## **EUROPEAN COMMISSION**



Brussels, 24.06.2016 C(2016) 3990 final

#### Dear President,

The Commission would like to thank the Bundesrat for its Opinion on the Commission Work Programme for 2016 {COM(2015) 610 final}. The Commission is grateful for the substantive input provided by the Bundesrat, but would like to note that some of the questions raised in the Opinion, addressing specific proposals announced in the Work Programme, can only be answered in more detail once the Commission has adopted the initiatives.

The Commission welcomes the Bundesrat's broad support for a focused Work Programme with a strong REFIT dimension. In applying better regulation principles in all areas of the Commission's work, the aim is to improve the quality of our proposals while maintaining high standards in terms of the policy objectives sought. The Communication on REFIT {COM(2012) 746 final} refers to burdens on Member States' administrations, business and citizens, thereby taking account of the impact of EU regulation on society as a whole. The Commission has sought to ensure a properly balanced composition of the REFIT Platform, which held its first meeting on 29 January 2016, and the close involvement of social partners at all levels. The Commission has withdrawn 16 pending proposals since the adoption of its Work Programme for 2016.

In response to the more technical questions in the Opinion, the Commission would like to refer to the attached annex.

The Commission hopes that these clarifications address the questions and issues raised by the Bundesrat and looks forward to continuing our political dialogue in the future.

Yours faithfully,

Frans Timmermans First Vice-President

#### **ANNEX**

The Commission has carefully considered the issues raised by the Bundesrat in its Opinion and is pleased to offer the following clarifications.

#### Review of the Multi-annual Financial Framework

The review of the Multi-annual Financial Framework (MFF) to be carried out this year is an opportunity to look at how the EU budget can be used more effectively to deliver on priorities and respond to the many crises facing the EU, which call for more flexibility and simplification. At the same time, the Commission is pursuing simplification of the Common Agricultural Policy. As set out in the joint declaration on own resources, which was part of the agreement on the current MFF, the High Level Working Group on Own Resources will present its final conclusions following an interinstitutional conference with the national Parliaments planned for June 2016. This work will feed into the Commission's proposals for the next MFF in 2017.

### **Better Regulation**

Better Regulation measures are intended to support the delivery of the EU's policy objectives by helping to improve the efficiency and effectiveness of EU laws and of their implementation. There is a particular focus on reducing regulatory burden whenever possible while maintaining a high level of protection of workers, consumers and of the environment.

#### A new boost for jobs and growth

A new boost for jobs and growth remains at the heart of the Commission's priorities in 2016. The Commission is actively supporting Member States' efforts to get people into work and has presented a New Skills Agenda on 10 June {COM(2016)381 final}, which fully takes into consideration the Member States' competences in this area under the Treaties. The Commission has also presented a Communication on Integration of third-country nationals on 7 June. In this context, the role of education in furthering the integration of third-country migrants in the EU is a particularly important issue.

## Gender equality

The Commission remains committed to making a real difference on gender equality and continues to work in all five key areas identified in 2010, as recalled in the Strategic engagement for gender equality 2016-2019 of December 2015 {SWD(2015) 278 final}.

## Animal welfare strategy

The Commission is aware that several items of the animal welfare strategy are still to be delivered and is working on these items. Regarding the EU legislation on plant protection products, the issues mentioned by the Bundesrat are going to be assessed in the framework of an evaluation which the Commission has announced in its Better Regulation Communication of May 2015 {COM(2015)215 final}. Regarding the authorisation system for GMOs, the Commission considers that its proposal of April 2015 responds to the criticisms voiced in the past. The proposal, once adopted, would give Member States the possibility to opt-out from the use of authorised GMOs, provided that this decision is in line with the EU Treaties and international obligations.

#### Consumer protection in the Digital Single Market

Alongside a first set of measures on copyright, the Commission proposed on 9 December 2015 digital contract rules to better protect consumers and help businesses expand online sales {COM(2015)633 final}. Consumer protection is an essential element of the Digital Single Market Strategy, as was reflected in the review of the Regulation on consumer protection cooperation adopted on May 2016 {COM(2016) 283 final}.

## **Environment**

Protecting the environment is also a very important element of the Commission's work. The Commission has highlighted the National Emission Ceilings proposal as a priority in the legislative process and continues to work with the co-legislators on a number of other important pending proposals. The Commission presented on 2 March 2016 a Communication assessing the implications of the Paris Agreement on climate change {COM(2016) 110 final}. The Commission is also following up on the action plan for a Circular Economy published last December {COM(2015) 614 final}, and is preparing the next steps for a sustainable European future in the light of the review of the Europe 2020 strategy and the UN Sustainable Development Goals. Furthermore, the Commission is finalising the fitness check of the Natura directives. This fitness check has been subject to extensive consultation with Member States and with different stakeholder communities. It will provide a solid and informed basis for any future policy considerations on the follow-up.

The Commission has begun working on an approach to limit the pollution of water with pharmaceuticals, and has launched a study to gather more information, including by way of a public consultation. We will continue to work on that basis, taking into account public health needs and cost-effectiveness in addressing the environmental impacts of pharmaceutical substances.

#### Energy Union

The Commission welcomes the strong support of the Bundesrat for the achievement of a European Energy Union around the five dimensions set out in last year's Energy Union Framework Strategy {COM(2015) 80 final}. 2016 will be the year of delivery for the majority of the proposals to put in place the appropriate legal framework to achieve this priority. The Bundesrat also comments on different energy sources and their future use. The Commission would like to draw the attention of the Bundesrat to Article 194 TFEU which leaves the choice of the energy mix, and therefore the choice of the appropriate energy sources, to the Member States. As regards the Bundesrat's reference to the Guidelines for State Aid for Environment protection and Energy, these will be revised in due course and we are currently in a very early stage in the preparatory process.

# Economic and Monetary Union

The Commission is following up on the Five Presidents' Report towards a more resilient and prosperous Economic and Monetary Union, including completing the Banking Union, and has launched a consultation on a European pillar of social rights. The Commission attaches particular importance to the principle of subsidiarity, including in respect of this work. The Commission notes the Bundesrat's concerns, but considers it imperative to maintain the momentum on the Banking Union, including the European bank deposit insurance scheme

{COM (2015) 586 final} on which the Commission has replied separately to the Bundesrat's concerns {C(2016) 2652 final}.

#### Horizon 2020

The Commission would like to draw the attention of the Bundesrat to the fact that, during the first years of implementation of the programme, consistent and substantial funds have been allocated to renewables and energy efficiency and sustainable energy systems. The Commission committed in a Declaration presented on the adoption of the Horizon 2020 Framework Regulation to ensuring that at least 85% of the Energy Challenge's budget would be dedicated to sustainable and non-fossil fuel related activities. We are well on track to honour this commitment and we will invest more than double the amount in non-nuclear low-carbon energy technologies than the amount for nuclear energy technologies.

## **Migration**

The Commission is pursuing a comprehensive approach on migration - to better manage and control migrant flows while ensuring the right for international protection to those in need, to protect the EU external borders, to reduce illegal migration and to safeguard the integrity of the Schengen area - in a spirit of solidarity and responsibility. In addition to a range of measures now being implemented for a swift and coordinated response to the crisis, the Commission presented on 4 May proposals for reforming the Common European Asylum System {COM(2016)270, 271 and 272 final}. On 7 June the Commission presented a legislative proposal to improve the operation of the Blue Card system for admission of highly-skilled workers {COM(2016) 378 final}. Further proposals including for developing safe and legal pathways to Europe will follow before the summer break. The Commission shares the views of the Bundesrat on the importance of addressing the root causes of migration and is mobilising the full range of our external instruments, including the EU budget, to assist the countries most affected and has proposed a new partnership framework with third countries under the European Agenda on Migration on 7 June {COM(2016)385 final}.

## Mandatory Transparency Register

In preparing its proposal for an Interinstitutional Agreement on a mandatory Transparency Register the Commission will take into account the feedback received from the public consultation that concluded on 31 May<sup>1</sup> as well as the experience gathered so far. In this context, the Commission will give due consideration to any possible suggestions for simplification and streamlining.

<sup>-</sup>

<sup>&</sup>lt;sup>1</sup> http://ec.europa.eu/transparency/civil society/public consultation en.htm