

Priority dossiers under the Maltese EU Council Presidency

INTRODUCTION

Malta will hold the EU Council Presidency from January to July 2017. Its Presidency will bring to an end the Trio Presidency composed of the Netherlands, Slovakia and Malta. This is the first time Malta holds the rotating presidency. Malta is currently led by a Socialist government, with Joseph Muscat as its Prime Minister. Prime Minister Muscat was a Member of the European Parliament between July 2004 and January 2007. He has been Prime Minister since 2013. The next general elections are due in 2018.

Malta is a republic with a unicameral parliamentary system. Parliament is composed of representatives of two main political parties – the Nationalist party, which is a Christian-Democratic party and the Labour party, a Social-Democratic party.

POLITICAL PRIORITIES OF THE MALTESE PRESIDENCY

Six over-arching priorities have been identified by the Maltese government, as follows:

- Migration
- Single market
- Security
- Social inclusion
- Europe's Neighbourhood
- Maritime sector

The Maltese Presidency is also cognisant of the impact a potential triggering of Article 50 by the British government will have on the future of the EU, and is preparing for a potential start of negotiations on a British exit from the EU. Prime Minister Theresa May has announced the notification under Article 50 by the UK government can be expected by March 2017.

This note looks at the Maltese Presidency priorities in Part A, together with the most important dossiers which the European Parliament will need to address in the coming six months, in Part B.

PART A: MALTESE PRESIDENCY PRIORITIES

1. MIGRATION

Migration and asylum will be high on the agenda of the Maltese Presidency. The objective will be to push for the swift implementation of the measures already agreed to, particularly the European Agenda on Migration and the related packages already proposed and those announced in the Commission Work Programme (CWP) for 2017. Specifically, the Presidency intends to take forward the fight against illegal migration on the basis of the Action Plan against Migrant Smuggling and the Action Plan on Returns. The Presidency will also push for the implementation of Council Decisions on relocation of 160 000 persons in need of international protection.

Ongoing legislative files

- Revision of Dublin Regulation *2016/0133(COD)* (this is currently the most sensitive legislative dossier in the field of asylum law on which work is ongoing in LIBE committee)
- a revision of the Blue Card Directive *2016/0176(COD)* (this is part of the legal migration package)
- Entry/Exit System (two proposals – one establishing the Entry-Exit system *2016/0106(COD)* and the other amending the Schengen Regulation *2016/0105(COD)* (the new system would be used for registering the date of all third-country nationals entering and exiting the EU)
- International Protection: Crisis relocation mechanism *2015/0208(COD)*
- Establishing an EU common list of safe third countries of origin *2015/0211COD* (negotiations are ongoing under the Slovak Presidency)
- Establishment of EURODAC for the comparison of fingerprints *2016/0132(COD)*

There are a number of other important legislative proposals on asylum, which the LIBE committee is currently reviewing, and on which a mandate for negotiations could potentially be agreed in committee in March 2017. These are:

- European Union Agency for Asylum *2016/0131(COD)* (this would convert the current Asylum Office located in Malta into a fully fledged EU agency)
- Standards for the reception of applicants for international protection *2016/0222(COD)*
- Standards for the qualification of third-country nationals or stateless persons as beneficiaries of international protection *2016/0223(COD)*
- Common procedure for international protection in the Union *2016/0224(COD)*
- Union Resettlement Framework *2016/0225(COD)*

One other important file is the establishment of a European Travel Information and Authorisation System (ETIAS) *2016/0357(COD)*, which the Commission tabled in November this year and which may be treated with sufficient urgency as to come to an agreement during the Maltese Presidency.

2. SINGLE MARKET

The Single Market has always been seen as the biggest asset of the EU. The Presidency aims to work on legislation already presented regarding the Single Market strategy and the Digital Single Market.

Ongoing legislative files

- Promotion of internet connectivity in local communities (known as Wifi4EU) *2016/0287(COD)*
- Regulation on Geo-Blocking *2016/0152(COD)* (IMCO plans to vote in April 2017)
- Review of the Consumer Protection Cooperation Regulation *2016/0148(COD)*
- Cross border parcel delivery Regulation *2016/0149(COD)*
- Rules for wholesale roaming markets *2016/0185(COD)* (*this file needs to enter into force on 15 June 2017 at the latest; hence it will be a first priority for the Maltese Presidency*)
- Telecoms Reform: European Regulators for Electronic Communications *2016/0286(COD)* & European Electronic Communications Code *2016/0288(COD)*

The proposal on the approval and market surveillance of motor vehicles *2016/0014 (COD)* will likely be voted by the IMCO committee at the beginning of 2017 and can be expected for negotiations with the Maltese Presidency early next year.

On the subject of copyright, the Commission proposed an important package in September 2016 composed of two regulations and two directives. The proposal for a directive on copyright in the Digital Single Market, *2016/0280(COD)* and the regulation on the exercise of copyright applicable to online transmissions *2016/0284(COD)* will ensure better choice and access to content online. The proposals on cross-border exchange with third countries of certain works for the visually impaired *2016/0279 (COD)* and the harmonisation of copyright in the information society *2016/0278(COD)* will implement the Marrakesh Treaty into EU law. JURI is the committee responsible.

Also ongoing is the Digital Contracts package presented in December 2015, composed of a proposal for a regulation on cross-border portability of online content services (*2015/0284(COD)*) and two proposals for directives on contracts for the online sale of goods *2015/0288(COD)* and contracts for the supply of digital content *2015/0287(COD)*. As the JURI committee will likely adopt a mandate for negotiations on cross-border portability of online content services before the end of 2016, this file could be negotiated under the Maltese Presidency. With regard to contracts for the supply of digital content, the JURI and IMCO committees could vote in the first semester of 2017 and hence negotiations could start under the Maltese Presidency and be carried on by the Estonian Presidency.

Finally the amending directive on audiovisual media services: changing market realities *2016/0151(COD)* aims to extend the scope of the legislation to video-sharing platform services, as well as to better protect minors and promote European works. The CULT committee is expected to vote on this file in January 2017 and it would therefore be negotiated by the Maltese Presidency.

3. SECURITY

The EU is increasingly confronted with major security challenges, and the last couple of years have necessitated a shift in the direction of counter-terrorism capacity.

The implementation of the Agenda for Security 2015-2020 and the Renewed Internal Security Strategy is of key importance to the Presidency. The intention is to take forward the discussion on the fight against terrorism and serious and organised crime.

Ongoing legislative files

- New Psychoactive Substances *2016/0261(COD)*
- Money laundering or terrorism financing *2016/0208(COD)*
- European Criminal Records Information System (ECRIS) *2016/0002(COD)*
- Revision of Eurojust Regulation *2013/0256(COD)* and the establishment of a European Public Prosecutors' Office (EPPO) *2013/0255(APP)* (intensive negotiations on the EPPO have taken place under the Slovak Presidency but it may be up to the Maltese Presidency to conclude.

One other important dossier connected to the above that has been negotiated under the Slovak Presidency and could very well be concluded is the Directive on the fight against fraud to the Union's financial interests by means of criminal law (PIF) *2012/0193(COD)*. In the event that the final envisaged negotiation does not give the expected results, this could also become a priority under the Maltese Presidency.

4. SOCIAL INCLUSION

The Maltese Presidency plans to build on the European Commission's presentation of a European Pillar of Social Rights which will identify a number of essential principles common to euro-area Member States, focusing on their needs and challenges in the field of employment and social policies. The proposal is to engage with social partners, civil society and citizens on the content and role of the Pillar to move towards a deeper and fairer Economic and Monetary Union. The Pillar is composed of three main categories, namely: equal opportunities and access to the labour market, fair working conditions and adequate and sustainable social protection. A legislative proposal from the Commission is expected to be tabled in March 2017.

Ongoing legislative files

- Review of Posting of Workers Directive *2016/0070(COD)* (dealing with posting of workers when services are provided across borders within the Single Market, this file may be adopted in the EMPL committee in April 2017)
- Accessibility Act
- Protection of workers from exposure to carcinogens or mutagens at work *2016/0130(COD)* (EMPL committee plans to adopt the report in February 2017)
- Revision of the Regulation on the creation of a European Foundation for the improvement of working and living conditions *2016/0256(COD)*
- Directive on improving gender balance among directors of companies listed on stock exchanges *2012/0299(COD)*
- Approximation of the laws, regulations and administrative provisions of the Member States as regards the accessibility requirements for products and services *2015/0278(COD)* – IMCO, as lead committee, together with EMPL and TRAN, associated under Rule 54, are expected to vote the final report in March 2017, following which negotiations could commence.

In October 2016, the Commission presented a legislative proposal on a common framework for the provision of better services for skills and qualifications (Europass) *2016/0304(COD)*. The Council could give the Maltese Presidency a negotiating mandate although it is likely this proposal would be dealt with by the Estonian Presidency.

5. EUROPE'S NEIGHBOURHOOD

The Maltese Presidency intends to further support efforts to consolidate and develop Europe's Neighbourhood, with particular attention to be given to the stabilisation of Libya. In this regard it will continue to strengthen relations with the League of Arab States and seek to revitalise relations with Gulf States through the Gulf Cooperation Council. Together with the EU High Representative for Foreign Affairs and Security Policy, the Presidency intends to focus on the Mediterranean, the current migration crisis and the security challenges posed by the Middle East. It will also support the preparations for the fifth EU-Africa Summit to be held in 2017 and will organise a Conference on the Southern Neighbourhood on 29 April 2017 dealing with issues of culture, climate change, youth employment and inter-faith dialogue. It will also carry on the engagement with the Eastern Neighbourhood, including the support for Ukraine and ensuring cooperation with Russia on issues of global and regional concern.

6. MARITIME SECTOR

The Maltese Presidency will work towards an integrated maritime policy for the EU, which includes, amongst others, the marine environment, nautical tourism and the blue economy. The Presidency will also seek the development of a Maritime initiative for the Western Mediterranean as well as the political endorsement of the notion of Ocean Governance. In this regard it will promote the Blue Growth Initiative by holding a Ministerial Meeting on nautical and maritime tourism in April 2017.

Ongoing legislative files

- Review of Passenger Ship Safety legislation *2016/0170(COD)*
- Professional qualifications in Inland Waterways *2016/0050(COD)*

PART B: OTHER ONGOING LEGISLATIVE FILES

FINANCIAL AND ECONOMIC AFFAIRS

The Multiannual Financial Framework (MFF) review 2016/0283(APP) was part of the political agreement on the Multiannual Financial Framework (MFF) 2014-2020 and is provided for in Article 2 of the MFF Regulation. The current MFF was agreed in 2013 against the background of the economic crisis and its impact on public finances. Its review is currently on the table of the two co-legislators. Also related in this regard are the negotiations on the Commission's proposal for the revision of the Financial Rules applicable to the general budget of the Union 2016/0282(COD). The BUDG committee is expected to work jointly with the CONT committee under Rule 55 on this dossier, in line with past practice.

The European Fund for Strategic Investment (EFSI) 2016/0276(COD) mobilised, in its first year of implementation, about €115 billion in investment to boost jobs and growth. Given the results delivered, the Commission has proposed to extend the duration of EFSI until 2020 and to double its financial capacity. The BUDG and ECON committees are jointly responsible and are expected to adopt a position in December 2016/January 2017. The Maltese Presidency would then be charged with starting negotiations.

The new External Investment Plan is composed of three important proposals which pertain to the provision of guarantees by the Union budget, namely the European Fund for Sustainable Development (EFSD) 2016/0281(COD), the Guarantee Fund for external actions 2106/0274(COD), and the EU guarantee to the EIB against losses under financing operations supporting investment projects outside the Union 2106/0275(COD).

With regard to the Banking Union, work should continue on the European Deposit Insurance Scheme, 2015/0270(COD) with a vote in the ECON committee in early 2017 with a view to starting negotiations with the Council.

With regard to the Capital Markets Union, the Securitisation Package could also be expected during the Maltese Presidency. This is composed of two legislative dossiers, Prudential requirements for credit institutions and investment firms 2015/0225(COD) and Common rules on securitisation and creating a European framework for simple, transparent and standardised securitisation 2015/0226(COD). The overall aim is to diversify and improve access to funding for enterprises, especially SMEs which are heavily dependent on banks and consequently face higher costs. Also linked to the Capital Markets Union is the proposal on the Prospectus to be published when securities are offered to the public or admitted to trading 2015/0268(COD). Negotiations are ongoing under the Slovak Presidency.

ENERGY UNION AND CLIMATE CHANGE

Two Energy Security files, one on measures to safeguard the security of gas supply, 2016/0030(COD), and one on intergovernmental agreements in the field of energy, 2016/0031(COD), were voted in the ITRE committee in October 2016 and would therefore likely come up for negotiations under the remit of the Maltese Presidency.

The Circular Economy Package, presented by the Commission in December 2015, amends the three current directives on the landfill of waste 2015/0274(COD), on waste 2015/0275(COD), and on packaging and packaging waste 2015/0276(COD). The End-of-life vehicles, batteries and accumulators and Waste Electrical and Electronic Equipment (WEEE) Directive 2015/0272(COD) is also part of the package. The ENVI committee is expected to finalise its report by January 2017. The Maltese Presidency hopes to present a general approach to the package in February 2017, with negotiations opening in March.

The proposal for a directive to enhance cost-effective emission reductions and low-carbon investments 2015/0148(COD) revises the system of free allocations to focus on sectors at the highest risk of relocating their production outside the EU, updates benchmarks and introduces two new instruments: Innovation and Modernisation Funds. The ENVI committee voted in December 2016, and depending on the outcome in the plenary vote in February 2017, the legislative file could be negotiated under the Maltese Presidency. To date, the Council does not have a general approach on this file. Linked with this is Energy Labelling and Eco-design 2015/0149(COD), which could also meet the same timing.

The proposal for an amending regulation on the reduction of pollutant emissions from road vehicles 2014/0012(COD) aims to improve the efficiency of driving patterns in order to reduce air pollution and GHG emissions. Negotiations have been ongoing for a year. The co-legislators are waiting for a Commission proposal on delegated or implementing acts. This dossier could be concluded during the Maltese Presidency.

EXTERNAL RELATIONS AND TRADE

The Commission made a proposal on 5 July 2016 for an amending regulation establishing an instrument contributing to stability and peace 2016/0207(COD). The aim is to extend the Union's assistance under exceptional circumstances to be used to build the capacity of military actors in partner countries. This proposal seeks to address the EU's need for a stronger Europe when it comes to foreign policy to better contribute to supporting development and securing peace and prosperity in the world. This file could potentially come up for negotiations under the Maltese Presidency as it will deal with funding for the period 2017-2020.

The Maltese Presidency will likewise be involved in the workings of the third EU-Turkey Summit which should take place during its Presidency.

From a trade perspective, the Presidency signals it will work on Market Economy Status for China as well as legislative dossiers such as the modernisation of the Trade Defence Instruments (TDI) 2013/0103(COD) – the Council has agreed its negotiating position on this file on 13 December 2016. The European Council of 18 October 2016 also signalled to the Commission its interest in negotiations on a free trade agreement with Japan, with a view to reaching political agreement by the end of the year.

MAJOR EVENTS DURING THE PRESIDENCY:

- Informal meeting of Heads of State or Government as follow-up to the Bratislava Declaration (3 February 2017)
- 60th Anniversary of the Treaty of Rome (25 March 2017)
- Conference on Sustainable Fisheries in the Mediterranean (29/30 March 2017)
- Conference on the Southern Neighbourhood (29 April 2017)
- Euro-Med Cooperation for Energy Efficiency in the Mediterranean (19 May 2017)
- Digital Assembly (14-16 June 2017)
- High-level meeting of Small States (26/27 June 2017)

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