Briefing



Setting EU priorities, 2014-19

The ten points of Jean-Claude Juncker's political guidelines

SUMMARY

In advance of the European Parliament's vote on 15 July 2014, which saw him elected as the next President of the European Commission, Jean-Claude Juncker set out the political agenda for his five-year term (2014-19) at the head of the institution. He presented a set of 'political guidelines' focussing on **ten policy areas** in which he said that the European Union could make a difference, and underlined the importance of achieving concrete results in each area. Mr Juncker referred to these political guidelines as being 'somewhat akin to a political contract that I [have] concluded with the European Parliament to mark the beginning of a new mandate and to prioritise the work of the new Commission'.

The ten priorities set out in his political guidelines are as follows:

- 1. A new boost for jobs, growth and investment
- 2. A connected digital single market
- 3. A resilient Energy Union with a forward-looking climate change policy
- 4. A deeper and fairer internal market with a strengthened industrial base
- 5. A deeper and fairer Economic and Monetary Union (EMU)
- 6. A reasonable and balanced free trade agreement with the United States
- 7. An area of Justice and Fundamental Rights based on mutual trust
- 8. Towards a new policy on migration
- 9. Europe as a stronger global actor
- 10. A Union of democratic change.

The political guidelines set out by Mr Juncker for the new European Commission should lead to action in a number of fields where the European Parliament has previously called for new legislative proposals or other action from the Commission. This *Briefing* represents a first effort to cross-check the ten priorities against such requests from the Parliament, drawing where appropriate on work undertaken for parliamentary committees on the potential added value of action in these fields. The Parliament's positions, either in terms of key achievements or its identification of issues to be tackled, in each of the ten policy areas referred to in the political guidelines are also briefly outlined. The assessment of added-value dimensions draws on the recent EPRS publication, Mapping the Cost of Non-Europe, 2014-19.

Background

Before the European Parliament's vote to elect him President of the European Commission on 15 July 2014, Jean-Claude Juncker presented 'political guidelines' for the next European Commission in a document entitled 'A New Start for Europe: My Agenda for Jobs, Growth Fairness and Democratic Change'. These guidelines focus on ten policy areas in which the European Union could make a difference, and emphasise the importance of achieving concrete results in each of them. They attempt to set out some of the initiatives to be launched by the Juncker Commission in each area, using existing or new resources and/or new legal instruments, as well as the rationale or principles underpinning EU action.

The Juncker text proposes to 'serve as the starting point for the Union's annual and multiannual programming. For this, we will also be able to draw on the "Strategic Agenda for the Union in Times of Change", as adopted by the European Council on 27 June 2014, and on the orientations that will be given by the European Parliament in the months to come.' It goes on: 'Europe's policy agenda must be shaped in close partnership between the European Commission and the European Parliament, and in cooperation with the Member States. Political prioritisation as the basis for a better, more focused Union will only work if it is done in partnership between the Union institutions and the Member States, in line with the Community method.'

On 10 September 2014, President-elect Juncker unveiled the structure of the new European Commission, which is in part designed to reflect his political guidelines and facilitate their implementation. In the parallel mission letters which Mr Juncker sent to every member-designate of the new Commission, he wrote that the guidelines are 'somewhat akin to a political contract that I [have] concluded with the European Parliament to mark the beginning of a new mandate and to prioritise the work of the new Commission', and that 'delivering the priorities of the political guidelines will require a reform of the way the Commission has operated up until now'. He continued: 'I will entrust a number of well-defined priority projects to the Vice-Presidents and ask them to steer and coordinate work across the Commission in the key areas of the Political Guidelines'.

Commission Vice-Presidents will henceforth lead project teams in line with the political guidelines. Hence the designation of six Vice-Presidents – in addition to the High Representative of the Union for Foreign and Security Policy – who will be responsible respectively for: jobs, growth, investment and competitiveness; Energy Union; the euro and social dialogue; the digital single market; better regulation, inter-institutional relations, the rule of law and the Charter of Fundamental Rights; and the budget and human resources. Each steering and coordinating the work of a group of Commissioners, these Vice-Presidents will be tasked with 'assessing how and whether proposed new initiatives fit with the focus of the political guidelines'. As a general rule, the President will not include a new initiative in the Commission's Annual Work Programme or put it on the agenda of the College unless one of the Vice-Presidents recommends he does so.

Operating under the provisions of the Lisbon Treaty, which came into force in December 2009, the European Parliament has, for the first time, elected, and not merely approved, the President of the European Commission, on the basis of a proposal by the European Council, which in turn had to take into account the results of the elections to the Parliament. Equally, for the first time, in the May 2014 European elections, many of the European political parties chose to put forward 'lead candidates' for this post, who campaigned on a continent-wide basis. Prior to the plenary vote on Mr Juncker, the Parliament's political groups had the opportunity to cross-examine the President-designate on his priorities (a precedent established in 2009).

Parliament's contribution to EU agenda-setting

The European Parliament's contribution to the broad debate on future EU policy priorities and policy agenda-setting has been reinforced by other provisions of the Lisbon Treaty. While the Commission retains a near monopoly of legislative initiative, Article 17 of the Treaty on European Union (TEU) now entrusts the Commission with a new responsibility to 'initiate the Union's annual and multiannual programming with a view to achieving inter-institutional agreement', a process which, by definition, involves both the European Parliament and the EU Council of Ministers.

In addition, Article 225 of the Treaty on the Functioning of the European Union (TFEU) now enables the Parliament, acting by an absolute majority of its Members, to request the Commission to submit legislative proposals 'on matters on which it considers that a Union act is required for the purpose of implementing the Treaties. If the Commission does not submit a proposal, it shall inform the European Parliament of the reasons.' During the seventh parliamentary term (2009-14), the EP adopted 17 such 'legislative initiative reports' setting out specific proposals for new legislation. Since July 2012, these are now accompanied by 'European Added Value Assessments', which provide a substantial justification for such initiatives, with a view to inducing a deeper and more considered response to these legislative initiative reports.

The Parliament also contributes to the broader agenda-setting process through its traditional 'own-initiative reports' that express general preferences in any area of policy, adopted by a simple majority of those voting.

European added value dimension

The 'European Added Value Assessments' accompanying EP legislative initiative reports form part of a wider body of work on the 'cost of non-Europe', commissioned from the Parliament's secretariat by parliamentary committees since 2012. This work seeks to analyse where the absence of common action at European level may mean that, in a specific sector, there is an efficiency loss to the overall economy and/or where a collective public good that might otherwise exist is not being realised. The concepts of European added value and cost of non-Europe are closely related, in that the former attempts to identify the economic benefit of undertaking, and the latter the collective economic cost of not undertaking, policy action at European level in a particular field.

The recent study entitled 'Mapping the Cost of Non-Europe, 2014-19' (second edition, July 2014) attempts to quantify the potential GDP growth and/or other efficiency gains that could be obtained from adopting a series of public policy initiatives recently advocated by the Parliament in plenary votes. In line with such research – which is on-going work, subject to refinement and update – it is useful to look at whether Mr Juncker's ten political guidelines are likely to yield such added value, to the extent that this might already be identifiable.

Overall, a first cross-check of the political guidelines against such existing research suggests that the actions set out by the in-coming Commission President could deliver significant potential gains by the end of the five-year term. These are quantified, where possible, at the end of the various sections which follow.

The ten priorities of the Juncker political guidelines

Priority 1: A new boost for jobs, growth and investment

The first political priority highlighted in the political guidelines presented by Mr Juncker is action to create jobs, by boosting Europe's competitiveness and investment.

The new Commission President intends, within his first three months in office, and in the context of the already-planned review of the 'Europe 2020' strategy, to present a Jobs, Growth and Investment Package. The actions envisaged are to make much better use of the existing EU Budget and the lending potential of the European Investment Bank (EIB). Public funds available at Union level could be used to stimulate private investment in the real economy. The guidelines argue that the EU needs smarter investment, greater focus, less regulation and more flexibility when it comes to the use of these public funds. This should allow for the mobilisation of up to €300 billion in additional public and private investment in the real economy over the next three years.

To achieve this, the guidelines say that the investment climate has to be improved and fund absorption strengthened. The preparation of projects by the EIB and the Commission should be intensified and expanded. To realise real projects on the ground, more effective financial instruments, including in the form of loans or guarantees with greater risk capacity, will need to be developed. A further increase in the EIB's capital should be considered. This additional investment should focus on: infrastructure, notably broadband and energy networks, as well as transport links in industrial centres; education, research and innovation; and renewable energy and energy efficiency — all of this with a significant focus on helping to get the younger generation into work, further complementing efforts started with the Youth Guarantee Scheme.

Public funding would be further oriented towards jobs, growth and competitiveness through:

- for the EU Budget, the mid-term review of the Multiannual Financial Framework (MFF), scheduled for the end of 2016;
- for national budgets, while respecting the Stability and Growth Pact, making best
 possible use of the flexibility built into the pact's existing rules. The Commission intends
 to issue concrete guidance on this, as part of its Jobs, Growth and Investment Package.

Meeting this challenge also involves creating a regulatory environment that is less burdensome and more conducive to entrepreneurship and job creation, notably among SMEs. The new Vice-President responsible for better regulation, Frans Timmermans, will have the task of identifying 'red tape' to be swiftly removed at both European and national level.

The EP was deeply involved in the policy debate surrounding Europe 2020 as well as the 2014-20 MFF, where it expressed its concerns that the ceilings set by the European Council may not provide the EU with sufficient resources to achieve its objectives under the Europe 2020 strategy. The mid-term revision of the MFF was one of the main conditions set by the EP for it to adopt the framework, so as to allow both the Parliament elected in 2014 and the 2014-19 Commission the chance to examine the budget framework inherited from the previous terms. The EP stressed in particular the importance of enhanced flexibility in multi-annual planning. It also advocated simplifying access to finance for SMEs, reducing administrative burdens, creating favourable conditions for revival of European industry, and boosting innovation.

Priority 2: A connected digital single market

Mr Juncker's objective under this heading is to break down national 'silos' in telecoms regulation, in copyright and data protection legislation, in the management of radio waves and in the application of competition law. By creating a connected digital single market, the EU could generate up to €250 billion of additional growth in Europe in the next five years, thereby potentially creating hundreds of thousands of new jobs. In order to do so, the Commission

intends to take legislative steps within its first six months in office to promote a connected digital single market, in particular aiming to conclude negotiations on common European data protection rules, improve the on-going reform of telecoms rules, modernise copyright rules in the light of the digital revolution and consumer behaviour, and modernise and simplify consumer rules for online and digital purchases. This goes together with promotion of digital skills and learning, and innovative start-ups. Supporting digital technologies and online services would become a horizontal policy, covering all areas of the economy including the public sector.

For the European Parliament, completing the digital single market is crucial to stimulating growth and creating employment in the European economy. The Parliament has indicated that fragmentation and lack of legal certainty are primary concerns in this field, and that inconsistent enforcement of existing EU rules in Member States also needs to be addressed. In December 2012, the EP <u>called for</u> targeted legislative proposals to build confidence and trust in the digital single market; it favoured developing common European standards to facilitate cross-border ecommerce, recognised the potential of cloud computing and called on the Commission rapidly to propose a European-level strategy for this important market. In a recent <u>resolution</u>, the Parliament welcomed the adoption of the 'Code of EU Online Rights' and recommended that future legislation further increase consumer confidence. It also emphasised the need for a high level of network and information security, in order to guarantee both the functioning of the single market and consumer confidence. Major pieces of the digital single market that are missing include e-payments and invoicing; clarifying VAT regulations; generating consumer trust in e-commerce (including through consumer protection); protecting intellectual property while eliminating geographic restrictions; and ensuring data protection and privacy..

According to recent analysis by the European Added Value Unit of EPRS, summarised in 'Mapping the Cost of Non-Europe, 2014-19', an appropriately structured digital single market should increase the efficiency of traditional enterprises, reduce business transaction costs, facilitate the transmission of information on which knowledge-based and service industries depend, and help shift the EU economy towards the growing sector of knowledge-based services. A fully functional digital single market should also bring welfare improvements to consumers from a higher level of e-commerce. The research in question suggests potential gains over time in EU gross domestic product (GDP) of up to €656 billion per year from completing the digital single market in the following fields: e-commerce, e-procurement, Single European Payments Area (SEPA) and e-payments, e-invoicing, cloud computing, mobile roaming rates, mobile termination rates, consumer protection and online dispute resolution. However, taking account of the inherent complexity of 'de-compartmentalising' existing national markets and the speed of technological change in this area, the full potential may take considerable time to achieve, implying a more cautious medium-term gain of around €340 billion per year.

Priority 3: A resilient Energy Union with a forward-looking climate change policy

Under this heading, Mr Juncker's objectives are to reorient and reorganise Europe's energy policy into a new European Energy Union; pool resources, combine infrastructure and unite negotiating power vis-à-vis third countries; diversify energy sources, and reduce the current high energy dependency of several Member States. The new Commission would further strengthen the share of renewable energies, with Europe's Energy Union becoming the leading world player in this field. It would also like significantly to enhance energy efficiency beyond the 2020 objective, notably when it comes to buildings, and favours an ambitious, binding target to this end that continues the current energy-efficiency pathway. The EU would also lead the fight against global warming ahead of the United Nations' Paris meeting in 2015 and beyond.

In respect of the integration of energy <u>markets</u> in Europe, the European Parliament has stressed the need to move forward with implementation of the third internal energy market package, particularly its effective transposition. Well-designed European markets could provide better

results at lower cost than uncoordinated national approaches, and help meet the EU's overall objectives for emissions, electricity supply and security of gas supply.

On energy efficiency and supporting innovation, the Parliament considers that markets alone might not be enough and that the Union should thus rethink its quantitative headline targets for 2030. The EP has notably <u>called for</u> a multi-faceted approach based on mutually reinforcing, coordinated and coherent policies, and ambitious binding targets for the reduction of greenhouse gas emissions, renewable energy sources and energy efficiency. The Parliament also stressed the importance of providing comparative tools for consumers, allowing for transparent pricing and billing, as well as the need to reinforce security of supply, to end the physical isolation of several Member States in the energy market, and to pay greater attention to the needs of vulnerable consumers. The modernisation of existing energy transmission, distribution and storage infrastructure, especially trans-border interconnections was also called for. In the context of the situation in Ukraine, the Parliament recently underlined the need to increase EU storage capacities and to provide reverse flow of gas from EU Member States to Ukraine.

In February 2014, the Parliament gave a strong signal in response to the Commission proposal for a policy framework for 2030 on climate and energy, calling for three binding targets: a reduction of at least 40 per cent in domestic GHG emissions from 1990 levels; 30 per cent for the total share of renewable energy sources in final energy consumption; and a 40 per cent increase in energy efficiency. It criticised the proposal made by the Commission as short-sighted and unambitious.

According to recent analysis by the European Added Value Unit of EPRS, summarised in 'Mapping the Cost of Non-Europe, 2014-19', an integrated EU energy market could result in a potential GDP gain in the European economy of €50 billion per year.

Priority 4: A deeper and fairer internal market with a strengthened industrial base

The President-elect's objectives under this heading are to:

- complete the internal market in products and services;
- maintain and reinforce a strong and high-performing industrial base for the internal
 market; and bring the share of industry in EU GDP back to 20 per cent by 2020 (from
 under 16 per cent today). This should ensure that Europe maintains global leadership in
 strategic sectors with high-value jobs. It will inter alia require investment in new
 technologies, improvement of the business environment, better access to markets and
 to finance, particularly for SMEs, and efforts to ensure that workers have the skills
 needed by industry;
- complement the new European rules for banks with a Capital Markets Union;
- promote labour mobility while ensuring that the Posting of Workers Directive is strictly implemented; initiate a targeted review of this directive to prevent social dumping;
- step up efforts to combat tax evasion and tax fraud and work towards the adoption at EU level of a Common Consolidated Corporate Tax Base and a Financial Transaction Tax; push the rapid adoption of the proposed reinforced EU rules against money laundering.

In regard to the <u>single market</u> for consumers and citizens, the European Parliament has underlined that free movement of goods, capital, services and people still offers untapped potential for citizens and business, in terms of efficiency, growth and job creation, and has called on the Commission to put forward legislative proposals accordingly. This led to the Commission's communications on the Single Market Act and Single Market Act II. The EP has emphasised the importance of properly integrating environmental and social dimensions into the single-market strategy, developing an inclusive, low-carbon, green, knowledge-based economy, putting consumer interests and social policy at the heart of the single market,

ensuring the protection of services of general economic interest, and improving informal problem-solving mechanisms (such as SOLVIT).

The EP has also <u>asked</u> for the integration of the single market into the European Semester and stressed the need to define the single market as the third pillar of the Semester, in order to prioritise dimensions related to the real economy. In a <u>resolution in February 2014</u>, the EP asked that the country-specific recommendations in the forthcoming 2014 European Semester cycle should reflect the findings of the single market integration report in a much stronger and stringent way than the 2013 recommendations. Moreover, the EP has <u>underlined</u> the importance of an industrial policy, notably to tackle unemployment, and called for specific SME support and assistance programmes to facilitate SMEs in becoming industrial champions in their fields. Noting that European industry's share of aggregate European GDP has fallen from 20 to 15 per cent in 15 years, it strongly supported the headline target of 20 per cent, which would imply the creation of at least 400 000 new industrial jobs per annum.

The EP has played a critical role too, regarding the reform of the financial services sector and adopted in 2012 an own-initiative resolution in the field of shadow banking, underlining that it was 'one of the main possible triggers or factors contributing to the financial crisis' and is currently considering additional measures to address the problems in that <u>field</u>.

According to recent analysis by the European Added Value Unit of EPRS, summarised in 'Mapping the Cost of Non-Europe, 2014-19', completing the single market in selected fields could result in a potential gain of at least €300 billion per year (with subsequent research suggesting an even higher figure). This would involve inter alia deepening the single market for industrial products, initiatives on free movement of goods, for retail financial services and consumer protection, financial services, shadow banking, money-market funds, long-term investment funds, investor compensation, and cross-border public procurement, as well as implementation of the Single Market Act II and free movement of services, equal pay for equal work, a single European area for transport and tourism, and company law reform.

Priority 5: A deeper and fairer Economic and Monetary Union (EMU)

The objectives set by Mr Juncker under this heading are to:

- keep on reforming EMU, in order to preserve the single currency and enhance convergence in economic, fiscal and labour market policies between Member States that share the single currency;
- launch, during the first year of the mandate, legislative and non-legislative initiatives to
 deepen EMU. These would include a stability-oriented review of the 'six-pack' and the
 'two-pack' legislation (written into this legislation); proposals to encourage further
 structural reforms, if necessary through additional financial incentives and a targeted
 fiscal capacity at euro-area level; and a proposal for more efficient external
 representation of EMU;
- in the medium term, rebalance the way in which conditional stability support is granted to euro-area countries in difficulties, and replace the 'troika' with a more democratically legitimate and more accountable structure;
- ensure that any support and reform programme in the future should not only go through a fiscal sustainability assessment, but through a social impact assessment as well.

The political guidelines underline that the social effects of structural reforms should be discussed in public and that the fight against poverty should be a priority.

The European Parliament has been a driving force behind the debate on the introduction of a social dimension of EMU. In its resolutions on EMU, it has emphasised that the social and employment effects of reforms and of the economic and financial crisis need to be addressed,

with the involvement of the social partners, and that new tools should be developed to address social concerns. Since December 2012, two reports have set out the framework for future reforms of EMU: 'Towards a Genuine EMU', prepared by the President of the European Council, Herman Van Rompuy (in close collaboration with the Presidents of the European Commission, Eurogroup and European Central Bank), and subsequently, 'A Blueprint for a Deep and Genuine EMU' from the Commission. In October 2013, the Commission presented a more detailed proposal focused on the social dimension of EMU, on the basis of the Parliament's calls and European Council conclusions. When it comes to reviewing EMU, the Parliament has favoured full implementation of the current governance rules before introducing further ones, and the use of the Community method rather than intergovernmental treaties. In recent reports, the EP has also called for its involvement in setting EU economic and employment priorities and guidelines.

Furthermore, the Parliament has recalled that an integrated fiscal framework is an essential part of a genuine EMU which has to go together with a functioning 'two pack', a Fiscal Compact under the Community method, a European Budget fully funded by own resources, and a gradual roll-over in a 'redemption fund' of Member States' debts, as well as measures to fight tax evasion and better practices in taxation methods. The EP had considered that the existing framework for economic governance of the euro area should be reinforced further through greater ex-ante coordination of major reform projects and through the creation of a 'Convergence and Competitiveness Instrument' (CCI) that would combine deepening integration of economic policy with financial support. The EP had asked the Commission to work on ideas under debate such as the redemption fund and the common issuance of eurobonds. The EP called for concrete steps in building a genuine social and employment pillar as part of European Monetary Union, in particular by ensuring that the flexibility of the labour market is balanced by adequate levels of social protection.

According to recent analysis by the European Added Value Unit of EPRS, summarised in 'Mapping the Cost of Non-Europe, 2014-19', a deeper Economic and Monetary Union in its various components could result in a potential GDP gain of at least €120 billion per year, through completing Banking Union and banking regulation to avert a new financial crisis; a Common Deposit Guarantee Scheme; improved coordination of fiscal policies; a common unemployment insurance scheme for the euro area, to help ensure unemployment compensation during a downturn; and revised VAT rules and action against tax evasion (for example, by strengthening the Savings Taxation Directive).

A fully functioning system of Banking Union, resting on sound banking regulation, has the potential to help avoid significant recapitalisation costs and GDP loss in the coming years, by playing a key role in averting or containing any future financial crisis. The Parliament has called for measures to address, in a Community framework and with genuine accountability, the resolution of failing banks, guaranteeing a common 'rule book', as well as a common set of intervention tools and triggers, whilst limiting taxpayers' involvement to the minimum, through the creation of harmonised, self-financed, industry resolution funds. In April 2014, the EP adopted three key texts, completing the legislative work underpinning Banking Union.

Priority 6: A reasonable and balanced free trade agreement with the United States

The guidelines set out by Mr Juncker stress under this heading that any trade agreement with the US should not sacrifice Europe's safety, health, social and data protection standards or Europe's cultural diversity. Food safety and the protection of Europeans' personal data would in particular be non-negotiable, and the Commission would not accept that the jurisdiction of courts in the EU Member States is limited by special regimes for investor disputes.

In a recently adopted <u>resolution</u>, the European Parliament considered it crucial for the EU and the US to realise the untapped potential of a truly integrated transatlantic market, in order to

maximise the creation of decent jobs and stimulate sustainable and balanced growth potential. The EP supports an agreement with the US that would boost the creation of high-quality jobs for European workers, open up new opportunities for EU companies, in particular SMEs, to sell goods and provide services in the US, and would ensure full access to public procurement markets in the US. The Parliament endorsed the recommendation in the EU-US High Level Working Group (HLWG) final report to launch negotiations for a comprehensive trade and investment agreement.

However, the Parliament also <u>called for</u> the negotiating mandate to clearly exclude cultural and audiovisual services, including those provided online. It wants the negotiations to include strong protection in specific areas of intellectual property rights; to take account of the provisions of the General Agreement on Trade in Services (GATS) on the protection of personal data; to address the environmental and labour aspects of trade and sustainable development; to include financial services, paying particular attention to equivalence, mutual recognition, convergence and extraterritoriality; and to address the current restrictions on maritime and air transport services owned by European businesses. The EP also emphasised the sensitivity of certain fields of negotiation, like genetically modified organisms (GMOs), cloning and consumer health, where perspectives between the US and the EU tend to diverge. The success of any Transatlantic Trade and Investment Partnership (TTIP) would ultimately be largely linked to the ability of the negotiators to take into account the views expressed by the EP and the US Congress.

Recalling the Parliament's <u>role</u> in the TTIP process – in particular the fact that it will be asked to give its consent to any future agreement, as stipulated by the Treaty on the Functioning of the European Union – the resolution reminded the Commission of its obligation to keep the Parliament immediately and fully informed at all stages of negotiation (before and after the negotiating rounds) and that its positions should therefore be duly taken into account throughout. It also reiterated its basic responsibility to represent the citizens of the EU, and looked forward to facilitating inclusive and open discussions during the negotiating process.

Research undertaken for the Commission suggests that a successful TTIP could bring a potential GDP gain of around €60 billion per year to the European economy. This would be obtained notably from removal of tariff and non-tariff barriers to trade.

Priority 7: An area of Justice and Fundamental Rights based on mutual trust

In this policy area, Mr Juncker's political guidelines focus on:

- the designation of a Commissioner with specific responsibility for the Charter of Fundamental Rights and the Rule of Law (also with responsibility for concluding the EU's accession to the European Convention on Human Rights);
- maintaining the proposal for a directive against discrimination, and working towards convincing national governments to remove resistance in the Council;
- finalising the legislative work on common data protection rules, and upholding this right in the EU's external relations. In particular, the US must convince the EU that current safe-harbour arrangements are truly safe, and guarantee that all EU citizens have the right to enforce data protection rights in US courts, whether or not they reside on US soil;
- combatting cross-border crime and terrorism, organised crime and corruption, and terrorism and radicalisation, while guaranteeing fundamental rights and values, including procedural rights and personal data protection;
- improving judicial cooperation among EU Member States, by strengthening common tools such as Eurojust, by making progress on new tools such as the European Public Prosecutor's Office, and by mutual recognition of judgments.

In the area of civil rights, the European Parliament has requested an up-to-date consolidated Code of Private International Law. It has asked for legislative proposals and other measures in

the field of legal protection of vulnerable adults, as well as for the review of a Council Framework Decision of 2008 on the fight against certain forms and expressions of racism and xenophobia, in order to include forms of bias-motivated crime. It also wants the Commission promptly to propose a package on cross-border issues such as traffic accidents, commercial disputes, and disputes on fatal accidents or child guardianship.

In March 2014, the Parliament adopted a major legislative resolution on the protection of individuals with regard to the processing and free movement of personal data. An important condition for the EP to give consent to the Agreement with the US on terrorist finance tracking (the TFTP or the 'Swift' Agreement) was that it contained appropriate safeguards in terms of data protection and civil rights, and that the Commission would start preparing a European system to replace the Agreement. As far as the mid-term review of the Stockholm Programme is concerned, the EP notes that several major proposals remain outstanding, including those relating to the mutual recognition of the effects of 'civil status' documents.

In the field of preventing violence against women, the EP in <u>particular</u> called for the adoption of a legal act supporting Member States' action in the field of prevention of violence; the establishment of a coherent system for collecting statistics on gender-based violence in Member States; the launching of procedures for EU accession to the Istanbul Convention; and the adoption of an EU-wide strategy and action plan to combat violence against women.

According to recent analysis by the European Added Value Unit of EPRS, summarised in 'Mapping the Cost of Non-Europe, 2014-19', in addition to the moral and personal cost of violence against women, there is also a substantial economic cost to society as a whole. European action to fight violence against women could result in a potential reduction in direct costs of €7 billion per year. Similar research also suggests that action to improve the operation of the European Arrest Warrant and to codify private international law could also yield GDP gains, although of a smaller order of magnitude.

Priority 8: Towards a new policy on migration

The priorities set out in this field by the President-elect are the following:

- to fully implement the newly agreed common asylum system, remove divergence in national implementation and explore the possibility of the European Asylum Support Office assisting third countries and Member States' authorities in dealing with refugees and asylum requests in emergency situations;
- to promote a new European policy on legal migration, in order to address specific skills shortages and better cope with demographic challenges, and as a first step, to review 'Blue Card' legislation and its unsatisfactory state of implementation;
- to deal more robustly with irregular migration, through better cooperation with third countries, including on readmission;
- the designation of a Commissioner with special responsibility for migration;
- to secure Europe's borders, notably through stepping up the operational capacities of the European border agency, Frontex.

The European Parliament has <u>welcomed</u> the setting-up of the European Asylum Support Office (EASO) and pointed out that it should support capacity-building measures for under-developed or dysfunctional asylum systems, and give priority to emergency situations and to Member States facing specific pressures. The EP recalled that the EU had committed itself to completing the establishment of a Common European Asylum System (CEAS) in 2012, a system in which solidarity should go hand-in-hand with responsibility – with solidarity not limited to Member States' relations with each other, but also aimed at asylum-seekers and beneficiaries of international protection.

The EP also asked the Commission to present a legislative proposal, including effective action against the abuse of asylum procedures, on the establishment of an EU Code for Asylum. It also called for a comprehensive blueprint setting up the objectives and architecture of the Union's integrated border management strategy, and for measures to actively fight the abuse of asylum.

Priority 9: Europe as a stronger global actor

The guidelines for the Juncker Commission call for better mechanisms to be put in place to generally anticipate major international events earlier and to identify more swiftly common responses to them. They also underline the need to be more effective in bringing together the tools of Europe's external action. The next High Representative for Foreign Affairs and Security Policy would have to act in concert with the Commissioners for Trade, Development and Humanitarian Aid, as well as for Neighbourhood Policy. Other external relations Commissioners will be entrusted with the task of deputising for the High Representative, both within the work of the College and on the international stage.

In security and defence matters, Member States which wish to do so, as provided for by the Treaty of Lisbon, should be free to pool their defence capabilities in the form of permanent structured cooperation. Member States should also create more synergies in defence procurement. On-going enlargement negotiations would continue, notably with the Western Balkans, but no further enlargement would take place over the next five years.

The European Parliament has, in a past <u>resolution</u>, underlined its support for strengthening of the role of the High Representative/Vice-President in external relations, as well as a reinforcement of coordination between the External Action Service (EEAS) and the Commission. The EP has also pointed to the need to operationalise the Declaration on Political Accountability (a declaration agreed by the HR/VP which defines her relationship with the EP) and interinstitutional agreements to ensure that the EP is consulted before the adoption of mandates and strategies and has better access to information. It has notably required the HR/VP to set out in the next annual CFSP report her foreign policy objectives for the years 2014 and 2015, along with the timeframe and necessary resources for their implementation, and to establish clear priorities and strategic guidelines for CFSP. In respect of enlargement policy, the Parliament has welcomed increased information-sharing and asked for early consultation in the drafting of annual progress reports and of documents relating to financing. The EP has asked for a more active involvement of the Union and/or the HR/VP in a range of external dimensions, including Neighbourhood Policy and conflict resolution, as well as for greater coordination among EU donors in development policy.

Concerning security and defence policy, Parliament has adopted two <u>resolutions</u> urging Member States to reinforce industrial cooperation, by developing and producing efficient military and security capabilities, using the most advanced technologies. The EP favours a European defence industry strategy which aims at optimising Member State capabilities by coordinating the development, deployment and maintenance of a range of capabilities, installations, equipment and services. The EP has called inter alia for a white paper on EU security and defence policy which would include a plan of action to increase the effectiveness, visibility and impact of the CSDP.

According to recent analysis by the European Added Value Unit of EPRS, summarised in 'Mapping the Cost of Non-Europe, 2014-19', increased cooperation in CSDP could result in a potential efficiency gain of around €26 billion per year, whilst improved donor coordination could save some €800 million per year.

Priority 10: A Union of democratic change

Under his tenth political priority, Mr Juncker states that the new European Commission will be committed to reinvigorating its 'special partnership' with the European Parliament, already

foreseen in the 2010 Framework Agreement between the two institutions, and to having a 'political', rather than technocratic, dialogue with the Parliament. The stated intention always to send political representatives to important trilogue negotiations (within the codecision process) is underlined, with the implication that the Council should do the same.

The Commission intends to enhance transparency through proposing an Inter-Institutional Agreement to Parliament and Council to create a mandatory Transparency Register for lobbyists, covering all three institutions. The legislation specifically applicable to the authorisation of genetically modified organisms would also be reviewed in order to give the Commission and the majority view of Member-State governments stronger weight in the comitology process. The Commission would also explore the possibility of reinforcing interaction with national parliaments.

In recent years, the European Parliament has called for the development of planning of interinstitutional legislative programming, as part of better law-making, throughout the EU legislative cycle — from agenda-setting upstream to implementation and evaluation downstream. It has also called for greater emphasis to be placed by the Commission on the potential 'European added value' of any proposed action. In this context, the EP has repeatedly called for renegotiation and updating of the 2003 Inter-Institutional Agreement on Better Law-Making, in order to take into account the Treaty of Lisbon and the Commission-EP Framework Agreement, as well as to develop and/or consolidate best practice in various fields, such as legislative planning, impact assessment, added value, implementation (including correlation tables) and the handling of delegated and implementing acts.

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