

EUROPEAN COMMISSION

*Brussels, 21.5.2015
C(2015) 3445 final*

Dear Chairman,

The Commission would like to thank the House of Lords for its Opinion concerning the Commission Work Programme for 2015 {COM(2014) 910 final}, and for its support to the Commission's overall approach to focus on a limited number of new initiatives in 2015.

The Commission takes note of the substantive input provided by the House of Lords and has circulated the Opinion to the relevant services and cabinets. The views of national Parliaments constitute valuable contributions to the debate on the political priorities of the European Union and the Commission encourages national Parliaments to see the Commission Work Programme as a strategic tool which allows for an early exchange on priorities.

The Commission would like to point out that some of the questions raised in the House of Lords' Opinion, addressing specific proposals announced in the Work Programme, cannot be given a detailed answer at this stage. The Commission invites the House of Lords to return with more specific questions and comments once the initiatives have been adopted by the Commission. At this stage the Commission would like to make the following comments:

As regards the Investment Plan, the Commission recalls that it aims to mobilise public and private investment to support growth. The Investment Plan relies on a €16 billion guarantee under the EU budget (with the European Investment Bank also making a €5 billion contribution). The calibration of the guarantee fund of €8 billion (50% of the value of the guarantee) has been chosen so that the EU can meet any potential risks with an adequate safety margin, thus mitigating any potential impact on the EU budget. The Commission presented its proposal for the Regulation on the European Fund for Strategic Investments on 13 January 2015.

*Lord BOSWELL
Chairman of the European Union Select Committee
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The Commission adopted the Energy Union package on 25 February 2015. The priority given to this file reflects the importance the Commission is giving to energy infrastructure and to its financing. Energy is one of the priorities under the Investment Plan, with the European Fund for Strategic Investments targeting investments in infrastructure, in particular energy interconnections, as well as in expanding renewable energy and energy efficiency. As regards the question of governance, the Commission has set out the main issues in the Energy Union Framework Strategy. As regards the national oversight referred to by the House of Lords, this issue will be part of the review of the Agency for the Cooperation of Energy Regulators and its powers and competencies. The level of oversight over national energy policies compared to a European level regulatory framework will be an element to be examined during this review.

The Commission presented the Digital Single Market Strategy on 6 May 2015. Digital contract rights will be examined in this context also in light of the Commission's decision to modify its proposal on the Common European Sales Law (cf. Annex II to the Commission Work Programme for 2015, item 60). The Commission conducted a public consultation on the review of the EU copyright rules in 2014 in order to analyse the extent to which the copyright acquis remains fit for the digital age and whether there is a need to update or clarify certain elements. Around 10,000 replies from stakeholders were received and a summary of these responses was published in July 2014 on the Commission's website¹. It was subsequently decided that a legislative proposal on the modernisation of copyright rules would be presented in 2015, as part of a package of measures aimed at promoting the Digital Single Market.

The Commission adopted a proposal to speed up implementation of the Youth Employment Initiative on 4 February 2015 by increasing the rate of pre-financing to make €1 billion from this initiative available as early as this year.

As regards the labour mobility package, the Commission is fully aware that this is a sensitive issue in many Member States and the Commission will prepare the relevant proposals with utmost care in order to strike the right balance.

On the Transatlantic Trade and Investment Partnership negotiations, the Commission has taken note of the House of Lord's concerns about investment protection and of the House of Lords' report from May 2014. The results of the public consultation on investment protection that has been completed show the challenges of the exercise.

As regards the Capital Markets Union, the Commission would like to recall that it published a Green Paper on 18 February 2015 {COM(2015) 63 final}, paving the way for the action plan for the Capital Markets Union in the autumn. As regards the proposal concerning resolution of financing institutions other than banks, the Commission will prepare its proposal based on better regulation principles. This includes an impact assessment and taking account of the public stakeholder consultation to which also the UK Financial Authorities have contributed.

¹ http://ec.europa.eu/internal_market/consultations/2013/copyright-rules/docs/contributions/consultation-report_en.pdf

On the aviation package and the specific issue of Gibraltar, the Commission would like to recall its neutrality on the question of Gibraltar, as it considers this issue purely bilateral between two Member States.

The Commission is fully aware of UK concerns on the Financial Transaction Tax. In that regard, the Commission would like to recall that the participating Member States issued a joint statement on 27 January 2015 reiterating their willingness to create the conditions necessary to implement the tax on 1 January 2016.

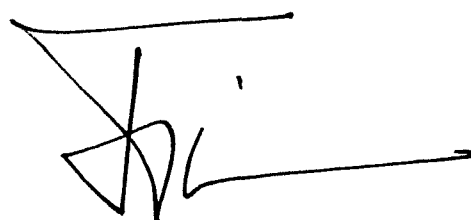
The Commission will continue to work on the EU accession to the European Convention on Human Rights, taking full account of the European Court of Justice Opinion of December 2014.

The Commission will shortly present a Better Regulation Package, including ideas on a revised Inter-institutional agreement on better law-making, to be discussed with the European Parliament and the Council. The Commission highly appreciates the House of Lords' support for driving the better regulation agenda forward, and notes its comments on the REFIT actions included in the Commission Work Programme for 2015. In that regard on 25 February 2015, the Commission confirmed 73 withdrawals (out of the 80 items in Annex II to the Commission Work Programme for 2015). The withdrawal of the plant reproductive material proposal follows a specific request from the European Parliament, but the Commission will continue to reflect on the issues which motivated the original proposal.

Finally, as regards genetically-modified organisms, the Commission on 22 April 2015 presented a review of the decision-making process together with a proposal for a Regulation which would give Member States more freedom to restrict or prohibit the use of genetically modified food and feed on their territory on duly justified grounds.

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

Yours faithfully,

A handwritten signature in black ink, consisting of a stylized 'F' and 'T' followed by a horizontal line extending to the right.

*Frans Timmermans
First Vice-President*