Brussels, 13 SEP. 2010 C/2010/ 5683

Dear President,

The European Commission thanks the Italian Senate Committee on European Union Policies for having examined the Commission Work Programme for 2010 and for having provided its views. It is a valuable contribution to the ongoing dialogue between the Commission and national parliaments concerning the political priorities of the Union. Please, find attached the Commission's comments on specific points raised by the Senate.

In line with the Commission's decision to encourage National Parliaments to react to its proposals to improve the process of policy formulation, I welcome this opportunity to comment on your resolution. Please find enclosed the European Commission's reaction to the opinion which I hope will contribute to your deliberations.

I look forward to deepening our dialogue on these issues in the future.

Yours faithfully,

Mr Renato Schifani President Senate of the Republic Piazza Madama 00186 Roma

## **EUROPEAN COMMISSION**



## COMMENTS OF THE EUROPEAN COMMISSION ON AN OPINION FROM THE SENATE OF THE ITALIAN REPUBLIC

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

The Commission fully agrees with the view that there is an urgent need for ambitious reforms. With the Europe 2020 Strategy<sup>1</sup>, the June European Council launched an ambitious, coherent and forward-looking agenda for economic reform. The strategy takes a holistic approach with solid tools and objectives that will enable the European Union not only to regain but also to improve its growth potential - based on a new type of growth that will be smart, sustainable and inclusive. The success of the new strategy depends on a strong sense of ownership at all levels. The strategy is based on coordinated action of the European institutions and the Member States - including regional and local levels - as well as stakeholders and social partners. The fact that Member States are to set their national targets, following the endorsement in June of the five EU headline targets, brings a stronger sense of ownership. National parliaments should aim at being closely associated in the process of setting national targets in the framework of the National Reform Programme and later on, in monitoring progress towards the targets. The Commission will be committed to a close monitoring of progress at EU level and will issue country-specific recommendations as well as use its new powers under the Lisbon Treaty to issue 'policy warnings' in those cases where Member States would fail to follow-up on the recommendations.

In its Communication of 12 May 2010<sup>2</sup>, the Commission is proposing stronger economic governance in the EU, in order to reinforce compliance with the rules and principles set out in the Treaty and the Stability and Growth Pact, especially for the euro area, and to establish procedures to deal with macroeconomic imbalances that could jeopardise the functioning of EMU. The Communication also proposes the alignment of national budget and policy planning through the establishment of a "European Semester" for economic policy coordination, so that Member States would benefit from early coordination at European level as they prepare their national budgets and national reform programmes. Finally, the communication proposes to reflect on a permanent crisis resolution mechanism, which should be ready to take over when the temporary European Financial Stabilisation Facility will be wound up.

<sup>&</sup>lt;sup>1</sup> COM(2010)2020. Europe 2020 – A strategy for smart, sustainable and inclusive growth.

<sup>&</sup>lt;sup>2</sup> COM(2010)250. Reinforcing economic policy coordination.

In response to the crisis, the Commission has also adopted proposals to address poor risk management, the lack of responsibility of certain actors in the financial sector and the underlying weaknesses in the supervisory and regulatory framework. The Commission will continue the efforts to reform the EU's supervisory architecture to provide for more effective and harmonised European supervision, to enhance transparency and financial stability by proposing *inter alia* improvements to the Markets in Financial Instruments Directive (MiFID), new legislation to improve the functioning of derivatives markets, a revision of Credit Rating Agencies Regulation, and amendments to the Capital Requirements Directives (CRD IV). All these elements contribute to the approach advanced by the Commission to ensure fundamental reform and improve supervision and regulation of the EU's financial markets.

The Commission considers it as a priority to support the High Representative / Vice President in the different missions foreseen by the Treaty. The Commission extends its full support at all stages of this process, including the establishment of an efficient and effective European External Action Service (EEAS), which in itself is a significant initiative, even if it is not formally part of the Commission Work Programme.

Euro-Mediterranean cooperation is an important aspect of the European Neighbourhood Policy, which is identified as one of the priorities in the Commission Work Programme.

The Commission is pleased with the support from the Senate Committee on European Union Policies for policies on legal migration. With regard to policies on integration, the Commission plans to present in 2011 a Communication on an EU agenda for integration. The Communication 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.

The Commission shares the view of the Italian Senate on the need to promote policies which take account of the needs of the EU labour markets while addressing the questions related to the integration of immigrants in the host societies. In this context, the Stockholm Programme and the Europe 2020 Strategy provide a comprehensive policy approach aiming to better use the potential of labour migration and promote integration while respecting Member State competences in this area. This objective is also supported by the EU structural funds, including the European Social Fund (ESF).

More specifically, the ESF prioritises actions to increase the participation of migrants in employment thereby strengthening their social integration. The ESF co-finances the training of at least 600.000 migrants and ethnic minorities each year. In this connection, the Member States often follow a two-track approach combining mainstreaming (integration of migrants as a horizontal issue under all priorities of an ESF Operational Programme) and specific action for migrants (in particular operations and projects to support adaptability, the validation of competences and acquired skills). For the period 2007-2013 some €1.2 billion of ESF co-financing will be devoted to specific actions in this domain.

The Commission agrees on the importance of the rehabilitative role of judicial sanction. In this context, the Commission is currently organising implementation workshops for the Framework Decision on the Application of the principle of mutual recognition to judgments and probation decisions with a view to the supervision of probation measures and on the Framework Decision on the Transfer of Probation Supervision, which are due to be implemented by September 2011. Moreover, the Green Paper on detention issues, planned in 2011, will reflect on ways to strengthen mutual trust and render more efficient the principle of mutual recognition in the area of detention. In this area, efforts to promote the exchange of best practices should be pursued and the implementation of the European Prison Rules, approved by the Council of Europe, should be supported.