure, clean technologies (**such as renewable technologies**) **or** modernisation of the energy production, **district heating networks, energy efficiency, energy storage,** transmission and distribution sectors are eligible to bid;

Amendment 93**Proposal for a directive****Article 1 — point 6**

Directive 2003/87/EC

Article 10c — paragraph 2 — subparagraph 1 — point c

Text proposed by the Commission

-
- (c) define clear, objective, transparent and non-discriminatory selection criteria for the ranking of projects, so as to ensure that projects are selected which:

Amendment

-
- (c) define clear, objective, transparent and non-discriminatory selection criteria **in line with the Union 2050 climate and energy policy objectives** for the ranking of projects, so as to ensure that projects are selected which:

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Amendment 94

Proposal for a directive

Article 1 — point 6

Directive 2003/87/EC

Article 10c — paragraph 2 — subparagraph 1 — point c — point i

Text proposed by the Commission

- (i) on the basis of a cost-benefit analysis, ensure a net positive gain in terms of emission reduction and realise a pre-determined significant level of CO₂ reductions;

Amendment

- (i) on the basis of a cost-benefit analysis, ensure a net positive gain in terms of emission reduction and realise a pre-determined significant level of CO₂ reductions **proportionate to the size of the projects. Where projects relate to electricity production, total greenhouse gas emissions per kilowatt hour of electricity produced in the installation shall not exceed 450 g of CO₂ equivalent after completion of the project. By 1 January 2021, the Commission shall adopt a delegated act in accordance with Article 30b in order to amend this Directive by defining for projects relating to heat production maximum total greenhouse gas emissions per kilowatt hour of heat produced in the installation that shall not be exceeded.**

Amendment 95

Proposal for a directive

Article 1 — point 6

Directive 2003/87/EC

Article 10c — paragraph 2 — subparagraph 1 — point c — point ii

Text proposed by the Commission

- (ii) are additional, clearly respond to replacement and modernisation needs and do not supply a market-driven increase in energy demand;

Amendment

- (ii) are additional, **although they may be used to meet the relevant targets set under the 2030 Climate and Energy Framework**, clearly respond to replacement and modernisation needs and do not supply a market-driven increase in energy demand;

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Amendment 96**Proposal for a directive****Article 1 — point 6**

Directive 2003/87/EC

Article 10c — paragraph 2 — subparagraph 1– point c — point iii a (new)

*Text proposed by the Commission**Amendment***(iiia) do not contribute to new coal-fired energy generation nor increase coal-dependency.****Amendment 97****Proposal for a directive****Article 1 — point 6**

Directive 2003/87/EC

Article 10c — paragraph 2 — subparagraph 2

*Text proposed by the Commission**Amendment*

By 30 June 2019, any Member State intending to make use of optional free allocation shall publish a detailed national framework setting out the competitive bidding process and selection criteria for public comment.

By 30 June 2019, any Member State intending to make use of optional **transitional** free allocation **for the modernisation of the energy sector** shall publish a detailed national framework setting out the competitive bidding process and selection criteria for public comment.

Amendment 98**Proposal for a directive****Article 1 — point 6**

Directive 2003/87/EC

Article 10c — paragraph 2 — subparagraph 3

*Text proposed by the Commission**Amendment*

Where investments with a value of less than €10 million are supported with free allocation, the Member State shall select projects based on objective and transparent criteria. The results of this selection process shall be published for public **comment**. On this basis, the Member State concerned shall establish and submit a list of investments to the Commission by 30 June 2019.

Where investments with a value of less than **EUR** 10 million are supported with free allocation, the Member State shall select projects based on objective and transparent criteria **consistent with reaching the Union's long-term climate and energy objectives. Those criteria shall be subject to public consultation, ensuring full transparency and accessibility of relevant documents, and fully reflect comments raised by stakeholders.** The results of this selection process shall be published for public **consultation**. On this basis, the Member State concerned shall establish and submit a list of investments to the Commission by 30 June 2019.

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Amendment 99

Proposal for a directive

Article 1 — point 6

Directive 2003/87/EC

Article 10c — paragraph 3

Text proposed by the Commission

3. The value of the intended investments shall at least equal the market value of the free allocation, while taking into account the need to limit directly linked price increases. The market value shall be the average of the price of allowances on the common auction platform in the preceding calendar year.

Amendment

3. The value of the intended investments shall at least equal the market value of the free allocation, while taking into account the need to limit directly linked price increases. The market value shall be the average of the price of allowances on the common auction platform in the preceding calendar year. ***Up to 75 % of the relevant costs of an investment may be supported.***

Amendment 100

Proposal for a directive

Article 1 — point 6

Directive 2003/87/EC

Article 10c — paragraph 6

Text proposed by the Commission

6. Member States shall require benefiting ***electricity*** generators and network operators to report ***by 28 February*** of each year on the implementation of their selected investments. Member States shall report on this to the Commission, and the Commission shall make such reports public.

Amendment

6. Member States shall require benefiting ***energy*** generators and network operators to report ***annually by 31 March*** of each year on the implementation of their selected investments, ***including the balance of free allocation and investment expenditure incurred, the types of investments supported and the way in which they achieved the goals set out in point (b) of the first subparagraph of paragraph 2.*** Member States shall report on this to the Commission, and the Commission shall make such reports ***available to the public.*** ***Member States and the Commission shall monitor and analyse potential arbitrage with regard to the threshold of EUR 10 million for small projects and shall prevent unjustified dividing up of an investment over smaller projects by excluding more than one investment in the same beneficiary installation.***

Wednesday 15 February 2017

Amendment 101**Proposal for a directive****Article 1 — point 6**

Directive 2003/87/EC

Article 10c — paragraph 6 a (new)

*Text proposed by the Commission**Amendment*

6a. *In case of a reasonable suspicion of irregularities or a failure by a Member State to report in accordance with paragraphs 2 to 6, the Commission may undertake an independent investigation, where necessary assisted by a contracted third party. The Commission shall also investigate other possible infringements, such as failure to implement the Third Energy Package. The Member State concerned shall provide all investment information and access necessary for the investigation, including access to installations and building sites. The Commission shall publish a report on that investigation.*

Amendment 102**Proposal for a directive****Article 1 — point 6**

Directive 2003/87/EC

Article 10c — paragraph 6 b (new)

*Text proposed by the Commission**Amendment*

6b. *In the case of infringement of Union climate and energy law, including the Third Energy Package, or the criteria set out in this Article, the Commission may require the Member State to withhold free allocation.*

Amendment 49**Proposal for a directive****Article 1 — point 7**

Directive 2003/87/EC

Article 10d — paragraph 1 — subparagraph 1

*Text proposed by the Commission**Amendment*

1. A fund to support investments in modernising energy systems and improving energy efficiency in Member States with a GDP per capita below 60 % of the Union average in 2013 shall be established for the period **2021-30** and financed as set out in Article 10.

1. A fund to support **and leverage** investments in modernising energy systems, **including district heating**, and improving energy efficiency in Member States with a GDP per capita below 60 % of the Union average in 2013, **or in 2014, or in 2015**, shall be established for the period **2021-2030** and financed as set out in Article 10.

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Amendment 104**Proposal for a directive****Article 1 — point 7**

Directive 2003/87/EC

Article 10d — paragraph 1 — subparagraph 2

Text proposed by the Commission

The investments supported shall be consistent with the aims of this Directive and the European Fund for Strategic Investments.

Amendment

The investments supported shall **comply with the principles of transparency, non-discrimination, equal treatment, sound financial management and shall offer the best value for money. They shall** be consistent with the aims of this Directive, **the Union's long term climate and energy goals** and the European Fund for Strategic Investments, **and shall:**

- (i) **Contribute to energy savings, renewable energy systems, energy storage and electricity interconnection, transmission and distribution sectors; where projects relate to electricity production, total greenhouse gas emissions per kilowatt hour of electricity produced in the installation shall not exceed 450 g of CO₂ equivalent after completion of the project. The Commission shall adopt a delegated act in accordance with Article 30b by 1 January 2021 in order to amend this Directive by defining, for projects relating to heat production, maximum total greenhouse gas emissions per kilowatt hour of heat produced in the installation that shall not be exceeded;**
- (ii) **On the basis of a cost-benefit analysis, ensure a net-positive gain in terms of emissions reductions and realise a pre-determined significant level of CO₂ reductions;**
- (iii) **Be additional although they may be used to meet the relevant targets set under the 2030 Climate and Energy Framework, clearly respond to replacement and modernisation needs and shall not supply a market-driven increase in energy demand;**
- (iv) **Not contribute to new coal-fired energy generation nor increase coal dependency.**

Wednesday 15 February 2017

Amendment 105**Proposal for a directive****Article 1 — point 7**

Directive 2003/87/EC

Article 10d — paragraph 1 — subparagraph 2 a (new)

*Text proposed by the Commission**Amendment*

The Commission shall keep under review the requirements set out in this paragraph taking into account the Climate Strategy of the EIB. If, on the basis of technological progress, one or more of the requirements set out in this paragraph become irrelevant, the Commission shall adopt a delegated act in accordance with Article 30b by 2024 in order to amend this Directive by outlining new or updated requirements.

Amendment 106**Proposal for a directive****Article 1 — point 7**

Directive 2003/87/EC

Article 10d — paragraph 2

*Text proposed by the Commission**Amendment*

2. The fund shall also finance small-scale investment projects in the modernisation of energy systems and energy efficiency. To this end, the investment board shall develop guidelines and **investment** selection criteria specific to such projects.

2. The fund shall also finance small-scale investment projects in the modernisation of energy systems and energy efficiency. To this end, **its** investment board shall develop **investment** guidelines and selection criteria specific to such projects **in line with the objectives of this Directive and with the criteria set out in paragraph 1. Those guidelines and selection criteria shall be made available to the public.**

For the purpose of this paragraph a small-scale investment project means a project funded through loans provided by a national promotional bank or through grants contributing to the implementation of a national programme serving specific objectives that are in line with those of the Modernisation Fund, provided that not more than 10 % of the Member States' share set out in Annex IIb is used.

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Amendment 107

Proposal for a directive

Article 1 — point 7

Directive 2003/87/EC

Article 10d — paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. Any beneficiary Member State which has decided to grant transitional free allocation pursuant to Article 10c may transfer those allowances to its share of the Modernisation Fund set out in Annex IIb and allocate them pursuant to the provisions of Article 10d.

Amendment 108

Proposal for a directive

Article 1 — point 7

Directive 2003/87/EC

Article 10d — paragraph 4 — subparagraph 1

Text proposed by the Commission

Amendment

4. **The fund shall be governed by an investment board and a management committee, which shall be composed of representatives from the beneficiary Member States, the Commission, the EIB and three representatives elected by the other Member States for a period of 5 years.** The investment board shall be responsible to determine an Union-level investment policy, **appropriate financing instruments and investment selection criteria.**

4. The beneficiary Member States shall be responsible for the governance of the fund, and shall jointly establish an investment board composed of one representative per beneficiary Member State, the Commission, the EIB, and three observers from interested parties such as industrial federations, trade unions, or NGOs. The investment board shall be responsible for determining a Union-level investment policy, **which shall be in line with the requirements set out in this Article and be consistent with Union policies.**

An advisory board, independent from the investment board, shall be established. The advisory board shall be composed of three representatives from the beneficiary Member States, three representatives from non-beneficiary Member States, a representative of the Commission, a representative of the EIB, and a representative from the European Bank for Reconstruction and Development (EBRD), selected for a five year period. The representatives of the advisory board shall have a high level of relevant market experience in project structuring and project financing. The advisory board shall provide advice and recommendations to the investment board on project eligibility for selection, investment and financing decisions, and any further project development assistance as required.

The management committee shall be responsible for the day-to-day management of the fund.

A management committee shall be established. The management committee shall be responsible for the day-to-day management of the fund.

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Amendment 109**Proposal for a directive****Article 1 — point 7**

Directive 2003/87/EC

Article 10d — paragraph 4 — subparagraph 2

Text proposed by the Commission

The investment board shall **elect a representative from the Commission as chairman**. The investment board shall strive to take decisions by consensus. **If the investment board is not able to decide by consensus within a deadline set by the chairman, the investment board shall take a decision** by simple majority.

Amendment

The **chairman of the** investment board shall **be elected from among its members for a one-year term**. The investment board shall strive to take decisions by consensus. **The advisory board shall adopt its opinion** by simple majority.

Amendment 110**Proposal for a directive****Article 1 — point 7**

Directive 2003/87/EC

Article 10d — paragraph 4 — subparagraph 3

Text proposed by the Commission

The **management committee** shall **be composed of representatives appointed by** the investment board. **Decisions of the management committee shall be taken by simple majority**.

Amendment

The **investment board, advisory board and management committee** shall **operate in an open and transparent manner. The minutes of both board meetings shall be published. The composition of the investment board and advisory board shall be published and CVs and declarations of interests of the members shall be made available to the public and regularly updated. The investment board and the advisory board shall, on an ongoing basis, check for the absence of any conflict of interest. The advisory board shall submit every six months to the European Parliament, the Council and the Commission a list of advice provided to projects.**

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Amendment 111

Proposal for a directive

Article 1 — point 7

Directive 2003/87/EC

Article 10d — paragraph 4 — subparagraph 4

Text proposed by the Commission

If the EIB recommends not **financing** an investment and provides reasons **for this recommendation, a decision** shall only be adopted if a majority of two-thirds of all members vote in favour. The Member State in which the investment will take place and the EIB shall not be entitled to cast a vote in this case. **For small projects funded through loans provided by a national promotional bank or through grants contributing to the implementation of a national programme serving specific objectives in line with the objectives of the Modernisation Fund, provided that not more than 10 % of the Member States' share set out in Annex IIb is used under the programme, the two preceding sentences shall not apply.**

Amendment

If the EIB recommends **to the advisory board** not to finance an investment and provides reasons **why it is not in line with the investment policy adopted by the investment board and the selection criteria set out in paragraph 1, a positive opinion** shall only be adopted if a majority of two-thirds of all members vote in favour. The Member State in which the investment will take place and the EIB shall not be entitled to cast a vote in this case.

Amendment 112

Proposal for a directive

Article 1 — point 7

Directive 2003/87/EC

Article 10d — paragraph 5 — introductory part

Text proposed by the Commission

5. The beneficiary Member States shall report annually to the **management committee** on investments financed by the fund. The report shall be made public and include:

Amendment

5. The beneficiary Member States shall report annually to the **investment board and advisory board** on investments financed by the fund. The report shall be made **available to the** public and include:

Amendment 113

Proposal for a directive

Article 1 — point 7

Directive 2003/87/EC

Article 10d — paragraph 6

Text proposed by the Commission

6. Each year, the **management committee** shall report to the Commission on experience with the evaluation and selection of investments. The Commission shall review the basis on which projects are selected by 31 December 2024 and, where appropriate, make proposals to the **management committee**.

Amendment

6. Each year, the **advisory board** shall report to the Commission on experience with the evaluation and selection of investments. The Commission shall review the basis on which projects are selected by 31 December 2024 and, where appropriate, make proposals to the **investment board and the advisory board**.

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Amendment 114**Proposal for a directive****Article 1 — point 7**

Directive 2003/87/EC

Article 10d — paragraph 7

Text proposed by the Commission

7. The Commission **shall be** empowered to adopt **a** delegated **act** in accordance with Article **23 to implement this Article**.

Amendment

7. The Commission **is** empowered to adopt delegated **acts** in accordance with Article **30b to supplement this Directive by laying down detailed arrangements for the effective functioning of the Modernisation Fund**.

Amendment 115**Proposal for a directive****Article 1 — paragraph 1 — point 8 a (new)**

Directive 2003/87/EC

Article 11 — paragraph 1 — subparagraph 2 a (new)

*Text proposed by the Commission**Amendment*

(8a) In Article 11(1) the following subparagraph is added:

‘From 2021 onwards, Member States shall also ensure that during each calendar year every operator reports production activity for adjustments to allocation in accordance with Article 10a paragraph 7.’

Amendment 116**Proposal for a directive****Article 1 — point 8 b (new)**

Directive 2003/87/EC

Article 11 — paragraph 3 a (new)

*Text proposed by the Commission**Amendment*

(8b) In Article 11, the following paragraph is added:

‘3a. In case of a reasonable suspicion of irregularities or a failure by a Member State to provide the list and the information set out in paragraphs 1 to 3, the Commission may start an independent investigation, where necessary assisted by a contracted third party. The Member State concerned shall provide all information and access necessary for the investigation, including access to installations and production data. The Commission shall respect the same confidentiality on commercially sensitive information as the Member State concerned and shall publish a report on that investigation.’

Wednesday 15 February 2017

Amendment 117

Proposal for a directive

Article 1 — point 10 a (new)

Directive 2003/87/EC

Article 12 — paragraph 3a

Present text

Amendment

(10a) In Article 12, paragraph 3a is replaced by the following:

'3a. An obligation to surrender allowances shall not arise in respect of emissions verified as captured and transported for permanent storage to a facility for which a permit is in force in accordance with Directive 2009/31/EC of the European Parliament and of the Council of 23 April 2009 on the geological storage of carbon dioxide¹.'

'3a. An obligation to surrender allowances shall not arise in respect of emissions verified as captured and transported for permanent storage to a facility for which a permit is in force in accordance with Directive 2009/31/EC of the European Parliament and of the Council of 23 April 2009 on the geological storage of carbon dioxide¹, **nor in respect of emissions verified as captured and/or re-used in an application ensuring a permanent bound of the CO₂, for the purpose of carbon capture and re-use.**'

Amendment 118

Proposal for a directive

Article 1 — point 12

Directive 2003/87/EC

Article 14 — paragraph 1

Text proposed by the Commission

Amendment

(12) In Article **14(1)**, the **second subparagraph** is replaced by the following:

(12) In Article 14, paragraph 1 is replaced by the following:

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Text proposed by the Commission

Amendment

'The Commission **shall be** empowered to adopt **a** delegated **act** in accordance with Article 23.:'

'1. The Commission **is** empowered to adopt delegated **acts** in accordance with Article 30b to **supplement this Directive by laying down detailed arrangements for the monitoring and reporting of emissions and, where relevant, activity data, from the activities listed in Annex I, the monitoring and reporting of tonne-kilometre data for the purpose of an application under Articles 3e or 3f, which shall be based on the principles for monitoring and reporting set out in Annex IV and the specification of the global warming potential of each greenhouse gas in the requirements for monitoring and reporting emissions for that gas.**:'

'By 31 December 2018, the Commission shall adjust existing rules on monitoring and reporting of emissions as defined in Commission Regulation (EU) No 601/2012 (*) in order to remove regulatory barriers to investment in more recent low carbon technologies such as carbon capture and usage (CCU). Those new rules shall be effective for all CCU technologies as of 1 January 2019.

That regulation shall also determine simplified monitoring, reporting and verification procedures for small emitters.

(*) Commission Regulation (EU) No 601/2012 of 21 June 2012 on the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council. (OJ L 181, 12.7.2012, p. 30).'

Amendment 119

Proposal for a directive

Article 1 — point 13

Directive 2003/87/EC

Article 15 — paragraphs 4 and 5

Text proposed by the Commission

Amendment

(13) In Article 15, the fifth **subparagraph is** replaced by the following:

(13) In Article 15, the **fourth and fifth paragraphs are** replaced by the following:

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Text proposed by the Commission

'The Commission **shall be** empowered to adopt a delegated act in accordance with Article **23**.'

Amendment

'The Commission **is** empowered to adopt delegated acts in accordance with Article **30b to supplement this directive by laying down detailed arrangements for the verification of emission reports based on the principles set out in Annex V and for the accreditation and supervision of verifiers. It shall specify conditions for the accreditation and withdrawal of accreditation, for mutual recognition and peer evaluation of accreditation bodies, as appropriate.**'

Amendment 120

Proposal for a directive

Article 1 — point 13 a (new)

Directive 2003/87/EC

Article 16 — paragraph 7

Present text

7. When requests such as those referred to in paragraph 5 are addressed to the Commission, the Commission shall inform the other Member States through their representatives on the Committee referred to in Article **23(1)** in accordance with the Committee's Rules of Procedure.

Amendment

(13a) In Article 16, paragraph 7 is replaced by the following:

7. When requests such as those referred to in paragraph 5 are addressed to the Commission, the Commission shall inform the other Member States through their representatives on the Committee referred to in Article **30c(1)** in accordance with the Committee's Rules of Procedure.

Amendment 121

Proposal for a directive

Article 1 — point 14

Directive 2003/87/EC

Article 16 — paragraph 12

Text proposed by the Commission

12. Where appropriate, detailed rules shall be established in respect of the procedures referred to in this Article. Those implementing acts shall be adopted in accordance with the procedure referred to in Article **22a**.

Amendment

12. Where appropriate, detailed rules shall be established in respect of the procedures referred to in this Article. Those implementing acts shall be adopted in accordance with the **examination** procedure referred to in Article **30c(2)**.

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Amendment 122**Proposal for a directive****Article 1 — point 15**

Directive 2003/87/EC

Article 19 — paragraph 3

Text proposed by the Commission

(15) In Article **19(3)**, **the third sentence** is replaced by the following:

*‘It shall also include provisions to put into effect rules on the mutual recognition of allowances in agreements to link emission trading systems. **The Commission shall be empowered to adopt a delegated act in accordance with Article 23.**’;*

Amendment

(15) In Article **19**, **paragraph 3** is replaced by the following:

‘3 The Commission is empowered to adopt delegated acts in accordance with Article 30b to supplement this Directive by laying down detailed arrangements for the establishment of a standardised and secure system of registries in the form of standardised electronic databases containing common data elements to track the issue, holding, transfer and cancellation of allowances, to provide for public access and confidentiality, as appropriate, and to ensure that there are no transfers which are incompatible with the obligations resulting from the Kyoto Protocol. Those delegated acts shall also include provisions concerning the use and identification of CERs and ERUs in the EU ETS and the monitoring of the level of such use. Those acts shall also include provisions to put into effect rules on the mutual recognition of allowances in agreements to link emission trading systems.’

Amendment 123**Proposal for a directive****Article 1 — point 15 a (new)**

Directive 2003/87/EC

Article 21 — paragraph 1

*Present text**Amendment*

(15a) In Article 21, paragraph 1 is replaced by the following:

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Present text

'1. Each year the Member States shall submit to the Commission a report on the application of this Directive. That report shall pay particular attention to the arrangements for the allocation of allowances, the operation of registries, the application of the implementing measures on monitoring and reporting, verification and accreditation and issues relating to compliance with this Directive and on the fiscal treatment of allowances, if any. The first report shall be sent to the Commission by 30 June 2005. The report shall be drawn up on the basis of a questionnaire or outline drafted by the Commission in accordance with the procedure laid down in Article 6 of Directive 91/692/EEC. The questionnaire or outline shall be sent to Member States at least six months before the deadline for the submission of the first report.'

Amendment

'1. Each year the Member States shall submit to the Commission a report on the application of this Directive. That report shall pay particular attention to the arrangements for the allocation of allowances, **financial measures pursuant to Article 10a(6)**, the operation of registries, the application of the implementing measures on monitoring and reporting, verification and accreditation and issues relating to compliance with this Directive and on the fiscal treatment of allowances, if any. The first report shall be sent to the Commission by 30 June 2005. The report shall be drawn up on the basis of a questionnaire or outline drafted by the Commission in accordance with the procedure laid down in Article 6 of Directive 91/692/EEC. The questionnaire or outline shall be sent to Member States at least six months before the deadline for the submission of the first report.'

Amendment 124

Proposal for a directive

Article 1 — point 15 b (new)

Directive 2003/87/EC

Article 21 — paragraph 2 a (new)

Text proposed by the Commission

Amendment

(15b) In Article 21, the following paragraph is inserted:

'2a. The report shall, using data provided through the cooperation referred to in Article 18b, include a list of operators subject to the requirements of this Directive who have not opened a registry account.'

Amendment 125

Proposal for a directive

Article 1 — point 15 c (new)

Directive 2003/87/EC

Article 21 — paragraph 3 a (new)

Text proposed by the Commission

Amendment

(15c) In Article 21 the following paragraph is added:

'3a. In case of a reasonable suspicion of irregularities or a failure by a Member State to report in accordance with paragraph 1, the Commission may undertake an independent investigation, where necessary assisted by a contracted third party. The Member State shall provide all information and access necessary for the investigation, including access to installations. The Commission shall publish a report on the investigation.'

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Amendment 126**Proposal for a directive****Article 1 — point 16**

Directive 2003/87/EC

Article 22 — paragraph 2

Text proposed by the Commission

The Commission **shall be** empowered to adopt **a** delegated **act** in accordance with Article **23**.

Amendment

The Commission **is** empowered to adopt delegated **acts** in accordance with Article **30b to amend this Directive by laying down non-essential elements of the Annexes to this Directive, with the exception of Annexes I, IIa and IIb.**

Amendment 127**Proposal for a directive****Article 1 — point 17**

Directive 2003/87/EC

Article 22a — title

Text proposed by the Commission

(17) The following **Article 22a** is inserted:

‘Article **22a**

Committee procedure’

Amendment

(17) The following **Article** is inserted:

‘Article **30c**

Committee procedure’

Amendment 128**Proposal for a directive****Article 1 — point 18**

Directive 2003/87/EC

Article 23 — title

Text proposed by the Commission‘Article **23**

Exercise of the delegation’

Amendment‘Article **30b**

Exercise of the delegation’

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Amendment 129

Proposal for a directive

Article 1 — point 19 — point a

Directive 2003/87/EC

Article 24 — paragraph 1 — subparagraph 1

Text proposed by the Commission

From 2008, Member States may apply emission allowance trading in accordance with this Directive to activities and to greenhouse gases which are not listed in Annex I, taking into account all relevant criteria, in particular the effects on the internal market, potential distortions of competition, the environmental integrity of the **Community scheme** and the reliability of the planned monitoring and reporting system, provided that inclusion of such activities and greenhouse gases is approved by the Commission.

Amendment

From 2008, Member States may apply emission allowance trading in accordance with this Directive to activities and to greenhouse gases which are not listed in Annex I, taking into account all relevant criteria, in particular the effects on the internal market, potential distortions of competition, the environmental integrity of the **EU ETS** and the reliability of the planned monitoring and reporting system, provided that inclusion of such activities and **such** greenhouse gases is approved by the Commission. **Any such unilateral inclusion shall be proposed and approved no later than 18 months before the start of a new trading period in the EU ETS.**

Amendment 130

Proposal for a directive

Article 1 — point 19 — point a

Directive 2003/87/EC

Article 24 — paragraph 1 — subparagraph 2

Text proposed by the Commission

In accordance with delegated acts which the Commission shall be empowered to adopt in accordance with Article 23, if the inclusion refers to activities and greenhouse gases which are not listed in Annex I

Amendment

The Commission is empowered to adopt delegated acts in accordance with Article 30b to supplement this Directive by laying down detailed arrangements for approval of the inclusion of the activities and greenhouse gases referred to in the first subparagraph in the emission allowance trading scheme if that inclusion refers to activities and greenhouse gases which are not listed in Annex I.

Amendment 131

Proposal for a directive

Article 1 — point 19 — point b

Directive 2003/87/EC

Article 24 — paragraph 3

Text proposed by the Commission

(b) **the second subparagraph of** paragraph 3 is replaced by the following:

Amendment

(b) paragraph 3 is replaced by the following:

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Text proposed by the Commission

Amendment

The Commission *shall be* empowered to adopt delegated acts *for such a regulation* for the monitoring and reporting *of emissions and activity data in accordance with Article 23.*';

'3. The Commission *is* empowered to adopt delegated acts *in accordance with Article 30b to supplement this Directive by laying down detailed arrangements* for the monitoring *of*, and reporting *on, related to activities, installations and greenhouse gases which are not listed as a combination in Annex I, if that monitoring and reporting can be carried out with sufficient accuracy.*';

Amendment 132

Proposal for a directive

Article 1 — point 20 — point a

Directive 2003/87/EC

Article 24a — paragraph 1 — subparagraphs 1 and 2

Text proposed by the Commission

Amendment

(a) the second subparagraph *of paragraph 1 is* replaced by the following:

(a) *in paragraph 1, the first and second subparagraphs are* replaced by the following:

'*Such measures shall be consistent with acts adopted pursuant to Article 11b(7).* The Commission *shall be* empowered to adopt a delegated act in accordance with Article 23.';

'1. The Commission *is* empowered to adopt delegated acts in accordance with Article 30b *to supplement this Directive by laying down, in addition to the inclusions provided for in Article 24, detailed arrangements for issuing of allowances or credits in respect of projects administered by Member States that reduce greenhouse gas emissions not covered by the EU ETS.*'

Amendment 133

Proposal for a directive

Article 1 — point 22

Directive 2003/87/EC

Article 25a — paragraph 1

Text proposed by the Commission

Amendment

1. Where a third country adopts measures for reducing the climate change impact of flights departing from that country which land in the **Community**, the Commission, after consulting with that third country, and with Member States within the Committee referred to in Article 23(1), shall consider options available in order to provide for optimal interaction between the **Community scheme** and that country's measures.

1. Where a third country adopts measures for reducing the climate change impact of flights departing from that country which land in the **Union**, the Commission, after consulting with that third country, and with Member States within the Committee referred to in Article 30c(1), shall consider options available in order to provide for optimal interaction between the **EU ETS** and that **third** country's measures.

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Text proposed by the Commission

Amendment

Where necessary, the Commission may adopt amendments to provide for flights arriving from the third country concerned to be excluded from the aviation activities listed in Annex I or to provide for any other amendments to the aviation activities listed in Annex I which are required by **an agreement pursuant to the fourth subparagraph. The Commission shall be empowered to adopt such amendments in accordance with Article 23.**

Where necessary, the Commission may **submit a legislative proposal to the European Parliament and Council** to provide for flights arriving from the third country concerned to be excluded from the aviation activities listed in Annex I or to provide for any other amendments to the aviation activities listed in Annex I which are required by **such** agreement.

Amendment 134

Proposal for a directive

Article 1 — point 22 a (new)

Directive 2003/87/EC

Article 27 — paragraph 1

Present text

Amendment

'1. Following consultation with the operator, Member States may exclude from the **Community scheme** installations which have reported to the competent authority emissions of less than **25 000** tonnes of carbon dioxide equivalent **and, where they carry out combustion activities, have a rated thermal input below 35 MW** excluding emissions from biomass, in each of the three years preceding the notification under point (a), and which are subject to measures that will achieve an equivalent contribution to emission reductions, if the Member State concerned complies with the following conditions:

(a) it notifies the Commission of each such installation, specifying the equivalent measures applying to that installation that will achieve an equivalent contribution to emission reductions that are in place, before the list of installations pursuant to Article 11(1) has to be submitted and at the latest when this list is submitted to the Commission;

(22a) In Article 27, paragraph 1 is replaced by the following:

'1. Following consultation with the operator **and upon the operator's agreement**, Member States may exclude from the **EU ETS** installations **operated by an SME** which have reported to the competent authority emissions of less than **50 000** tonnes of carbon dioxide equivalent, excluding emissions from biomass, in each of the three years preceding the notification under point (a), and which are subject to measures that will achieve an equivalent contribution to emission reductions, if the Member State concerned complies with the following conditions:

(a) it notifies the Commission of each such installation, specifying the equivalent measures applying to that installation that will achieve an equivalent contribution to emission reductions that are in place **and specifying how those measures would not result in higher compliance costs for such installations**, before the list of installations pursuant to Article 11(1) has to be submitted and at the latest when this list is submitted to the Commission;

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Present text

(b) it confirms that monitoring arrangements are in place to assess whether any installation emits **25 000** tonnes or more of carbon dioxide equivalent, excluding emissions from biomass, in any one calendar year. Member States **may** allow simplified monitoring, reporting and verification measures for installations with average annual verified emissions between 2008 and 2010 which are below 5 000 tonnes a year, in accordance with Article 14;

(c) it confirms that if any installation emits **25 000** tonnes or more of carbon dioxide equivalent, excluding emissions from biomass, in any one calendar year or the measures applying to that installation that will achieve an equivalent contribution to emission reductions are no longer in place, the installation will be reintroduced into the **Community scheme**;

(d) it **publishes** the information referred to in points (a), (b) and (c) **for public comment**.

Hospitals may also be excluded if they undertake equivalent measures.'

Amendment

(b) it confirms that monitoring arrangements are in place to assess whether any installation emits **50 000** tonnes or more of carbon dioxide equivalent, excluding emissions from biomass, in any one calendar year. Member States, **following an operator's request, shall** allow simplified monitoring, reporting and verification measures for installations with average annual verified emissions between 2008 and 2010 which are below 5 000 tonnes a year, in accordance with Article 14;

(c) it confirms that if any installation emits **50 000** tonnes or more of carbon dioxide equivalent, excluding emissions from biomass, in any one calendar year or the measures applying to that installation that will achieve an equivalent contribution to emission reductions are no longer in place, the installation will be reintroduced into the **EU ETS**;

(d) it **makes** the information referred to in points (a), (b) and (c) **available to the public**.

Hospitals may also be excluded if they undertake equivalent measures.'

Amendment 135

Proposal for a directive

Article 1 — point 22 b (new)

Directive 2003/87/EC

Article 27 a (new)

Text proposed by the Commission

Amendment

(22b) **The following Article is inserted:**

'Article 27a

Exclusion of small installations not subject to equivalent measures

1. **Following consultation with the operator, Member States may exclude from the EU ETS installations which have reported to the competent authority emissions of less than 5 000 tonnes of carbon dioxide equivalent, excluding emissions from biomass, in each of the three years preceding the notification under point (a), if the Member State concerned complies with the following conditions:**

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Text proposed by the Commission

Amendment

- (a) *it notifies the Commission of each such installation before the list of installations pursuant to Article 11(1) is to be submitted or at the latest when that list is submitted to the Commission;*
- (b) *it confirms that monitoring arrangements are in place to assess whether any installation emits 5 000 tonnes or more of carbon dioxide equivalent, excluding emissions from biomass, in any one calendar year;*
- (c) *it confirms that if any installation emits 5 000 tonnes or more of carbon dioxide equivalent, excluding emissions from biomass, in any one calendar year the installation will be reintroduced into the EU ETS, unless Article 27 is applicable;*
- (d) *it makes the information referred to in points (a), (b) and (c) available to the public.*

2. *When an installation is reintroduced into the EU ETS pursuant to paragraph 1(c), any allowances issued pursuant to Article 10a shall be granted starting with the year of the reintroduction. Allowances issued to such installations shall be deducted from the quantity to be auctioned pursuant to Article 10(2) by the Member State in which the installation is situated.'*

Amendment 136

Proposal for a directive

Article 1 — point 22 c (new)

Directive 2003/87/EC

Article 29

Present text

Amendment

(22c) *Article 29 is amended as follows:*

'Report to ensure the better functioning of the carbon market

'Report to ensure the better functioning of the carbon market

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Present text

If, on the basis of regular reports referred to in Article 10(5), the Commission has evidence that the carbon market is not functioning properly, it shall submit a report to the European Parliament and to the Council. The report may be accompanied, if appropriate, by proposals aiming at increasing transparency of the **carbon market** and addressing measures to improve its functioning.'

Amendment

If, on the basis of regular reports referred to in Article 10(5), the Commission has evidence that the carbon market is not functioning properly, it shall submit a report to the European Parliament and to the Council. **The report shall include a section dedicated to the interaction between the EU ETS and other Union and national climate and energy policies, as regards the volumes of emissions reductions, the cost effectiveness of such policies, and their impact on demand for EU ETS allowances.** The report may be accompanied, if appropriate, by **legislative** proposals aiming at increasing transparency of the EU ETS and addressing **the capacity to contribute to the Union's 2030 and 2050 climate and energy goals and addressing** measures to improve its functioning, **including measures to account for the impact of complementary Union-wide energy and climate policies on the supply-demand balance of the EU ETS.'**

Amendment 137

Proposal for a directive

Article 1 — point 22 d (new)

Directive 2003/87/EC

Article 30 a (new)

Text proposed by the Commission

Amendment

(22d) **The following Article is inserted:**

'Article 30a

Adjustments upon global stocktake under the UNFCCC and the Paris Agreement

Within six months of the facilitative dialogue under the UNFCCC in 2018 the Commission shall publish a communication assessing the consistency of the Union's climate change legislation with the Paris Agreement goals. In particular, the communication shall examine the role and adequacy of the EU ETS in meeting the Paris Agreement goals.

Within six months of the global stocktake in 2023 and subsequent global stocktakes thereafter, the Commission shall submit a report assessing the need to adjust the Union's climate action accordingly.

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Text proposed by the Commission

Amendment

The report shall consider adjustments to the EU ETS within the context of global mitigation efforts and efforts undertaken by other major economies. In particular, the report shall assess the need for stricter emissions reductions, the need to adjust the carbon leakage provisions, and whether or not additional policy measures and tools are needed to meet the greenhouse gas commitments of the Union and Member States.

The report shall take into account the risk of carbon leakage, the competitiveness of European industries, investments within the Union and the Union's industrialisation policy.

The report shall be accompanied by a legislative proposal, if appropriate, and in such a case the Commission shall in parallel publish a full impact assessment.'

Amendment 138

Proposal for a directive

Article 1 — point 22 e (new)

Directive 2003/87/EC

Annex I — paragraph 3

Present text

Amendment

(22e) Annex I(3) is replaced by the following:

'3. When the total rated thermal input of an installation is calculated in order to decide upon its inclusion in the **Community scheme**, the rated thermal inputs of all technical units which are part of it, in which fuels are combusted within the installation, are added together. **These** units could include all types of boilers, burners, turbines, heaters, furnaces, incinerators, calciners, kilns, ovens, dryers, engines, fuel cells, chemical looping combustion units, flares, and thermal or catalytic post-combustion units. Units with a rated thermal input under 3 MW and units which use exclusively biomass shall not be taken into account for the purposes of this calculation. 'Units using exclusively biomass' includes units which use fossil fuels only during start-up or shut-down of the unit.

'3. When the total rated thermal input of an installation is calculated in order to decide upon its inclusion in the **EU ETS**, the rated thermal inputs of all technical units which are part of it, in which fuels are combusted within the installation, are added together. **Those** units could include all types of boilers, burners, turbines, heaters, furnaces, incinerators, calciners, kilns, ovens, dryers, engines, fuel cells, chemical looping combustion units, flares, and thermal or catalytic post-combustion units. Units with a rated thermal input under 3 MW, **back-up and emergency units used solely to generate electricity for on-site consumption in the event of a power cut** and units which use exclusively biomass shall not be taken into account for the purposes of this calculation. "Units using exclusively biomass" includes units which use fossil fuels only during start-up or shut-down of the unit.'

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Amendment 139**Proposal for a directive****Article 1 a (new)**

Decision (EU) 2015/1814

Article 1 — paragraph 5 — subparagraphs 1 a and 1 b (new)

Text proposed by the Commission

*Amendment***Article 1a****Amendments to Decision (EU) 2015/1814****Decision (EU) 2015/1814 is amended as follows:*****In Article 1(5), the following subparagraphs are added to the first subparagraph:******'By way of derogation, up until the review period referred to in Article 3, the percentages referred to in this subparagraph shall be doubled. The review shall consider doubling the intake rate until market balance is restored.******In addition, the review shall introduce a cap on the MSR and, if appropriate, the review shall be accompanied by a legislative proposal.'***

Thursday 16 February 2017

P8_TA(2017)0046

Combating terrorism ***I

European Parliament legislative resolution of 16 February 2017 on the proposal for a directive of the European Parliament and of the Council on combating terrorism and replacing Council Framework Decision 2002/475/JHA on combating terrorism (COM(2015)0625 — C8-0386/2015 — 2015/0281(COD))

(Ordinary legislative procedure: first reading)

(2018/C 252/43)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2015)0625),
 - having regard to Article 294(2) and Articles 83(1) and 82(2)(c) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0386/2015),
 - having regard to the opinion of the Committee on Legal Affairs on the proposed legal basis,
 - having regard to Article 294(3) and Article 83(1) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee of 17 March 2016 ⁽¹⁾,
 - having regard to the United Nations Security Council Resolutions 1373(2001) of 28 September 2001, 2178(2014) of 24 September 2014, 2195(2014) of 19 December 2014, 2199(2015) of 12 February 2015, 2249(2015) of 20 November 2015 and 2253(2015) of 17 December 2015,
 - having regard to the Council of Europe Convention on the Prevention of Terrorism of 16 May 2005 and its Additional Protocol of 19 May 2015,
 - having regard to the Financial Action Task Force (FATF) Recommendations,
 - having regard to the Communiqué of the Nuclear Security Summit, Washington, of 1 April 2016,
 - having regard to the undertaking given by the Council representative by letter of 30 November 2016 to approve Parliament's position, in accordance with Article 294(4) of the Treaty on the Functioning of the European Union,
 - having regard to Rules 59 and 39 of its Rules of Procedure,
 - having regard to the report of the Committee on Civil Liberties, Justice and Home Affairs (A8-0228/2016),
1. Adopts its position at first reading hereinafter set out;
 2. Approves the joint statement by Parliament, the Council and the Commission annexed to this resolution;
 3. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
 4. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

⁽¹⁾ OJ C 177, 18.5.2016, p. 51.

Thursday 16 February 2017

P8_TC1-COD(2015)0281

Position of the European Parliament adopted at first reading on 16 February 2017 with a view to the adoption of Directive (EU) 2017/... of the European Parliament and of the Council on combating terrorism and replacing Council Framework Decision 2002/475/JHA and amending Council Decision 2005/671/JHA

(As an agreement was reached between Parliament and Council, Parliament's position corresponds to the final legislative act, Directive (EU) 2017/541.)

Thursday 16 February 2017

ANNEX TO THE LEGISLATIVE RESOLUTION

Joint statement by the European Parliament, the Council and the Commission upon the adoption of the Directive on Combating Terrorism

Recent terrorist attacks in Europe have highlighted the need to reinforce efforts to safeguard security while promoting the respect of our common values including the rule of law and respect for human rights. To provide a comprehensive response to the evolving terrorist threat, an enhanced criminalisation framework to combat terrorism need to be complemented by effective measures on prevention of radicalisation leading to terrorism and efficient exchange of information on terrorist offences.

It is in this spirit that the EU institutions and Member States collectively express their commitment — within their respective area of competence — to continue to develop and invest in effective preventive measures, as a part of a comprehensive cross-sectoral approach that involves all relevant policies, including in particular in the field of education, social inclusion and integration, and all stakeholders, including civil society organisations, local communities or industry partners.

The Commission will support Member States' efforts in particular by offering financial support to projects aimed at developing tools to tackle radicalisation and through EU wide initiatives and networks, such as the Radicalisation Awareness Network.

The European Parliament, the Council and the Commission underline the necessity for an effective and timely exchange of all relevant information for the prevention, detection, investigation or prosecution of terrorist offences between competent authorities in the Union. In this respect, making full use of all the existing Union instruments, channels and agencies to exchange information, as well as a swift implementation of all adopted Union legislation in this field is key.

The three institutions reaffirm the need to assess the functioning of the general EU information exchange framework and to address with tangible actions the possible shortcomings, including in light of the Roadmap to enhance information exchange and information management, including interoperability solutions in the JHA area.

Thursday 16 February 2017

P8_TA(2017)0047

Reinforcement of checks against relevant databases at external borders *I****European Parliament legislative resolution of 16 February 2017 on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 562/2006 as regards the reinforcement of checks against relevant databases at external borders (COM(2015)0670 — C8-0407/2015 — 2015/0307(COD))****(Ordinary legislative procedure: first reading)**

(2018/C 252/44)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2015)0670),
 - having regard to Article 294(2) and Article 77(2)(b) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0407/2015),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the undertaking given by the Council representative by letter of 7 December 2016 to approve Parliament's position, in accordance with Article 294(4) of the Treaty on the Functioning of the European Union,
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the report of the Committee on Civil Liberties, Justice and Home Affairs and the opinion of the Committee on Foreign Affairs (A8-0218/2016),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

P8_TC1-COD(2015)0307**Position of the European Parliament adopted at first reading on 16 February 2017 with a view to the adoption of Regulation (EU) 2017/... of the European Parliament and of the Council amending Regulation (EU) 2016/399 as regards the reinforcement of checks against relevant databases at external borders***(As an agreement was reached between Parliament and Council, Parliament's position corresponds to the final legislative act, Regulation (EU) 2017/458.)*

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