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Commission Work Programme 2010

Time to act

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1. INTRODUCTION: A NEW ERA

2010 marks the beginning of a new era for the European Union.

The crisis hit hard: communities, citizens and businesses across Europe were put under huge pressure. European solidarity was put to a test. The European Union recognised its interdependence and pulled together to face up to the crisis: now it must show the same resolution and unity for the future.

"Business as usual" is not an option. The challenges facing our Union are greater than before the recession. Our room for manoeuvre is more limited and the rest of the world is not standing still. We must draw the lessons and reshape our policies.

A clear lesson from the crisis is that Europe can succeed provided it acts collectively, as a Union. Europe has no other option but to tackle the immediate challenge of the crisis and to face up to long-term challenges such as globalisation, climate action, ageing, so as to make up for the recent losses, regain competitiveness and put the EU on an upward path of sustainable growth.

With the entry into force of the Lisbon Treaty, the election of a new European Parliament and the appointment of a new College of Commissioners, the EU is equipped with the necessary tools.

It is now a matter of political will: the European Commission is ready to take up the challenge. The political guidelines set out by President Barroso in September 2009 sparked a debate about the direction Europe should take and the concrete measures it should promote. The hearings in the European Parliament and the subsequent vote of consent were a true moment of European democracy, highlighting shared values and securing broad ownership of future EU initiatives. Close exchange with the European Council and other EU institutions has also helped to build a consensus about the way forward.

The new Commission will take action along four main strands:

- Tackling the crisis and sustaining Europe's social market economy.
- Building a citizens' agenda which puts people at the heart of European action.
- Developing an ambitious and coherent external agenda with global outreach.
- Modernising EU instruments and ways of working.

The focus of this first Work Programme is on delivering strategic initiatives in 2010. It also highlights in a non-exhaustive way initiatives under consideration for the coming years, thereby combining predictability for the European Parliament and the Council - as well as for stakeholders - and the necessary flexibility to adapt to changing circumstances. These initiatives are both designed to respond to immediate challenges and yield effects rapidly, and to shape Europe's future for the long-term benefit of its citizens. In taking them forward, the Commission will set a direction for the EU in the next decade, as highlighted by its Europe 2020 strategy and the work under way to prepare the future EU budget.

2. TACKLING THE CRISIS AND SUSTAINING EUROPE'S SOCIAL MARKET ECONOMY

The first political act of the new Commission was to immediately put forward its centrepiece initiative “Europe 2020 – a strategy for smart, sustainable and inclusive growth”¹. The proposal shows how the EU can exit from the crisis and move to a more sustainable and dynamic growth path delivering high levels of employment, productivity and social cohesion.

The Spring European Council last week endorsed the main elements of the Europe 2020 strategy. It called for strong European leadership and common ownership of the strategy. At the core of the approach are clear EU and national targets, a new economic governance and the development of flagship initiatives to guide the joint work of the EU and the Member States in key areas². The June European Council is expected to confirm the cornerstones of the strategy and the Commission will then work with Member States to deliver results. Concrete steps will be taken in the months and years to come to deliver the new strategy, with three main axes for the Commission's work in 2010.

2.1. Exiting from the crisis

In addressing the current economic and financial situation, the Commission has put forward strategic responses so as:

- To strengthen economic surveillance and coordination and improve governance within the euro area: In view of the June European Council, the Commission will present its proposals for enhancing policy coordination to strengthen our fiscal surveillance framework in the context of the Stability and Growth Pact, tackle macro-economic imbalances, including competitiveness divergences through stronger policy recommendations, and reducing financial vulnerability within an integrated approach (strategic initiative 1).
- To help return public finances to a more sustainable path: The Commission recently presented its assessment of national Stability and Convergence Programmes in the context of the Stability and Growth Pact, pointing at ways to sustain fiscal consolidation. Monitoring will be pursued and better aligned with the follow-up of the Europe 2020 strategy this autumn.
- To ensure stable, responsible financial markets at the service of the wider economy: The Commission is working hard with other EU institutions to ensure the new European supervision architecture is in place by early 2011, so that cross-border financial markets are properly covered and systemic risks are quickly identified. Proposals on bank capital and alternative investment fund managers should also be agreed by the co-legislators before the summer. This work needs to be supplemented by new proposals to complete the work in areas like derivatives markets (strategic initiative 2), short selling and credit default swaps (strategic initiative 3), deposit guarantee schemes (strategic initiative 4), market abuse (strategic initiative 5), on effective crisis management tools (strategic initiative 6) and further capital requirements (strategic initiative 7). Moreover, the Commission will propose orientations on the establishment of bank resolution funds as

¹ COM(2010) 2020, 3.3.2010.

² Seven flagships were put forward as part of the Europe 2020 strategy: “Innovation Union”, “Youth on the move”, “A digital agenda for Europe”, “Resource efficient Europe”, “An industrial policy for a globalised era”, “An agenda for new skills and new jobs”, “A European platform against poverty”.

possible crisis management tools, which will include options such as a levy on financial institutions (strategic initiative 8). In parallel, the Commission will take the necessary steps for a gradual phase out of exceptional measures as the recovery consolidates.

2.2. Advancing the Europe 2020 flagship initiatives

Concrete steps will be taken in the coming months to flesh out the Europe 2020 flagship initiatives, in close cooperation with relevant Council formations and stakeholders. The Commission will set out its proposals by way of the following communications:

- “A digital agenda for Europe” (strategic initiative 9): This initiative will set out priorities to speed up the roll-out of high speed internet and tap the potential of digital technologies for households and firms.
- “An industrial policy for a globalised era” (strategic initiative 10): This initiative will set out priorities to improve the business environment, especially for SMEs, and to support the development of a strong and sustainable industrial base able to compete globally.
- “A European plan for research and innovation” (strategic initiative 11): This "Innovation Union" flagship will set out priorities to improve framework conditions for Europe's research and its capacities for creativity and innovation, including eco-innovation. This will contribute to the planned autumn discussion of the European Council.
- “Youth on the move” (strategic initiative 12): This initiative will set out priorities to enhance the performance of education systems, to reinforce the attractiveness of Europe's higher education system and to open more mobility programmes to young people. The younger generation has been particularly hit by the crisis. A communication on “youth employment” (strategic initiative 13) will be a policy response to increase job opportunities for young people, promote apprenticeships and training, and improve transition from education into work.
- “An agenda for new skills and jobs” (strategic initiative 14): This initiative will set out priorities to modernise labour markets to boost labour mobility and the development of skills and competences throughout the lifecycle with a view to increase labour participation and better match supply and demand.
- “A European Platform to combat poverty” (strategic initiative 15): This initiative will set out how to ensure that the benefits of growth and jobs are widely shared so that people experiencing poverty can be enabled to take an active part in society. The initiative will notably build on the lessons of the 2010 European Year to combat poverty and social exclusion.
- Work will also be taken forward on the “Resource efficient Europe” flagship initiative. The aim is to decouple growth from resource use which will give Europe a competitive advantage. Such an approach will help the EU to prosper in a low-carbon, resource constrained world while tackling climate change, environmental degradation, biodiversity loss and improving sustainable mobility. The Commission will work on a plan defining the key actions necessary to achieve the energy saving potential of 20%, in the building and transport sectors and on a strategy to ensure secure, sustainable and competitive energy supplies for households and firms. The Commission will also work on a revision of the

energy taxation directive in order to tax energy products on their energy content and their carbon emission level. During 2010 the Commission will:

- develop its vision for Europe's transition to a low carbon, resource efficient and climate resilient economy by 2050, in particular for the decarbonisation of the energy and transport sectors, to provide a long-term framework for policy and investment, including an analysis of what practical policies would be required to implement a 30% reduction in 2020 and of the necessary scenarios for 2030 .
- work to ensure that a sustainable, productive and competitive agriculture can make an important contribution to Europe 2020, considering the growth and employment potential of rural areas while ensuring fair competition; it is a key component of economic, social and territorial cohesion, as well as for guaranteeing food security. This work will address issues such as the food and renewable production base, and the dynamism of rural areas, and will serve as a basis to explore avenues on the future of the Common Agriculture Policy (strategic initiative n° 33)
- prepare future reform of cohesion policy in pursuit of economic, social and territorial cohesion, in harmony with Europe 2020 to modernise the EU economy in partnership with national, regional and local actors; in this context, the Fifth Cohesion Report will explore options for the future of cohesion policy post-2013 (strategic initiative n° 34).
- The Commission is also preparing the ground for a fundamental reform of the common fisheries policy to create the conditions for a genuinely viable and sustainable EU fishing industry and the development of an Integrated Maritime Policy.

2.3. Tackling Europe's bottlenecks and missing links

To support the advancement of the Europe 2020 flagship initiatives, and respond to the invitation of the Spring European Council, the Commission is committed to tackling Europe's missing links and bottlenecks. In 2010, this will notably translate into the following strategic initiatives:

- A communication on the relaunch of the single market (strategic initiative 16): This will build on the findings of the report which President Barroso has commissioned from Professor Monti and lay the groundwork to develop a major package for tomorrow's single market on the twentieth anniversary of the single market in 2012.
- A regulation on translation requirements for the future EU patent, designed to solve the critical translation issues necessary to make the EU patent a reality (strategic initiative n° 17).
- A white paper on transport (strategic initiative 18): This will outline a strategy and an action plan for transport policy and transport infrastructures over the next decade. The aim is to achieve transport sustainability, which requires actions to remove bottlenecks to competitiveness, progress towards a transport system less dependent on fossil fuels and improvements in safety, security and working conditions.

- A package on energy infrastructure (strategic initiative 19): This will set out priorities for interconnections and the development of smart grids in the EU.

At the same time, the Commission will be working to ensure that the tools at its disposal are geared up to assist the work of implementing the 2020 vision. At the same time, proper implementation of EU law is essential for the realisation of EU policies and the equal protection of the rights of EU citizens and businesses. Improved implementation and enforcement of single market legislation is therefore a major objective, including the full implementation of the “services directive”.

3. A CITIZENS' AGENDA: PUTTING PEOPLE AT THE HEART OF EUROPEAN ACTION

The “*raison d'être*” of the EU is to improve the well-being of its citizens and to further their interests. Citizens' needs, concerns and questions are diverse and in rapid evolution in today's world. Several provisions of the Lisbon Treaty will help put the interests of citizens at the centre of EU's activities, and make the concept of European citizenship more concrete.

A key element of this policy agenda is the Stockholm Programme for "an open and secure Europe serving and protecting the citizen" adopted by the European Council at its December 2009 meeting. The Commission will now present (strategic initiative 20) a comprehensive Action Plan for its implementation (2010-2014) with a view to ensuring that the benefits of the area of freedom, security and justice become more tangible to the citizens.

3.1. Building a citizens' Europe

The new Commission has already taken important initiatives under the Treaty of Lisbon: by proposing to put in place a “citizens' initiative” enabling people to call for action by the EU institutions and by paving the way for the EU to join the European Convention of Human Rights, thereby strengthening the enforcement of fundamental rights across Europe. Moreover, a Communication on EU fundamental rights policy will be presented during 2010.

The Commission will complement its recent proposals by new proposals to improve procedural rights for citizens.

In 2010, the Commission will continue to promote existing proposals before the EU legislator and complement its citizens' agenda with the following initiatives:

- A proposal on jurisdiction and enforcement of judgements in civil and commercial matters (strategic initiative 21): This will improve the recognition of judicial decisions across borders.
- A proposal to revise the working time directive (strategic initiative 22): This will draw the lessons from the on-going consultation of the social partners to clarify and amend the existing legislation.
- The development of a European judicial area, including a reference framework for contract law (strategic initiative n° 23), and the analysis of obstacles to free movement of citizens (strategic initiative n° 24).

Proposals will be prepared to clarify the implementation of the posted workers' directive; and to tackle new challenges, such as the protection of personal data (strategic initiative n° 25). At

the same time, the Commission will, starting in 2010, analyse in depth the issue of policy coherence in the field of collective redress and carry out a public consultation on the common legal principles and concrete issues which should guide any future proposals for collective redress in EU legislation. The Commission will also work on proposals to improve the protection of victims of crime.

3.2. Ensuring an open and secure Europe

The Action Plan implementing the Stockholm Programme will in particular focus on tackling cross-border criminality and will consolidate the common immigration and asylum policy. It will notably cover areas such as:

- The fight against organised crime, terrorism and other threats through improved police and judicial cooperation, including an internal security strategy of the EU (strategic initiative n° 26).
- A focus on integrating the immigrant population while addressing illegal immigration and improving the management of immigration flows, including through an integrated approach to the management of EU borders.

3.3. Addressing long-term societal challenges

European society faces a number of long-term trends which will have a direct impact on the daily life of citizens: these include the spread of new technologies, immigration and the pressure of demographic ageing, the consequences of climate change and environmental threats. Public policy needs to address these trends, both mitigating their risks and factoring their opportunities into future initiatives. These trends require careful analysis and the input of a wide range of stakeholders. The Commission will open public debates and work on the following issues:

- The future of pensions by presenting a green paper (strategic initiative n° 27): This will look at options for ensuring the sustainability and adequacy of pensions in the light of ageing, mobility patterns in Europe and the functioning of financial markets.
- The need to further develop legal immigration policies to alleviate the pressures of demographic ageing and to enhance Europe's competitiveness, combined with renewed integration policies.
- A new EU biodiversity strategy by presenting a communication (strategic initiative n° 28): This will set out the concrete actions that the EU should consider to meet its international commitments and in the light of the pressures on the ecosystem.
- An EU rapid response capacity by presenting a Communication on the EU's disaster response capacity (strategic initiative n° 29) to improve the EU's response to disasters.

Public debates will also be launched in the light of scientific progress on issues such as animal cloning, biotechnology and nanotechnology.

4. THE EXTERNAL AGENDA: A COHERENT AND INFLUENTIAL EUROPEAN UNION

As a major political, economic and trading power, the EU must play its full role on the international stage. A high degree of ambition, coordination and discipline is necessary for the EU to speak with one voice and to be heard. The Lisbon Treaty gives new tools to better project European interests worldwide, which the EU must tap to the full.

4.1. A strong and coherent external representation – the EU as global player

2010 will see the new external arrangements under the Treaty of Lisbon fully in place. The new post of High Representative, the new clarity over the external representation of the EU and the establishment of the European External Action Service will give the EU's external policies a new dynamism and focus. As the EU's external representative outside CFSP/ESDP and with its responsibility for proposing and implementing a wide range of policies, the Commission has a key role to play in delivering the EU's external policy ambitions.

One of the key lessons of the global crisis is that the size of the EU and the euro area matter in influencing global policy responses. The Lisbon Treaty provides for more coherent external representation of the EU to ensure that the international role of the EU matches its economic weight. The Commission will propose to consolidate the European representation in international financial institutions.

4.2. Deepening Europe's trade agenda

International trade is one of the motors of growth, employment and investment in the European Union, thus very much in the interest of European citizens. The EU is committed to open societies and open markets, and determined to defend European interests. It will continue working towards reducing barriers to international flows of trade and investment.

The Commission will present a communication setting out a trade strategy for Europe 2020 (strategic initiative n° 30). This will focus in particular on concluding on-going multilateral and bilateral trade negotiations, as well as on better enforcement of existing agreements, and on trade opening initiatives for sectors of the future, such as, high-tech products and services, environmental technologies and services and on international standardization. Priority will also be given to proposals for high-level strategic dialogues to discuss issues ranging from market access, regulatory framework, global imbalances, climate action and energy, environment and access to raw materials and international standardisation. The Commission will also work to reinforce its bilateral relationships with key trading partners such as the US, China, Japan and Russia.

4.3. Delivering EU neighbourhood, enlargement and development policies

The Treaty gives the EU a particular responsibility to promote freedom, stability and prosperity in its neighbourhood. The Commission is committed to developing the EU's special relationship with neighbouring countries based on respect for the values of the Union and aimed at fostering strong economic cooperation. Commission services will be cooperating closely with the EEAS on these issues.

The Commission is also committed to steering the enlargement process. Progress in negotiations will be linked to progress made by candidate countries, with a special emphasis on the respect of the rule of law.

Pursuing the international development agenda will be a key priority for the Commission: it will propose an EU action plan in the run up to the 2015 Millennium Development Goals Summit (strategic initiative n°31). The Commission remains committed to the Monterrey goals on official development assistance and the Paris Declaration and Accra Agenda for Action on aid effectiveness. Specific work has been launched to ensure aid efficiency, accountability and consistent synergies between development policy and policies such as migration, security, climate action and energy, food security, access to health care and education.

5. MODERNISING EU INSTRUMENTS AND WAYS OF WORKING

This Work Programme serves to highlight new initiatives, but a key focus of the Commission's work in 2010 will be about making effective use of existing policy instruments and paving the way for their modernisation.

5.1. Smart regulation – ensuring that policies are effective

Ensuring a high quality regulatory framework for citizens and businesses is a shared responsibility of all EU institutions and the Member States. Initiatives taken at European level must demonstrate clear EU value added, and be proportionate in their scope and nature. The Commission has put in place a number of smart regulation instruments to ensure that this is indeed the case. It is now time for a further step-change in the practical application of these instruments by fully connecting and integrating them along the regulatory cycle with a view to delivering effective policy outcomes. For the preparation of strategic initiatives, internal coordination will be supported by inter-departmental working groups, which will follow their elaboration from the impact assessment to the conception and finalisation of the initiative concerned.

Impact assessment

Our impact assessment system compares favourably with international best practice in terms of transparency and effectiveness. Priority will now be given to ensuring that this system delivers its full potential, both in terms of scope and content. All Commission initiatives with significant impacts, including proposals of delegated and implementing acts, should be supported by an impact assessment. In the current economic situation, employment and social impacts are particularly important, and the Commission will work towards reinforcing its analysis of such impacts.

To improve the transparency of impact assessment work, the Commission will prepare roadmaps for all initiatives likely to have significant impact. It encourages stakeholders to make use of these roadmaps in preparing their inputs to the policy-making process.

Ex-post evaluation and regulatory 'fitness checks'

A systematic ex-post evaluation of existing legislation is essential to ensure that our policies form a coherent framework and deliver effectively on their objectives. Over time, a full ex-post evaluation will become a requisite for the revision of important legislative acts to be included in future Commission's Work Programmes.

To keep current regulation fit for purpose, the Commission will begin reviewing, from this year onwards, the entire body of legislation in selected policy fields through "fitness checks". The purpose is to identify excessive burdens, overlaps, gaps, inconsistencies and/or obsolete

measures which may have appeared over time. Pilot exercises will start in 2010 in four areas: environment, transport, employment and social policy, and industrial policy.

Simplification, administrative burden reduction and withdrawals

The simplification of legislation and the reduction of administrative burdens will remain priorities and be fully embedded in the smart regulation process. The Commission has already tabled proposals going beyond the 2012 objective of reducing the administrative burden by 25 percent, and is committed to continuing its efforts in the coming years. A particular focus will be on following up the work with the European Parliament, the Council and the Member States, as businesses will only feel the benefits of these efforts when the legislator has adopted the proposals and they have been implemented at national level. At the same time, the Commission will put forward 46 simplification proposals in the coming years (see annex III). Moreover, the Commission intends to withdraw a number of proposals which are listed in annex IV.

Implementation

Making EU legislation deliver its full impact throughout the Union is a key responsibility of the Commission. Wherever necessary, the Commission will continue to intervene, including via legal steps, to ensure the full and correct implementation of existing legislation. Moreover, the Commission will strengthen efforts to assist Member States to implement new legislation in a timely and correct manner.

5.2. Communicating Europe

Communicating Europe in a transparent and accessible manner is a prerequisite for citizens' participation in the democratic life of the Union and for Europeans to be fully aware of the opportunities provided by EU policies. This is a shared responsibility of all actors at different levels, with the Commission willingly taking up its part. In addition to general information and communication activities, the Commission will put particular emphasis on three joint communication priorities: driving the economic recovery and mobilising new sources of growth; climate action and energy; making the Lisbon Treaty work for citizens.

5.3. Adapting the EU financial framework to serve policy priorities

The budget of the EU must serve to address the main challenges facing Europe and provide real value added in promoting the Union's key policy objectives. As part of its broader political vision, the Commission will put forward a Budget Review this year (strategic initiative 32) to look at how changes in the balance of the budget, its priorities and its procedures can secure the best return for European taxpayers and shape the process leading up to the next Multiannual Financial Framework.

Within the overall context of the preparation for the next multi-annual financial framework, the Commission will be holding in depth consultations with stakeholders during 2010 on the future direction of key EU spending policies, such as the common agricultural policy, cohesion policy and research policy. The aim will be to assess achievements to date and challenges for the period after 2013, to get stakeholder views on the future direction of policy and to assess the role of the EU budget in delivering effective results in these policy areas across the EU. This work will build on the orientations of the Budget Review and will feed into the preparation of the Commission's 2011 proposals for the next Multiannual Financial Framework.

This should include a reflection on the existing instruments for economic development in the run-up to the set of proposals for the next financial framework, as well as exploring new ways of leveraging EU private and public investment, for instance through the European Investment Bank.

In parallel to this strategic approach, the Commission will continue to improve sound financial management, while simplifying the implementation framework, putting strong emphasis on performance, added value and value for money achieved through EU spending. Attention will continue to be given to improve and implement sound, solid, coherent and cost-effective management and control systems both within the Commission and in the Member States. The Commission will also pursue its reflection on the future of OLAF.

6. CONCLUSION: MOVING AHEAD

This first Work Programme of the new Commission sets out its ambition and commitments, for 2010 and beyond. It tackles issues of immediate concern and sets the policy direction to respond to upcoming challenges, laying the ground for further work in the rest of the mandate.

To facilitate dialogue, provide predictability and ensure transparency, the following are annexed to this Work Programme:

- A list of strategic initiatives on which the Commission commits to deliver in 2010 (annex I).
- Major proposals under consideration during 2010 and beyond, which are tentative prospects for the rest of the mandate (annex II).
- A list of simplification proposals and withdrawals (annexes III and IV).

The Commission will review its Work Programme every year, setting new annual strategic initiatives and adapting the multi-annual strand where appropriate in the light of new circumstances, including results from preparatory work and review of implementation.

The Commission will now work closely with the European Parliament and the Council, as well as stakeholders, to ensure a broad ownership on the overall approach and on individual initiatives. This Commission would like its Work Programme to act as a central building block for the common inter-institutional programming proposed under Article 17(1) of the Treaty of Lisbon. The Commission will remain in constant dialogue with EU institutions and stakeholders to develop and implement its 2010 Work Programme.