



## Daily News 08 / 06 / 2021

Brussels, 8 June 2021

### **COLLEGE MEETING: EU budget 2022 - Speeding up Europe's recovery and progressing towards a green, digital and resilient future**

The Commission has today proposed an annual EU budget of €167.8 billion for 2022, to be complemented by an estimated €143.5 billion in grants under NextGenerationEU. Their combined firepower will mobilise significant investments to boost the economic recovery, safeguard sustainability, and create jobs. It will prioritise green and digital spending in order to make Europe more resilient and fit for the future. Commissioner Johannes **Hahn**, responsible for the EU Budget, said: *"Today, we are putting forward unprecedented levels of financial support to reinforce Europe's recovery from the health and economic crises. We will help the people, companies and regions that have been most affected by the pandemic. We will invest in Europe's resilience and its modernisation via the green and digital transition. Getting Europe back on track, speeding up its recovery and making it fit for the future are our main priorities!"* The draft budget 2022, boosted by NextGenerationEU, directs funds to where they can make the greatest difference, in line with the most crucial recovery needs of the EU Member States and our partners around the world. The funding will help rebuild and modernise our Union, by fostering the green and digital transitions, creating jobs and strengthening Europe's role in the world. The budget reflects the EU's political priorities, which are relevant to ensure a sustainable recovery. You will find more information in this [press release](#). (For information: Balazs Ujvari - Tel.: +32 229 54578; Claire Joawn - Tel.: +32 229 56859)

### **REUNION DU COLLEGE : Budget de l'UE 2020 - le rapport sur la performance souligne que l'UE a apporté une réponse rapide et globale à la crise du coronavirus tout en soutenant ses priorités essentielles**

Le budget de l'UE a permis à l'UE d'apporter une réponse rapide et globale à la crise du coronavirus et à ses conséquences, tout en soutenant ses priorités fondamentales. Des ressources financières ont ainsi dû être mobilisées avec rapidité et souplesse afin de répondre aux besoins les plus urgents, sans consentir le moindre compromis sur l'application des normes les plus élevées en matière de gestion financière. La Commission présente aujourd'hui deux documents complémentaires concernant les rapports sur la performance du budget de l'UE: un [rapport annuel sur la gestion et la performance du budget de l'UE](#) et une [communication prospective sur le cadre de performance pour le budget à long terme de l'UE pour la période 2021-2027](#). Il est ressorti du premier document, à savoir le rapport annuel sur la gestion et la performance, que le budget de l'UE, malgré sa taille relativement réduite, est capable d'obtenir des résultats majeurs et peut jouer un rôle déterminant en temps de crise. Le cadre de contrôle interne solide de la Commission a permis de garantir une protection optimale et efficace du budget de l'UE tout au long de l'année. Le cadre de performance, qui fait l'objet du deuxième document, veillera à ce que la Commission européenne continue à mettre fortement l'accent sur les résultats obtenus à l'avenir, en commençant par la mise en œuvre efficace du cadre financier pluriannuel actuel, que l'instrument de relance NextGenerationEU viendra compléter. Ensemble, ils représentent à eux deux le plus grand train de mesures de relance jamais financé par le budget de l'UE. Plus d'informations figurent dans notre [communiqué de presse](#). (Pour plus d'informations: Balazs Ujvari - Tél.: +32 229 54578; Claire Joawn - Tél.: +32 229 56859)

### **COLLEGE MEETING: European Commission reports on progress in Romania under the Cooperation and Verification Mechanism**

The European Commission adopted today its latest report on developments in Romania on judicial reform and the fight against corruption, in the context of its commitments under the Cooperation and Verification Mechanism (CVM). The report takes stock of the progress under the CVM since [October 2019](#) and assesses progress on the 12 recommendations of [January 2017](#) and the eight additional recommendations of [November 2018](#) within the existing four benchmarks. The fulfilment of all remaining recommendations is essential to the reform process and for allowing the CVM to be

completed for Romania. Since the last [CVM report in 2019](#), the situation within the parameters of the CVM benchmarks has shown a positive trend. The Commission welcomes the fact that a renewed impetus has been given in 2021 to reform and to reverse the backtracking of the 2017-2019 period. The result is that there is progress across all the remaining CVM recommendations and many are on the path to being fulfilled if progress remains steady. The Commission looks forward to the Romanian authorities translating their commitment into concrete legislative and other measures. The judgment of the Court of Justice of 18 May 2021 provides a clear framework and direction for the ongoing reforms to satisfactorily fulfil the CVM benchmarks, in full respect of the rule of law and of EU law generally. It is essential that the judgement is duly reflected in the new legislation to be adopted. The Commission will continue to monitor developments closely through the CVM until the benchmarks are met, and, in parallel, will continue to work with Romania in the context of the general Rule of Law Mechanism, as with all Member States. As indicated in the Rule of Law Communication of September 2020, once the CVM ends, monitoring will continue under horizontal instruments. The full [press release](#) and [Q&A](#) are available online. *(For more information: Christian Wigand — Tel. + 32 229 62253; Katarzyna Kolanko — Tel.: + 32 229 63444; Jödis Ferrol — Tel.: + 32 229 92729)*

### **Taxation: Commission launches public consultation on new initiative to fight the abusive use of shell companies in the EU**

The European Commission has launched a new public consultation ahead of a new initiative to fight the abusive use of shell companies, i.e. companies with no or minimal substantial presence, or real economic activity. The initiative was first announced as part of the [Communication on Business Taxation for the 21st Century](#). A future Commission proposal could encompass actions such as requiring companies to report to tax administrations the necessary information to assess whether they have substantial presence and real economic activity, denying tax benefits linked to the existence or the use of abusive shell companies. Several EU initiatives over recent years have put in place powerful new instruments to tackle the use of often purely artificial and aggressive tax structures used by taxpayers operating cross-border to reduce their tax liability. But many of these entities continue to pose a risk of being used in aggressive tax planning structures. In particular, there are no EU legislative measures that define substance requirements for tax purposes to be met by entities within the EU. Recent media investigations have also brought the issue to the attention of the general public, and have been followed by calls for action from the European Parliament, from citizens, NGOs, journalists and civil society in general. While shell companies with no substance and no real economic activities can be used for a number of abusive purposes (including for criminal ones such as money laundering and terrorist financing), this initiative would focus on situations where the ultimate objective is to minimise the overall taxation of a group or of a given structure. The consultation is available [here](#) and runs until 27 August. *(For more information: Daniel Ferrie - Tel: +32 229 86500; Nerea Artamendi Erro – Tel: +32 229 90964)*

### **Commission launches public consultation on review of the EU marketing standards for agricultural products**

Today, the Commission launched a [public consultation](#), which aims to gather views for a possible revision of the EU marketing standards for agricultural products. Marketing standards establish the quality of products that are marketed to consumers through mandatory rules or optional reserved terms. They rely on technical product specifications to define uniform trade characteristics. For agricultural products, this covers freshness or size classification, presentation, labelling, packaging etc., but product specifications may also touch upon process and production methods. The consultation addresses in particular the potential of marketing standards to increase the supply of sustainable products and to streamline the current legislation. It targets operators in the food supply chain such as producers, traders, retailers, and their associations, consumers, civil society organisations and national authorities. Announced in the Farm to Fork Strategy, the review follows an [overall evaluation process](#) of the EU marketing standards laid down in the common market organisation, the 'breakfast directives' and Commission legislative acts. The consultation is open for 12 weeks, from 8 June to 31 August 2021. More information [here](#). *(For more information: Miriam Garcia Ferrer – Tel.: +32 229 99075; Thérèse Lerebours – Tel.: +32 229 63303)*

### **Le Plan d'investissement pour l'Europe soutient une université en Espagne**

La Banque européenne d'investissement (BEI) a approuvé un financement de maximum 30 millions d'euros pour l'IE University, un établissement d'enseignement qui accueille des étudiants de 140 nationalités différentes sur ses campus de Madrid et de Ségovie. La BEI financera l'IE University au

moyen d'une tranche de 15 millions d'euros, qui pourrait être suivie par une autre tranche du même montant en 2022. Le financement de la BEI est garanti par le [Fonds européen pour les investissements stratégiques](#) (FEIS), le pilier central du [Plan d'investissement pour l'Europe](#). Les dépenses financées par la BEI comprennent la mise à jour d'équipements de pointe en lien avec la numérisation de l'institution, la rénovation des locaux et la mise en œuvre du plan stratégique de l'université en matière de durabilité. Valdis **Dombrovskis**, vice-président exécutif pour une économie au service des personnes, a déclaré : « Grâce à ce financement de la BEI garanti par le Plan d'investissement pour l'Europe, l'université IE va améliorer ses projets d'apprentissage numérique, son efficacité énergétique et les infrastructures de son campus. Cet accord contribuera à la transition verte et numérique du secteur de l'éducation. C'est sans aucune doute une bonne nouvelle pour les étudiants, les enseignants et l'environnement. » Jusqu'à présent, le [Plan d'investissement pour l'Europe](#) a mobilisé 546 milliards d'euros d'investissements dans l'ensemble de l'UE, dont environ un quart dans le secteur de la recherche, du développement et de l'innovation. Le [communiqué de presse](#) est disponible en ligne. (Pour plus d'informations: Marta Wieczorek – Tél.: +32 229 58197; Flora Matthaes – Tel.: +32 229 83951)

## **Investment Plan for Europe in Spain: supporting students to invest into skills and education**

The European Investment Fund (EIF) signed a guarantee agreement with StudentFinance covering a portfolio of up to €4 million in Income Sharing Agreements (ISAs) to support students in Spain wishing to invest in their studies and upgrade their skillsets. The agreement is backed by the [European Fund for Strategic Investments \(EFSI\) Skills & Education Guarantee Pilot](#), a debt financing initiative launched in 2020 for stimulating investments in education, training and skills. This will enable StudentFinance to back more than 1,000 students through ISAs, as well as offering tailor-made training, career coaching and mentoring to support students as they look for jobs, with an emphasis on digital skills. With an ISA, students only start paying for their education after they get a job and earn above a pre-determined income threshold. This model removes financial barriers to education, while aligning incentives for helping students acquire the right skills to secure employment opportunities. Nicolas **Schmit**, Commissioner for Jobs and Social Rights, said: "The labour market is going through huge transformations right now. Making sure that students have the right skills to meet the new demands is imperative if we want them to thrive. This EU-backed initiative by StudentFinance to help young people invest in their studies is a smart solution which has my full support." The [Investment Plan for Europe](#) has so far mobilised €546.5 billion of investment across the EU, including €63 billion in Spain. The press release is available [here](#). (For more information: Marta Wieczorek – Tel.: +32 229 58197; Flora Matthaes – Tel.: +32 229 83951)

## **Commissioners Schmit and Breton hosted Pact for Skills roundtable with energy-intensive industry stakeholders**

Yesterday, Commissioners **Schmit and Breton** hosted a high-level roundtable of the Pact for Skills with energy-intensive industry stakeholders committed to transforming their processes to be less carbon-intensive and paving their way to climate neutrality. This is part of a series of sectoral roundtables to encourage stakeholder involvement under the [Pact for Skills](#). The objective of the Pact is to mobilise all relevant actors – industrial, social, regional and education partners – to assist people in developing the right skill-set for a sustainable, social and resilient recovery from the coronavirus pandemic. Partnerships established under the Pact will benefit from support services such as platforms for networking, expertise, guidance and resources. The energy-intensive ecosystem is essential for European industry. It shares the ambition of the Paris Agreement and acknowledges the extent of the transformation challenge as well as the opportunities it brings. As set out in the [European Green Deal](#), clean energy is crucial to meeting the EU's goal of climate neutrality by 2050 and essential for this ecosystem. Technology developments, investments and a re-thinking of the business model will be needed to achieve the green and digital transitions. The transition to a climate-neutral economy will shape new types of jobs that do not yet exist, and transform many others starting today, both of which will require skills that workers do not yet have. Hence reskilling and upskilling will be of key importance in this transition. In the [European Pillar of Social Rights Action Plan](#), building among others on the targets set in the [European Skills Agenda](#), the Commission put forward the headline target that by 2030, at least 60% of all adults in the EU should participate in training every year. Participants at the roundtable agreed on the need to re- and upskill the workforce of this ecosystem and to attract new talent, especially women. Skills in the area of STEM (science, technology, engineering, mathematics) as well as problem-solving skills were mentioned to be critical. Participants also viewed vocational education and training as a very attractive pathway to acquiring these skills. Stakeholders also underlined the challenge to attract young talents. The

discussions shed light on several initiatives facilitating a just transition for workers in affected regions. Announced under the [European Skills Agenda](#) in July, the Pact for Skills was [launched on 10 November](#). (For more information: Marta Wieczorek – Tel.: +32 229 58197; Sonya Gospodinova – Tel.: + 32 229 66953; Tim McPhie – Tel.: +32 229 58602)

### **State aid: Commission approves €1.5 million Slovenian scheme to support potato farmers affected by coronavirus outbreak**

The European Commission has approved a €1.5 million Slovenian scheme to support potato farmers affected by the coronavirus outbreak. The scheme was approved under the State Aid [Temporary Framework](#). Under the scheme, the public support will take the form of direct grants of €1,200/hectare, up to a maximum ceiling of €20,000, to compensate farmers for their loss of income caused by the coronavirus outbreak. The aim of the scheme is to help the beneficiaries address their liquidity needs and continue their activities during and after the outbreak. The Commission found that the Slovenian scheme is in line with the conditions of the Temporary Framework. In particular, the overall aid (i) will not exceed €225,000 per beneficiary active in the primary agricultural sector; and (ii) will be granted until 30 June 2021. The Commission concluded that the measure is necessary, appropriate and proportionate to remedy a serious disturbance in the economy of a Member State, in line with Article 107(3)(b) TFEU and the conditions set out in the Temporary Framework. On this basis, the Commission approved the scheme under EU State aid rules. More information on the Temporary Framework and other actions taken by the Commission to address the economic impact of the coronavirus pandemic can be found [here](#). The non-confidential version of the decision will be made available under the case number SA.63194 in the [State aid register](#) on the Commission's [competition](#) website once any confidentiality issues have been resolved. (For more information: Arianna Podesta – Tel.: +32 229 87024; Giulia Astuti – Tel.: +32 229 55344; Maria Tsoni – Tel.: +32 229 90526)

## **ANNOUNCEMENTS**

### **Fight against illicit drugs: Launch of the 2021 European Drug Report**

Tomorrow morning, Commissioner for Home Affairs, Ylva **Johansson**, will take part in the launch of the European Drug Report 2021, published by the EU's Drugs Agency, the European Monitoring Centre for Drugs and Drug Addiction. The Commissioner will be joined by Laura d'Arrigo, Chair of the Agency's Management Board, and Alexis Goosdeel, the Agency's Director. Commissioner **Johansson** said: *"In 2020 alone, 46 new drugs were detected in the EU. The trafficking of illicit drugs corrupts our societies, fuelling violence and risking the health and security of our citizens. This is why we are taking action to dismantle drug trafficking networks and disrupt production while improving prevention and access to treatment."* The European Drug Report 2021 will analyse recent drug use and supply trends across the EU, Turkey and Norway, addressing in particular the impact of the COVID-19 pandemic on drug markets, use and services. It will also report on developments in treatment and prevention. Based on the [EU Agenda on Drugs](#) presented by the Commission last year, the Council approved an [EU Drugs Strategy](#) for the period 2021 to 2025, to address the security and health implications of drug trafficking and drug use and to better protect Europeans. In addition, the [EU Strategy to tackle Organised Crime](#) presented in April this year will contribute to disrupting the business models and structures of criminal organisations, including drug traffickers, across borders. The virtual launch event will start at 11:00 CET tomorrow. You can register [here](#). The report and a full press release by the EU's Drugs Agency will be available [here](#) tomorrow. (For more information: Adalbert Jahnz – Tel.: +32 229 53156; Ciara Bottomley – Tel.: +32 229 69971; Laura Bérard – Tel.: +32 229 55721)