### MAROŠ ŠEFČOVIČ

VICE-PRESIDENT OF THE EUROPEAN COMMISSION

Brussels, C/2010/ 7790 1 6 NOV. 2010

Dear President,

The Commission thanks the German Bundesrat for having examined its Work Programme 2010 {COM(2010) 135} and for its detailed and constructive opinion thereon. The Bundesrat's overall positive assessment of the CWP 2010 and in particular of its multiannual strand is welcomed by the Commission.

In line with the Commission's decision to encourage national Parliaments to react to its proposals to improve the process of policy formulation, we welcome this opportunity to respond to your comments. I enclose the Commission's response and hope you will find this a valuable contribution to your own deliberations.

I look forward to developing our policy dialogue further in the future.

Yours sincerely,

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### **EUROPEAN COMMISSION**



COMMENTS OF THE EUROPEAN COMMISSION ON AN OPINION FROM THE GERMAN BUNDESRAT

COM(2010)135 – COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCILA COMMITTEE AND THE COMMITTEE OF THE REGIONS – COMMISSION WORK PROGRAMME 2010 – TIME TO ACT.

The Commission thanks the German Bundestag for having examined its Work Programme 2010 and for its detailed and constructive opinion thereon. The Bundesrat's overall positive assessment of the CWP 2010 and in particular of its multiannual strand is welcomed by the Commission.

Through the multiannual strand the Commission is providing more information to the other institutions and national Parliaments on its intentions than through the discontinued Annual Policy Strategy, which only covered a period of up to 18 months. The multiannual strand of the CWP (annex II) now covers the period until the end of the Commission's mandate.

The full language versions of the CWP 2010 including translation of the annexes into all official languages of the EU can be found at: <a href="http://ec.europa.eu/atwork/programmes/index\_en.htm">http://ec.europa.eu/atwork/programmes/index\_en.htm</a>. At the same site are also uploaded the monthly progress reports with detailed planning of main Commission initiatives 2010.

The Commission takes due account of the detailed remarks contained in the Bundesrat's opinion, and in particular of the different comments related to the issue of subsidiarity. Below please find the Commission's response on individual chapters of the Bundesrat opinion.

### Bewältigung der Krise

### Point 8

The Commission fully agrees that the effectiveness and impact of the Stability and Growth Pact (SGP) needs to be reinforced. To this end, the Commission has issued a communication<sup>1</sup>, which outlines its policy to improve the economic policy coordination, including the reinforcement of the compliance with the SGP. In the core of this reinforcement is the strengthening of the preventive arm of the SGP. Furthermore, more prominence will be given to the application of the debt criterion and to the long-term sustainability of public finances as well as to budgetary frameworks, including multiannual budgetary frameworks that set out the

<sup>&</sup>lt;sup>1</sup> COM (2010) 250 of 12/05/2010

budgetary policy for the medium-term. Finally, the coordination cycle will be adjusted to a so-called EU-semester, which is designed in particular with a view of producing a better exante fiscal policy coordination that will take place ahead of the preparation of national budgets, thus also allowing to provide policy advice in advance and to take a more effective use of Article 121(4) provisions. Moreover, it allows a synchronised coordination with the EU2020 strategy. On 30<sup>th</sup> of June, the Commission has adopted a new communication on how to make the principles outlined in the above-mentioned communication operational.

### Point 10

As regards cross border crisis management, the Commission draws the attention of the Bundesrat on the ongoing public consultations on short-selling/CDS and on derivatives and market infrastructure.

### Points 11, 12

On the Institutional Guarantee Schemes, it should be observed that they would by no means have to cease their operations. Only if they could not prevent a bank failure and had to reimburse depositors, they would be subject to the harmonised coverage level of € 100 000. Given that currently depositors could not claim anything from such schemes in such a situation, this would enhance depositors' confidence.

### Eine digitale Agenda für Europa

### Points 13-15

The Commission fully agrees with the importance placed on judicious management of the Regulatory Framework for e-Communications. This framework has been a driving force behind the very rapid rollout of broadband in Europe producing the world's largest single online market place. This success needs to be preserved as we move towards a transition to much faster networks. To do this, the Commission has consulted widely on the two new regulatory provisions which it intends to adopt after summer. These are the NGA (Next Generation Access) Recommendation and the Radio Spectrum Policy Programme.

The Commission is also in agreement with the emphasis placed by the Bundesrat on social interests particularly protection of personal data. The right to privacy and the protection of personal data are fundamental rights in the EU which must be effectively enforced. To achieve this, the Digital Agenda will utilise a wide range of measures and co-operate with all relevant actors.

Radio spectrum is becoming essential to develop the digital society, to roll-out fast wireless services, to promote economic recovery and growth, and to ensure high-quality jobs and long term EU competitiveness, through terrestrial and satellite applications. To achieve this, the Commission is currently preparing the Radio Spectrum Policy Programme. Although, as noted by the Bundesrat, spectrum policy is handled at national level, the programme provides both a clear strategic framework to ensure convergence and consistency of policies at EU level and, at the same time, offers appropriate implementation flexibility to cope with technology and market evolutions.

### Eine Industriepolitik im Zeitalter der Globalisierung

#### Point 16

The Commission very much supports a horizontal industrial policy with additional sectoral initiatives. The Commission also points out that a strong focus on SMEs needs to be central to industrial policy. This pertains also to creative industries, which will also benefit from measures under the 'Innovation Union' flagship initiative. There is certainly no intention to restructure EU industry against market forces. Nevertheless, it is clear that further change to match the forces of globalisation is required and we need to ensure that the framework conditions for industry are strengthened to facilitate this.

A coherent, sectoral industrial policy is needed to best target the industry specific-barriers that exist, with due attention given to safeguarding the Internal Market. The Commission believes that the current economic crisis and growing environmental pressures are forcing European industry to restructure and adapt. Effective policies should support the pace and direction of the restructuring in order to make European industry able to withstand and exploit the emerging challenges and market opportunities, like resource depletion, water scarcity or biodiversity loss.

The Commission bases its concept of 'steering the reconstruction of sectors towards future oriented activities' on the fundamental role which policy currently has in creating and shaping the playing field for market activity. For example, the existing structure of subsidies and the allocation of burden of taxation strongly influence the relative prices of goods and services, profoundly affecting the direction of market activity. Similarly, the existing physical infrastructure narrows opportunities for growth into markets that will have greater global growth in future. The global trends in resource scarcity and environmental constraint will change the economic structures. The regulatory and public investment framework needs to plan for that future — and industrial policy, to be efficient, must assist the economy to change faster to take advantage of changes.

### Point 17

The Commission continues its efforts to create the best possible conditions for SMEs to grow and create jobs. To make sure that the Small Business Act for Europe (SBA) remains an efficient and up-to-date policy instrument, the Commission is currently taking stock of the progress achieved in implementing the actions included in the SBA, identifying possible bottlenecks and proposing solutions and new actions which will link the SBA closely to the Europe 2020 strategy. Further strengthening of the application of the 'Think Small First' principle is one of the main objectives of the review of the SBA which the Commission intends to present in December 2010. While the Commission and Member States are increasingly applying the so-called 'SME Test' when assessing the impact of a legislation on SMEs, there is further scope to anchor this principle on a permanent basis in law-making at all levels of administration.

### Europäischer Plan für Forschung und Innovation

### Points 18, 19

The Commission assures the Bundesrat that the political framework developed for European Innovation Partnerships will fully respect national spheres of competence in research and innovation policy. Partnerships will offer a platform for generating synergies complementing the approaches and priorities of the Member States and also those of independently managed

research funds. The objective is the mutual re-inforcement of national and Union initiatives. The Commission fully agrees with the importance of simplification, also in view of the future programming landscape. The Partnerships will contribute to this by combining, integrating, streamlining and focusing the multitude of instruments that have emerged.

The Commission believes that innovation is key to maintaining Europe's competitiveness, exploit its strengths, create new market opportunities and address the emerging grand societal challenges. The Research and Innovation Partnerships will aim at mobilizing and aligning stakeholder and Member States actions and tools towards the rapid development, commercialization and diffusion of innovation in societal challenges areas. EU policies and actions should reflect the specificity and the particular barriers of each partnership and innovation area, i.e. such as eco-innovation to tackle the growing environmental pressures.

# Jugend in Bewegung und Jugendbeschäftigung und Agenda für neue Kompetenzen und Beschäftigungsmöglichkeiten

### Points 20, 21

Concerning the strategic initiatives "Youth on the move" (no. 12) and "Agenda for new skills and jobs" (no. 14), the Commission welcomes the interest expressed by the Bundesrat resolution in these two initiatives, which will be fully compatible with Member States' responsibilities for their education and training systems. The Commission would invite the Länder to take an active role in both the preparation and follow-up to these initiatives.

The Commission takes note of the comments and support from the Bundesrat to improve education, training and employment opportunities for youth, increase overall employment rate, promote the mobility of labour within the EU and strike a better balance between supply and demand in the labour market. A Communication on the "Youth on the Move" flagship initiative, covering also the aspects linked to youth employment, is scheduled for adoption by the Commission in September 2010.

## Europäische Plattform zur Bekämpfung der Armut

### Point 22

The details of the Platform against Poverty are still under discussion. However, in general terms, the Platform will aim to stimulate progress towards a more cohesive and inclusive European Union by 2020. Key elements will include broader participation in the debate for those who have a stake in fighting poverty, better mainstreaming of social issues across other policy domains (such as inclusion of migrants or minorities), and promoting coherence between the "inclusive growth" priority, the target to reduce poverty and available EU funding.

The division of responsibilities between the EU and the Member States in the social policy area needs to be respected. The Platform should not duplicate existing, well functioning instruments, such as the Open Method of Coordination in the social protection and social inclusion fields. Rather the Platform will aim to ensure that all resources available are geared towards to the fight against poverty.

### Ressourcenschonendes Europa

Points 23, 24

The Commission takes good note of the suggestions of the Bundesrat for the future energy policy. It is the aim of the Commission to present a new Energy Action Plan / Energy Strategy for Europe 2011-2020 which takes into account the long-term vision for decarbonisation by 2050. The various departments of the Commission are coordinating their work on modelling and scenarios for decarbonisation of the various sectors. The energy strategy will be strongly interrelated with other initiatives in the framework of the flagship initiative for a resourceefficient Europe<sup>2</sup>. It will include orientations on the political and regulatory framework for European energy policy for the coming decade with a view to reinforcing predictability and stability for investments decisions. It will also pay good attention to areas where we need to develop European energy policy because action at EU level has a specific added value. For other areas it will encourage action at national, regional and local levels.

The Commission agrees on the need to conclude a binding international climate agreement for the post-2012 period and is working towards it<sup>3</sup>.

The Commission welcomes the support for severing the link between resource consumption and growth and the recognition that this will give the EU a competitive edge through increased rates of structural change. Greater resource efficiency across the economy is essential to reduce energy demand and facilitate the achievement of low-carbon economy. The Economics of Eco-Systems and Bio-diversity (TEEB) Report is a useful guide to the extent to which degradation of eco-systems is negatively impacting on the economy and requires greater resource management.

### **Points 25-26**

While the EU has indeed opted primarily for the system of greenhouse-gas emissions trading to limit CO2 emissions, energy taxation plays a key supportive role in achieving environmental objectives in a cost-effective way, getting the prices right and incentivising responsible consumption. This applies in particular to the sectors outside the ETS. Emission trading and energy taxation can be much more effective, if linked to the reform and removal of environmentally-harmful subsidies (EHS). A revision of the Energy Taxation Directive as currently discussed within the Commission would indeed aim precisely at allowing the use of carbon taxation by Member States in a way that is compatible with the EU ETS.

Possible costs of the EU's climate strategy are determined by the objective to reduce greenhouse gas emissions by 20% in 2020 that was agreed between the Commission, the Member States and the European Parliament in 2009. The envisaged revision of the Energy Taxation Directive would serve to implement this agreed target with market-based instruments in a cost-effective way, but would not in itself create a new burden on businesses.

The idea of two tax components (energy and CO2), aims at correcting weaknesses of the current Energy Taxation Directive by targeting the taxes specifically at the essential issues

<sup>&</sup>lt;sup>2</sup> COM (2010) 2020, 'EUROPE 2020: A strategy for smart, sustainable and inclusive growth'

<sup>3</sup> COM (2010) 86 March 2010

linked to energy use - energy efficiency, security of supply, greenhouse gas emissions. Given the low share of auctioning of emission allowances, it also has to be reflected whether an exemption from the CO2 component of the tax should be granted to those emitters that are not subject to full auctioning.

Tax shifts from e.g. income taxes towards taxes on energy use, pollution and emissions will ensure that modern, higher growth and innovative sectors will actually see their competitiveness increased, while others, i.e. the energy-intensive old industries may need to make substantial investments. This will help the European economy adapt to the challenges of a future energy- and resource-constrained world.

### Point 27

A public consultation on the Common Agricultural Policy (CAP) post 2013 allowed all stakeholders to express their views on the CAP's future, objectives, principles as well as its contribution to the 'Europe 2020' strategy. A Communication on the future of the CAP post 2013 is scheduled to be adopted by the end of the year. This Communication will address current concerns such as the link between agriculture, the environment, biodiversity, climate change and the sustainable management of our natural resources such as water and land, the food security issue as well as the link between agriculture and the positive economic and social development of the vast rural areas of the EU.

The CAP has played, and needs to continue to play, a key role in financing the achievement of other environmental objectives as well, such as the protection of biodiversity. The provision of public goods by the CAP is widely seen as providing its longer term legitimacy, and environmental public goods clearly must be a key part of this.

### Neuordnung des Binnenmarktes

#### Point 28

The Commission intends to present a Communication this autumn, constituting a "Single Market Act". This initiative, which will take account of the reports presented by Mario Monti and by Louis Grech MEP, will identify missing links to the single market and present a series of concrete actions. The Commission will of course be open to dialogue with the Bundesrat through the relaunch process.

### Daseinsvorsorge

### Points 30-34

Services of general economic interest play a fundamental role in maintaining the quality of life of our citizens. They help to enhance European social and territorial cohesion and to maintain the competitiveness of the European economy. The Commission attaches great importance to their role whilst fully respecting the diversity of services and situations and the principles of subsidiarity and proportionality.

The Commission's ongoing objective in the field of services of general interest is to create in the EU the necessary conditions for all public services to be able to fulfil their mission as set out by the competent national, regional or local authorities. That is fully in line with the spirit of the Lisbon Treaty's new provisions including the dedicated Protocol no 26 and the revised

Article 14 TFEU, which provide a basis for pursuing appropriate sectoral or other initiatives wherever needed.

Given the diversity of services and situations to be covered, the Commission is of the opinion that a 'one size fits all' approach would not be appropriate and that the possible added value of a horizontal measure as compared to what already exists would need to be carefully assessed, especially as appropriate sectoral legislation already exists to protect public services (telecom, energy, transport).

Instead, the Commission's priority is finding pragmatic solutions to concrete problems in providing high-quality services to all citizens. Therefore, the Commission Work Programme provides for a Communication on a quality framework for services of general interest which will build on Protocol n°26 to the Lisbon Treaty and the revised Article 14 TFUE. It will develop the Commission's sectoral and thematic approach to create the necessary conditions for services of general interest in the EU to be able to fulfil their mission as set out by the competent national, regional or local authorities.

In addition, in the framework of its state aid policy, the Commission will evaluate and possibly revise the 2005 State aid package (so-called "Monti-Kroes" package): the simple, clear State aid rules put in place in 2005 cut bureaucracy and increased certainty for thousands of small local and regional services. An evaluation of these rules is ongoing, including an open public consultation running from 10 June to 10 September 2010. In the light of its results the Commission will have to decide on the opportunity to present a revision of the package on the basis of the state aid rules. Besides, the Commission is also working on the update of the Frequently Asked Questions (FAQ) on the application of State aid rules and public procurement rules to services of general economic interest, and on the improvement of the Interactive Information System (IIS).

### Öffentliches Auftragswesen

### Point 35

The Commission would like to inform the Bundesrat that it is currently evaluating the impact and effectiveness of EU procurement legislation, including the use of procurement in support of other policies such as environmental or innovation policies. Outcome of such evaluation should be available by mid 2011.

#### Point 36

The Commission takes note of the position of the Bundesrat on the granting of concessions. It is currently assessing whether there is a need for an EU initiative in this field. To this aim, the Commission draws the attention of the Bundesrat to the recently launched public consultation on this issue.

### Übersetzung künftiger EU Patente

### Points 37-39

We share the Bundesrat's view that there is an urgent need for creating an affordable and legally secure EU patent system which meets users' expectations. As regards the setting up of a unified patent litigation system the Commission agrees that a high level of expertise of judges will be required as well as proximity to users and user friendly languages of

proceedings. Local divisions of the future Patent Court should indeed be allocated in accordance with work load.

As to the revision clause set out in paragraphs 27 and 28 of the Council conclusions on an enhanced patent system of Europe (4 December 2009) the Commission wishes to reassure the Bundesrat that there would be no automatism. It should be noted that prior to the preparation of the required evaluation report the Commission would have to consult all parties concerned, including the future Patent Court itself.

### Weißbuch zum Verkehr

### Points 40, 41

The development of infrastructure is only one in a set of measures to keep the transport sector in step with the needs of the EU economy. The Bundesrat is right in pointing out the importance of technological development and of deployment of innovative solutions in the field of traffic management and green vehicles. These will be crucial for accommodating the growing demand for mobility while reducing the environmental impact of transport.

Finally, the Commission recognises that policy solutions are often better determined at national, regional and local level according to the subsidiarity principle. In these cases, the Commission can offer standards, best practices, joint initiatives and ideas that local authorities might find useful when facing challenges that are common across the EU.

### Strategische Inititiativen im Wasserbereich

### Point 42

The Commission takes note of the Bundesrat's position as regards the need for a regulation concerning water performance requirements for buildings. The Communication on water scarcity and droughts4 highlights the huge potential for water saving across Europe and one of the key orientations is to put priority on water savings, covering also water saving in buildings. The Communication requires further assessment in terms of the possibility of developing requirements for water performance of buildings at EU level, in particular the development of a new directive similar to the Energy Performance of Building Directive.

In June 2009, two studies were carried out for the Commission, one on water performance of buildings and another one on water efficiency standards5. The study conclusions were based also on stakeholders input. The studies concluded the need for EU action and identified several policy options in this respect. These options require further assessment in terms of technical, environmental and economic feasibility.

The Commission will launch a call for tender for a detailed assessment of the identified policy options on water performance requirements for buildings across Europe during the summer. A stakeholder consultation on the draft proposals will be held in 2011. The Commission will take forward the policy options which are the most cost-effective for improving water performance of buildings and are supported by stakeholders.

<sup>&</sup>lt;sup>4</sup> Communication - Addressing the challenge of water scarcity and droughts, COM(2007) 414, 18/07/2007

<sup>&</sup>lt;sup>5</sup> http://circa.europa.eu/Members/irc/env/wfd/library?l=/framework\_directive/scarcity\_droughts

### Maßnahmenpaket zur Energieinfrastruktur

### Point 43

The Energy Infrastructure Package will significantly contribute to the realisation of Europe's long-term objectives of a well-functioning internal market and security of supply as well as sustainability and climate goals. It will address energy infrastructure in terms of transmission and storage of gas and electricity and explore whether CO2 and possibly oil transmission should be covered under the TEN-E framework. As regards renewable generation facilities, the European Commission is currently preparing a Communication on financing of renewables. The Commission assures the Bundesrat that it will look at solutions how to best support projects that are of European public interest through policy and regulatory measures.

### Schaffung eines Europas der Bürger

### Point 46

The Commission takes note of the Bundesrat's position as regards the issue of right to paternity leave. Following calls from the European Parliament to introduce such right to paternity leave into EU law, the Commission is currently conducting a study on the economic and social costs and benefits of possible EU measures in this area. This study will also look at existing rights to specific leave for fathers in all Member States. The Commission will take a decision on the best course of actions only after the completion of the study planned for 2011.

### Point 47

Reconciling the needs of employers and employees is key to the flexicurity concept. This is reflected in the common principles of flexicurity agreed at EU level:

'1. Flexicurity involves flexible and reliable contractual arrangements (from the perspective of the employer and the employee, of insiders and outsiders) [...]; 2. Flexicurity implies a balance between right and responsibilities for employers, workers, jobseekers, and public authorities'.6

The Commission considers that the existent policy framework on flexicurity could be strengthened by highlighting a number of policy elements particularly relevant to sustain implementation in times of crisis in each of its components (flexible and reliable contractual arrangements, comprehensive lifelong learning strategies, effective labour market policies and modern social security systems). For instance, internal flexicurity (within the enterprise) should be further developed, as it allows better reconciliation of the needs of employers and workers. The Commission will present concrete actions in relation to flexicurity, including how to strengthen the capacity of social partners through social dialogue, as part of strategic initiative 14 'An Agenda for new skills and jobs'.

### Point 49

The Commission's Green Paper on policy options for progress towards a European Contract Law for consumers and businesses<sup>7</sup>, outlines the main options under consideration in relation

<sup>6</sup> COM(2007)359 final

<sup>&</sup>lt;sup>7</sup> COM (2010) 348, 01/07/2010

to the Common Frame of Reference and will form the basis of a large public consultation. The creation of a European Civil Code is one of a number of options under consideration, albeit the most ambitious. Depending on the outcome of further impact assessment study and the consultation of stakeholders – open until the end of January 2011 – the Commission may put forward further a concrete proposal.

### Point 50

The Commission notes the Bundesrat's position that the only way to introduce collective redress is through a uniform European framework. As regards the comment that Member States' experiences of collective redress systems should be evaluated in order to arrive at a European approach, the Commission underlines that a study on the evaluation of the effectiveness and efficiency of consumer collective redress mechanisms in the European Union as well as a study on the use of alternative dispute resolution in the European Union (which also examined collective alternative dispute resolution schemes) have already been conducted.

The Commission also takes note of the Bundesrat's rejection of opt-out procedures. Within the context of better regulation, the Commission will pay due attention to the views of different stakeholders expressed on all issues raised during the forthcoming consultation. Any possible future initiative on consumer collective redress will be based on a careful assessment of the consultation's outcome, and will be thoroughly examined in the light of the principles of proportionality and subsidiarity.

#### Point 51

The Commission welcomes the Bundesrat's support for its work on the Consumer Market Scoreboard and takes note of its concerns. In particular it is worth noting that the monitoring does not entail any compulsory expenditure for Member States or external organizations. Most of the project is financed at EU level. The main project where national input is needed concerns complaints, where action is voluntary.

The Consumer Markets Scoreboard is a market monitoring project which is designed to identify consumer markets which do not live up to the expectations of citizens at European or national level. This market monitoring approach has two stages. In the first stage, indicators (such as complaints, prices, satisfaction, switching and safety) are used to indicate the sectors which have the highest risk of malfunctioning. These indicators are not verdicts. They only identify markets which need further analysis. In the second stage, in-depth market studies employ specific tools to identify the problems and to propose solutions. Data on complaints are therefore not used on an individual basis for monitoring or in-depth analysis.

A key requirement for this work is the comparability of data across EU Member States. Therefore we strongly encourage Member States to take part, on a voluntary basis, in the harmonized collection of data on consumer complaints. This participation requires only a small modification of data which is already collected. Comparable complaints data help

<sup>&</sup>lt;sup>8</sup> These studies are available on the website of the Directorate-General for Health and Consumers at:

policymakers at EU and national level to easily identify the most problematic sectors, the magnitude and the type of problems that consumers face.

### Point 52

The Commission takes note of the Bundesrat's position concerning Eurojust and acknowledges that the changes resulting from the recent amendment of the 2008 Decision on Eurojust<sup>9</sup> still need to be fully implemented. A specific implementation task force and a detailed implementation plan have been established to monitor the implementation of the Decision due by June 2011. Nevertheless, the Commission considers that there is a need for Eurojust's efficiency to be further improved and notes that the establishment of a European Public Prosecutor's Office from Eurojust is foreseen in the Treaty of Lisbon. The former proposal is planned in 2012 and the latter in 2014. The Commission is aware that these proposals will require further study and input from a wide range of stakeholders. Work on this will start soon to ensure that any future proposals on Eurojust are well prepared and based on thorough reflection.

### Point 53

As regards the revision of the Data Protection Directive; the Commission is considering the best ways to ensure the same level of personal data protection in all EU policies in Member States, including in the area of police and judicial cooperation in criminal matters. An impact assessment study is ongoing and extensive consultation already started in 2009.

### Eine offene und sichere EU

### Point 54

The Communication on an Internal Security Strategy (ISS) will build upon the Security Strategy of the Council. Its main aim is to provide an EU framework for delivering support to Member States' activities with regard to the maintenance of law and order and the safeguarding of internal security. This framework aims to ensure the effective management and development of all instruments available to the Union for countering common internal security risks and threats.

The ISS should encompass a wide set of policy issues with both horizontal and vertical dimensions, focusing on where the EU can really add value in the areas of financial crime, border management, the causes of terrorism, cybercrime and Europe's ability to deal with crises and emergencies. The communication will also outline priority actions which need to take place.

### Point 55

The Commission shares the conviction expressed in the Stockholm Programme that effective action against illegal immigration is an essential element of a common immigration policy. The Commission therefore intends to strengthen the prevention and reduction of irregular migration and to evaluate the readmission policy and will make further proposals for improving it. Progress regarding readmission agreements is also dependant on the third country. Regarding the management of funds such as the return fund, the mid-term review

<sup>9 2008/426/</sup>JHA

and the evaluation of these funds will look at ways to reduce the administrative burden in view of more efficient management of funds in the next multi-annual financial framework.

### Inangriffnahme langfristiger gesellschaftlicher Probleme

Point 56

The Stockholm Programme provides that the EU must ensure fair treatment of third country nationals who reside legally on the territory of its Member States and that a more vigorous integration policy should aim at granting them rights and obligations comparable to those of EU citizens. This is also reflected in the Action Plan implementing the Stockholm Programme which states that the EU must strive for a uniform level of rights and obligations for legal immigrants comparable to that of EU citizens. These rights and common rules to effectively manage family reunification are essential to maximise the positive effects of legal immigration for the benefit of all stakeholders and will strengthen the Union's competitiveness.

Moreover, labour migration can contribute to increased competitiveness and economic vitality. In this sense, the Union can encourage the creation of flexible admission schemes through the adoption of measures on aspects such as the conditions of entry, residence and the rights of third country nationals, whereas it is left to Member States to decide about the volumes of migrants admitted into their territory. As a consequence, Member States can take account of the needs of their national labour markets as well as their reception capacity.

The Communication of the Commission on an EU agenda for integration, scheduled for adoption in 2011, will look at how to support the efforts of the Member States in the area of integration by enhancing existing tools of coordination of integration policies. Moreover, the Lisbon Treaty provides an explicit legal basis to pro-actively develop European cooperation in the field of integration of legally staying third-country nationals. The Communication will therefore also look at how to support Member States' efforts by developing new instruments such as European Modules on Integration and the identification of relevant reference indicators to evaluate results.

### Point 57

Future efforts to address biodiversity loss and conserve biodiversity should indeed be guided by an assessment of the causes of biodiversity loss.

A Commission Communication<sup>10</sup> took stock of the status of biodiversity in the EU and assess the reasons for the failure of the EU to reach its 2010 biodiversity target. It proposed four options for a new long-term vision and mid-term headline target to underpin the EU's post-2010 biodiversity policy. On 15 March, the Council in its conclusions<sup>11</sup> called on the EU to halt the loss of biodiversity and the degradation of ecosystem services in the EU by 2020, restore them in so far as feasible, while stepping up the EU contribution to averting global biodiversity loss.

<sup>10</sup> COM (2010) 4 final, 19/01/2010

doc. 7536/10 http://register.consilium.europa.eu/pdf/en/10/st07/st07536.en10.pdf

Analysing and assessing the original reasons for the loss of biodiversity is a priority for the Commission. Intensive work has been undertaken to improve the state of knowledge on EU biodiversity and therefore better understand the causes of biodiversity loss. In particular, an EU biodiversity baseline was launched on 1 June, together with the launch of a Biodiversity Information System for Europe (BISE). A set of European indicators are being developed which, together with the data gathered for implementation of the Habitats Directive, are likely to be the most advanced in the world.

At global level, the EU was the main proponent of the establishment of an Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES) to replicate the success of the Inter Governmental Panel on Climate Change (IPCC).

Finally, the Commission is finalising an assessment of the implementation of the EU Biodiversity Action Plan (adopted in 2006). This will make an important contribution to better understanding policy achievements and shortcomings over the past years.

#### Point 58

Disaster management policy is mainly a responsibility of the Member States. However article 196 TFEU provides for an EU role to encourage cooperation between Member States in order to improve the effectiveness of systems for preventing and protecting against natural or manmade disasters.

The EU action aims to support and complement Member States' action at national, regional and local level in risk prevention, in preparing their civil protection personnel and in responding to natural or man made disasters within the Union; to promote swift, effective cooperation within the Union between national civil protection offices; and to promote consistency in international civil protection work.

There are real possibilities that disasters occur on such a scale that national civil protection resources and assets would be overwhelmed. In such cases, assistance from other Member States is necessary but cannot be guaranteed under the existing arrangements.

EU action brings added value as it concerns managing situations with a strong transnational or multinational component, where there is a need for overall coordination and concerted action above national level. By pooling the civil protection capabilities in the EU together we can ensure better protection primarily of people, but also of property and the environment.

# Eine starke und kohärente Außenvertretung – die EU als globaler Akteur

### Point 59

German will continue to be a working language in the EEAS. More specifically, the EEAS shall ensure the following:

- All official documents of the EEAS submitted to the European Parliament and the other EU institutions will continue also to be issued in German.
- More specifically, parliamentary questions to the HR/VP written in German will be answered in German.

- Generally, in areas subject to the Community method (e.g. development policy, common commercial policy etc.) the current practice of translations will be maintained.
- The basic information on the websites of the HR/VP and the EEAS will also be made available in German. This will enable swift and transparent communication with Europe's citizens, a key ingredient of stronger external action.

All these elements will ensure that the German language will maintain its current role in EU external relations.

# Modernisierung der Instrumente und der Arbeitsweisen der Union

Points 61-63

The institutional and political consequences of the Lisbon Treaty are expected significantly to increase the workload of the Commission's translation service. Member State parliaments now enjoy the right to scrutinise new Commission proposals to ensure they respect the principle of subsidiarity, while the administrative machinery behind Citizen's Initiatives will soon become operational. At the same time, the European External Action Service is starting to take shape, which may considerably increase demand for translation in a very wide range of languages.

All of these political developments are unfolding against the backdrop of an EU financial framework for 2007-13, which leaves the Commission with no room for manoeuvre in its financial resources. In respect of human resources, the Commission is bound to respect a zero-growth policy.

Nonetheless, the Commission has recognised that it must now think carefully about how best to respond to the new political landscape, and ensure that it maintains the very highest standards of translation. Although the Commission's translation strategy is an internal one, managed exclusively by the organisation itself, it must remain sensitive to the needs of its institutional partners.

Therefore, the Commission will now launch an internal discussion on its translation strategy, and seek a global solution that can respond to the new demands created by the Lisbon Treaty. Such a global solution will examine afresh which types of Commission document must be translated, and for which institutional partners.

### Intelligente Regulierung

Point 64

The Commission affirms that the simplification of legislation and the reduction of administrative burdens will remain key priorities alongside with impact assessment and evaluation. The challenge is to integrate these instruments along the policy cycle with a view to delivering effective policy outcomes.

Point 65

The Commission has proposed to prolong the mandate of the High Level Group of Independent Stakeholders on Administrative Burdens until 2012 to help it to ensure delivery

of the savings potential of the Action programme on administrative burdens by Council, the European Parliament and Member States. The mandate of the Group will remain focussed on existing legislation. The Group's informal exchange of views and experience on administrative burden issues with the Chair of the Impact Assessment Board, in line with their respective competences, will be mutually beneficial.

### Gesetzfolgeabschätzungen

#### Point 66

The Commission does not share the Bundesrat's view that an impact assessment should be prepared for every regulatory proposal. To deliver impact assessments on all legislative proposals would not be an appropriate use of resources, as many initiatives – by their nature – will not have the sort of economic, social and environmental impacts that are typically analysed. Whether a planned legislative initiative is likely to have significant impacts and merits an impact assessment is established on the basis of a case-by-case analysis. The Commission provides full transparency on this analysis by publishing Roadmaps which are mandatory for all these initiatives and which provide a preliminary impact analysis and overview of the impact assessment process. They allow all actors involved in impact assessment work to prepare their contributions in a timely manner. For those cases where the Commission does not think that an IA is needed, the reasoning is clearly explained in the roadmap. All the roadmaps are available to the public on the Europa website. The Commission's IA screening practice reflects a proper prioritization of scarce resources and is in line with international best practice. <sup>12</sup>

#### Point 67

The Commission would like to underline that it has been at the forefront of developing the integrated approach to impact assessments, and that it considers it essential to analyse all relevant economic, social and environmental impacts (benefits and costs) in a balanced way. It will be rigorous in maintaining this approach. The Commission's intention to improve further its assessment of social impacts reflects the fact that its experiences, analytical instruments and capabilities in this area, for instance with respect to the quantification of non-economic benefits, are less advanced than is generally the case in the economic or environmental fields.

### **Ex-post Bewertung und Eignungstests**

#### Point 69

As regards the Commission's commitment to evaluate legislation and carry out fitness checks of selected areas, the Commission understands the concern of the Bundesrat for maintaining close contacts with the Länder. Close contact with key stakeholders at different levels, be they national, regional or local, is indeed very important in the process of ex-post evaluations and

The Commission understands that for example in Germany the National Regulatory Control Council, which is looking only at administrative burdens, carries out a full analysis in only around 20% of the initiatives put forward by the Federal Government because the remaining 80% entail no major implications on costs. See interim report 2009 – Annual Report of the National Regulatory Control Council, page 13.

fitness checks From a practical point of view, the Commission will have to consider in a balanced way the most fruitful approach to involve stakeholders in each case.

### Verringerung der Verwaltungslasten

#### Point 70

The Commission has put in place two important pillars to improve the quality of existing legislation. First, the Simplification Programme has brought substantial benefits to citizens and businesses. 152 proposals have been adopted so far, and the 2010 update of the programme includes 46 new initiatives. Second, the Action Programme for Reducing Administrative Burdens is on track to exceed its target of cutting red tape by 25% by 2012. The Commission has tabled proposals which, if adopted, would generate annual savings of €38 billion for European companies out of a total estimated burden of €124 billion – a reduction of 31%. The European Parliament and Council are currently discussing proposals that would bring €19 billion of these savings, including one which would allow more than 5 million micro-enterprises to be exempted from EU accounting rules.

Simplifying legislation and reducing administrative burdens to the minimum necessary will remain priorities for this Commission.

# Anpassung des EU-Finanzrahmens im Dienste der politischen Prioritäten

#### Point 71

In its Communication on the Europe 2020 strategy the Commission underlined that economic, social and territorial cohesion will remain at the heart of the strategy. Cohesion policy and its structural funds, while important in their own right, are key delivery mechanisms to achieve the priorities of the strategy. The Communication makes explicit reference to the use of the funds under several flagship initiatives (Innovation Union, A digital Agenda for Europe, An agenda for new skills and jobs). The role of the structural funds is also underlined in the Integrated Guidelines for economic and employment policies that the Commission proposed for a Council decision on 27 April 2010.

The Commission also considers the transition to a resource efficient Europe - that is a prosperous, high employment, Europe that meets future resource challenges - as a crucial goal of Cohesion policy, so that the cohesion funds are rightly directed towards this goal.

### Point 72

The Commission recalls that in November 2010, it will adopt the 5th Report on Economic and Social Cohesion. This report will also contain conclusions which will present some of the future orientations for cohesion policy after 2013.

#### Point 74

Successful partnership between the Commission and national, regional and local players plays a vital role not only in the delivery of European cohesion policy but also as key stakeholders in the delivery of the Europe 2020 Strategy. Moreover, the Lisbon Treaty provides the opportunity to strengthen the role of regional and local authorities in the formulation and implementation of policies. Maximising the potential of regional and local levels of

government to contribute to the delivery of European priorities will therefore be a clear priority in the coming years, particularly for the proposals of cohesion policy after 2013.

The Commission is of the opinion that the Union needs a strong territorial development policy implemented through shared management, which ensures that everybody can benefit from European integration. Through its integrated regional approach, cohesion policy can address economic inefficiency or social polarisation through the integrated delivery of public goods and services tailored to the needs of regions.

### Point 75

The Commission has agreed that the Budget review exercise will set out the budgetary guidelines for the period post-2013. As a leading principle the EU budget should be targeted to policies and areas where it can make a difference and bring real added value. This means in particular a strong emphasis on our political priorities as defined by the Europe 2020 strategy.

EU spending must be coherent with other actions to deliver Europe's policy agenda and take its place amongst the range of instruments available, such as legislation, removing regulatory barriers, influencing national spending, policy coordination or the exchange of ideas, best practice and peer reviews. Not all policies require EU spending – beyond basic administrative costs. Financial support generated by EU policies can take various forms and draw on various sources, including loans and loan guarantees from the European Investment Bank, or Member State budgets in the case of co-financing, as well as private funding in public-private partnerships.

The Budget Review will not address the size or the detailed breakdown of the post-2013 budget: that will be included in the proposals for the next multi-annual financial framework which the Commission will present during the first semester of 2011.