

EUROPEAN COMMISSION

Brussels, 8.2.2018
C(2018) 58 final

Dear Chairs,

The Commission would like to thank the Országgyűlés, the Národná rada, the Senát, the Poslanecká sněmovna, the Sejm and the Senat for their conclusions on the strengthening of the role of national Parliaments in the European Union, the state of play of the Brexit negotiations and the possible impacts of Brexit on the four fundamental freedoms, and the topics of the upcoming LVIII COSAC, as adopted at the meeting of the European Affairs Committees of the Visegrád (V4) Parliaments in Sárospatak on 25 September 2017.

This Commission is committed to deepening its relations with national Parliaments with the aim of bringing the European Union closer to its citizens, both by increasing the number of meetings between Members of the Commission and national Parliaments – more than 700 since the beginning of the mandate – and by maintaining an active written exchange through the political dialogue and the subsidiarity control mechanism. It is very pleased that its efforts are appreciated by the national Parliaments of the V4 countries.

*Mr Richard HÖRCSIK
Chair of the Committee on European
Affairs of the Országgyűlés*

*cc. Mr László KÖVÉR
President of the Országgyűlés*

*Mr Martin KLUS
Vice-Chair of the Committee on European
Affairs of the Národná rada*

*cc. Mr Andrej DANK
President of the Národná rada*

*Mr Václav HAMPL
Chair of the Committee on European
Affairs of the Senát*

*cc. Mr Stanisław KARCZEWSKI
Marshal of the Senat*

*Ms Izabela KLOC
Chair of the Committee on European
Affairs of the Sejm*

*cc. Mr Marek KUCHCIŃSKI
Marshal of the Sejm*

*Mr Jarosław OBREMSKI
Vice-Chair of the Committee on European
Affairs of the Senat*

*cc. Mr Milan ŠTĚCH
President of the Senat*

*Mr Lubomír TOUFAR
Member of the Committee on European
Affairs of the Poslanecká sněmovna*

*cc. Mr Jan HAMÁČEK
President of the Poslanecká sněmovna*

The Commission also considers that subsidiarity is at the heart of the European democratic process and that national Parliaments play a key role in this respect. On 14 November 2017 President Juncker established the Task Force on Subsidiarity, Proportionality and "Doing less more efficiently", as announced in his State of the Union address in September. This Task Force, which I chair, has three members from national Parliaments and three members from the Committee of the Regions. It has started its work and held its first meeting on 25 January 2018. The Commission is very pleased that this initiative, which will aim at ensuring that the European Union only acts where it adds value, is welcomed by the national Parliaments of the V4 countries.

The Commission does not consider reasoned opinions as a sanction but as an invitation to engage in a dialogue on the necessity and relevance of a proposal. When it replies to a reasoned opinion, it aims at providing clear and comprehensive reasoning on all arguments, including on those that go beyond compliance with the subsidiarity principle. It is also committed to reply as soon as possible to all opinions and reasoned opinions, and within the self-imposed deadline of three months, although I acknowledge that there have been delays in this regard.

As regards the reasoned opinions submitted by national Parliaments on proposals in the "Clean energy for all Europeans Package" from November 2016, the Commission would like to stress, as also expressed in its individual replies to national Parliaments concerned, that it places particular importance on the full respect of the Treaties, including the division of competences. Articles 4(2) and 194 of the Treaty on the Functioning of the European Union provide that the field of energy is a shared competence between the Union and the Member States, allowing the Union to adopt binding legislation and providing national competence to the extent that the Union has not made use of its competence. In that regard Article 194(2) provides that, without prejudice to the promotion of energy efficiency and energy saving and the development of new and renewable forms of energy, European Union measures shall not affect a Member State's right to determine the conditions for exploiting its energy resources, its choice between different energy sources and the general structure of its energy supply. These limitations are fully respected in all the legislative proposals in the package, including the proposal on the internal market in electricity.

With regard to the concerns expressed about the difficulty for national Parliaments to scrutinise informal trilogues between representatives of the European Parliament, the Council and the Commission, the Commission would like to recall that these trilogues do not replace the formal procedures between the institutions. Rather, they complement them and ensure swifter and smoother progress on legislative files. It is the responsibility of the institutions to define the mandates of their representatives at these trilogue meetings and to make sure that they report back in full transparency to their respective institutions.

As regards the state of play of the Brexit negotiations, the Commission wishes to refer to the Joint-Report¹ agreed on 8 December 2017 by the negotiators of the Commission and of the United Kingdom Government on the key issues which were identified by the European Council and the European Parliament to solve as a matter of priority in order to guarantee the United Kingdom's orderly withdrawal: citizens' rights, Ireland / Northern Ireland and the financial settlement.

This Joint-Report, accompanied by a Communication from the Commission², fully complies with the European Council Guidelines of 29 April 2017³ and the Council negotiating directives of 22 May 2017⁴, which clearly outline the mandate for the negotiations with the United Kingdom under Article 50 of the Treaty on European Union, in terms of process, as well as on the nature and scope of issues to be addressed.

This Joint-Report was consequently endorsed by the European Council on 15 December 2017. At this occasion, Heads of States and Government agreed on additional guidelines⁵ welcoming the achievement of a sufficient progress on the three main issues of the orderly withdrawal, and decided that it was "sufficient to move to the second phase related to transition and the framework for the future relationship". The European Council called nonetheless on the Union negotiator and the United Kingdom to complete the work on all withdrawal issues, including those not yet addressed in the first phase, in conformity with the European Council guidelines of 29 April 2017, to consolidate the results obtained, and to start drafting the relevant parts of the Withdrawal Agreement. In addition, it underlined that "the negotiations in the second phase can only progress as long as all commitments undertaken during the first phase are respected in full and translated faithfully into legal terms as quickly as possible".

The European Parliament expressed similar positions in its resolution of 13 December 2017⁶.

In terms of impact on the United Kingdom withdrawal on the four freedoms of the Single Market, as the European Council guidelines of 29 April 2017 set out, "the four freedoms of the Single Market are indivisible". Preserving the integrity of the single market excludes participation based on a sector-by-sector basis and there can be no cherry-picking. These principles will remain cornerstones of the European Union position in all aspects of the negotiations, together with the preservation of the Union's "autonomy as regards its decision-making as well as the role of the Court of Justice of the European Union".

¹ https://ec.europa.eu/commission/sites/beta-political/files/joint_report.pdf.

² https://ec.europa.eu/commission/sites/beta-political/files/1_en_act_communication.pdf.

³ http://www.consilium.europa.eu/en/meetings/european-council/2017/04/29-euco-Guidelines_pdf/.

⁴ http://www.consilium.europa.eu/en/meetings/gac/2017/05/directives-for-the-negotiation-xt21016-ad01re02_en17_pdf/.

⁵ <http://www.consilium.europa.eu/media/32236/15-euco-art50-guidelines-en.pdf>.

⁶ <http://www.europarl.europa.eu/sides/getDoc.do?type=MOTION&reference=B8-2017-0677&format=XML&language=EN>.

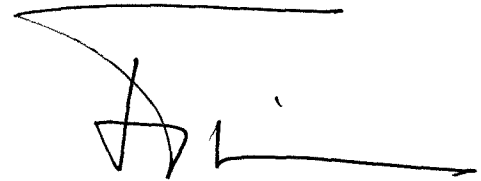
As regards the transition, the Commission refers to the Council Decision of 29 January 2018⁷ on supplementary directives for the negotiation of an agreement with the United Kingdom on a transition period. This mandate conferred to the Commission outlines the European Union position regarding the conditions for this transition period, and stems entirely from the principles set by the European Council guidelines of 29 April 2017: "any such transitional arrangements must be clearly defined, limited in time, and subject to effective enforcement mechanisms. Should a time-limited prolongation of Union acquis be considered, this would require existing Union regulatory, budgetary, supervisory, judiciary and enforcement instruments and structures to apply".

As regards the future relationship, the Commission refers to the European Council's further ambition "to have the United Kingdom as a close partner in the future". In this respect "any agreement with the United Kingdom will have to be based on a balance of rights and obligations, and ensure a level playing field".

The Commission recalls, as per the European Council Guidelines, that "an agreement on a future relationship between the Union and the United Kingdom as such can only be finalised and concluded once the United Kingdom has become a third country".

The Commission hopes that these clarifications address the issues raised by the Országgyűlés, the Národná rada, the Senát, the Poslanecká sněmovna, the Sejm and the Senat and looks forward to continuing the political dialogue with them in the future.

Yours faithfully,

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke at the end.

*Frans Timmermans
First Vice-President*

⁷ <http://www.consilium.europa.eu/media/32504/xt21004-ad01re02en18.pdf>.